

Metro

600 NE Grand Ave.
Portland, OR 97232-2736
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Metro

Minutes - Final

Tuesday, June 25, 2024

10:30 AM

Portland Expo Center, Room D201. 2060 Marine Dr W, Portland,
OR 97217

<https://zoom.us/j/615079992> Webinar ID:
615 079 992 or 888-475-4499 (toll free)

<https://www.youtube.com/watch?v=omgKAA9K3cc>
Council work session

Joint MERC and Council Work Session

This meeting will be held electronically and in person at the Portland Expo Center.

You can join the meeting on your computer or other device by using this link:

<https://zoom.us/j/615079992> Webinar ID: 615 079 992 or 888-475-4499 (toll free)

10:30 Call to Order and Roll Call

Deputy Council President Hwang called the Work Session to order at 10:30 a.m.

President Peterson is excused.

Councilor Nolan and Gonzalez are remote.

Present: 6 - Councilor Gerritt Rosenthal, Councilor Mary Nolan, Juan Carlos Gonzalez, Christine Lewis, Ashton Simpson, and Duncan Hwang

Excused: 1 - Lynn Peterson

Roll Call was called for MERC Commissioners:

Present: 7 - Chair Karis Stoudamire-Phillips, Vice-Chair Damien Hall Commissioner, Deidra Kryz-Rusoff , Commissioner Deanna Palm, Commissioner David Penilton , Commissioner Dañiel Malán Commissioner Chris Oxley was remote

10:35 Work Session Topics:

10:35 Expo Future: Sports Feasibility Study Findings

Presenter(s): Paul Slyman (he/him) GM Special Projects, Metro
Rob Hunden (he/him) Hunden Partners President and CEO
Shawn Gustafson (he/him) Hunden Partners Project
Manager
Eliza Canty-Jones (she/her) Chief Program Officer, Oregon Historical Society

Attachments: [Staff Report - Expo Future Sports Feasibility-062524 Work Session.](#)
[ATTACHMENT A-ExpoFutureStaffReport-062524 worksession](#)
[ATTACHMENT B-ExpoFutureStaffReport-062524](#)
[ATTACHMENT C-ExpoFutureStaffReport-062524](#)
[ATTACHMENT D-Draft-EF-SportFeasibilityStudyExecSummary-060624](#)

Deputy Council President Hwang introduced Paul Slyman (he/him) GM Special Projects, Metro, Rob Hunden (he/him) Hunden Partners President and CEO, Shawn Gustafson (he/him) Hunden Partners Project Manager, Eliza Canty-Jones (she/her) Chief Program Officer, Oregon Historical Society on Expo Future: Sports Feasibility Study Findings.

Paul Slyman (he/him), Rob Hunden (he/him), Shawn Gustafson (he/him), Eliza Canty-Jones (she/her) presented on the feasibility study findings. The findings highlighted the significance of leadership in economic development and emphasized the need for a decisive commitment to specific projects. It noted that staff and consultants play crucial roles but ultimately rely on local leaders to drive projects to completion. The speaker acknowledged the difficulty of such projects due to the lack of private feasibility and underscored their broader benefits to the community and visitors.

Several key points were addressed: the shortage of indoor sports facilities in the Pacific Northwest, the strong rebound and demand for sports and entertainment events post-pandemic, and the need for a new, larger competitive facility with an emphasis on public accessibility and equity. The presentation also emphasized the importance of supportive amenities and community spaces and maintaining existing expo business while introducing new sports facilities.

Four scenarios for development were presented, ranging from a maximum sports program with multiple facilities to smaller, locally focused options. Each scenario included considerations for community benefits, potential financial performance, and the projected economic impact, including new hotel room nights and increased local spending. Funding options were also discussed, emphasizing the necessity of a combination of public and private investment. The overall message was clear: substantial investment is required, but similar projects in other communities have yielded positive results. The Pacific Northwest was identified as a region with significant unmet demand for competitive sports facilities.

