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**2012 WASHINGTON PARK
TRANSPORTATION AND PARKING
MANAGEMENT AGREEMENT**

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This 2012 WASHINGTON PARK TRANSPORTATION AND PARKING MANAGEMENT AGREEMENT ("Agreement") is made and entered into as of the _____ day of _____, 2012 (the "Effective Date"), by and between the CITY OF PORTLAND, through its Bureau of Parks & Recreation, a municipal corporation of the State of Oregon (hereinafter referred to as "CITY" and/or "PP&R"); METRO, a municipal corporation of the State of Oregon (hereinafter referred to as "METRO