Council Discussion

MERC Commissioner Dañel Malán wondered if there was a way to design the ice rinks so that they could be repurposed for other activities when not in use for skating.

Rob Hunden (he/him), CEO and Hunden Partners President and, Shawn Gustafson (he/him) Hunden Partners Project Manager mentioned that it's common for ice facilities to have flooring installed above them, which requires planning with designers to ensure efficiency and cost-effectiveness. He noted that while it's feasible, facilities generally avoid frequent conversions during the season but may cover the ice during off-peak times like summer months to accommodate other activities.

Councilor Lewis questioned whether enough consideration had been given to reconfiguring existing halls alongside new space projections to optimize volleyball court numbers and potentially elevate their venue to a national level.

Shawn Gustafson (he/him) stated that they not only

examined not only event days but also move-in, move-out processes and how various buildings and spaces were utilized. The analysis revealed that buildings A, B, and C were utilized only 10% to 20% of the time, whereas D and E saw higher utilization around 40%. Even if events were shifted from A, B, and C to D and E, the latter's utilization capacity remained feasible and was considered as a potential option for existing events.

Additionally, Councilor Lewis expressed excitement about the Max station going to Washington state, noting potential construction activities and new build outs associated with it, while also expressing concern about the impact on existing space if adjustments were necessary.

Rob Hunden (he/him), anticipated that the Interstate bridge project and potential changes to the station would be part of a broader master planning process, questioning how these developments might affect available space for development. He acknowledged the need for vertical parking solutions and emphasized that the next phase would involve extensive planning and adjustments to create a cohesive and functional environment.

MERC Commissioner David Penilton expressed satisfaction with the findings but posed a question about the ice component, particularly in relation to sports tourism and the future involvement of women in sports. He sought insights into potential opportunities for expanding ice sports, noting that additional ice facilities could cater to niche programming and engage more residents, potentially boosting participation, including among women, aligning with broader national trends towards increased participation in women's sports.

Councilor Simpson commended Paul's remarks and the efforts of everyone involved in the process. He expressed strong support for the sports direction, drawing from his background in Houston and emphasizing the significance of track and field. He also welcomed the idea of the museum while advocating for integrating diverse stories and experiences into design standards, and he highlighted the importance of exploring various funding scenarios for future discussions.

Councilor Rosenthal expressed strong support for the inclusion of a track, emphasizing its cultural significance to Oregon. He sought clarification on using turf fields for events and highlighted technological capabilities for versatile event hosting. Finally, he underscored the importance of honoring the historical and cultural significance of the area, suggesting potential renaming considerations for both the Expo Center and the bridge to better reflect their cultural ties and importance.

Councilor Gonzalez expressed gratitude for the insightful presentations and discussions, emphasizing the project's alignment with the region's identity and potential economic benefits. He highlighted the need for strategic planning amidst the nearby mega-project of the I-5 bridge, anticipating logistical challenges and disruptions that might arise. He requested insights on aligning construction timelines and minimizing disruptions, stressing the importance of coordinated efforts with partners to navigate potential challenges effectively.

Paul Slyman (he/him) stated that the close coordination with the Interstate Bridge project and internal planning departments, noting ongoing discussions to align development plans. Anticipating impacts from the Interstate

Bridge on Expo's infrastructure, including potential changes to Marine Drive and Expo Road entrances, he emphasized the need for detailed planning and open dialogue. He expressed openness to collaborating with the Interstate Bridge team to manage construction staging and optimize the use of Expo's 53 acres amidst the complexities of both projects.

MERC Commissioner Malán sought clarification on the assumption that a private management company would oversee the sports center, a detail that had not been previously discussed.

Rob Hunden (he/him), pointed out broader considerations such as employee benefits and other operational costs that impact public sector operations differently than they do private sector operations, suggesting these factors need further discussion for future decision-making.

MERC Commissioner Deidra Krys-Rusoff emphasized the importance of centering community voices and stories in the project, reflecting a commitment to healing and inclusivity. Additionally, she underscored the need to balance the sports pivot with maintaining economic diversity, ensuring that revenue-generating events like concerts are still prioritized to support the project's financial sustainability. Additionally, expressed gratitude to current clients for their patience during the process and highlighted the dedication of Metro staff and commissioners involved in shaping the project's future direction.

Rob Hunden and Shawn Gustafson (he/him) from Hunden Partners emphasized the importance of maintaining the existing business operations to ensure the facility could pay for its own debt service. Regardless of whether the

structure was private or public, he stressed that the goal was to retain the current staff due to their strong performance. They also suggested the possibility of a hybrid model, acknowledging that companies proficient in running sports facilities might not excel in managing convention and expo centers, highlighting the need to preserve what was already working well.

Councilor Hwang was concerned about the potential impacts of increasing the lodging tax and its effect on regional tourism and hotel stays. He emphasized the need to avoid undermining the convention center's business with higher lodging rates meant to fund such projects. Seeking insights into the elasticity of the lodging tax, he aimed to understand its potential impact. He sought examples of successful leadership in other regions to ensure effective completion of projects, avoiding prolonged delays.

Rob Hunden (he/him), pointed out the reliance visitor spending rather than burdening local residents. He discussed governance structures in other regions where tourism development projects are driven by entities like tourism commissions and destination management organizations, emphasizing the role of local leadership in advancing such initiatives.

Councilor Rosenthal raised concerns about potential overlap and competition for financing between two major projects Metro was involved in: the public benefit project and the Keller rehabilitation project. He sought input on strategies to prevent funding conflicts and ensure both projects could secure the necessary funds without hindrance or overlap.

Vice Chair Hall acknowledged the issue of overlapping projects and emphasized the need for Metro to track all

facilities it's involved in to mitigate impacts. He viewed the situation as more complex than a simple binary choice between projects like Keller and others, recognizing ongoing cycles of facility maintenance and development. His perspective aimed for a holistic approach to maintaining and advancing regional facilities to reflect a first-class region committed to growth and excellence.

MERC Chair Karis Stoudamire-Phillips reflected on the importance of timing and careful planning in shaping the timeline for upcoming projects. Emphasizing the commitment to ensuring the viability and profitability of regional buildings and venues, she expressed readiness to gather necessary information and conduct thorough research. Acknowledging the transformative nature of the proposed initiatives-including a sports pivot and memorialization-she conveyed enthusiasm for exploring innovative approaches and leveraging expert input as the projects evolve.

Councilor Lewis expressed appreciation for the insightful comments that prompted her to reflect on the Oregon Convention Center's achievements, particularly in expanding business through an adjacent hotel and hosting various sports and entertainment events. She emphasized the need to adopt a forward-thinking approach, considering all possibilities without prematurely limiting funding options, and looked forward to further pragmatic discussions on potential funding sources.

Commissioner Penilton expressed gratitude for the comprehensive findings presented, citing his visit to Moppet, Oregon, where he witnessed firsthand the economic impact of a local track on surrounding communities. He emphasized the obligation to support similar community-enhancing initiatives, acknowledging the

sustainability of proposed business models and exploring potential federal funding avenues. He underscored the need for continued progress and community engagement in advancing the project.

With no further discussion Deputy Council President Hwang moved on the next agenda item.

12:20 Chief Operating Officer Communication

Marissa Madrigal, COO provided an update on the following events or items:

- Highlighted upcoming presentations in December, including the vision from the historical significance and memorialization committee, and funding strategies from the financing task force.
- Encouraged attendees to visit the expo with staff, emphasizing the opportunity to experience the environment firsthand, and invited everyone to stay for light refreshments after the meeting.

12:25 Councilor Communication

- There were none.

12:30 Adjourn

There being no further business, Deputy Council President Hwang adjourned the Metro Work Session at 1:00 p.m.

Respectfully submitted,

Anushka Kargathara

Anushka Kargathara, Legislative Assistant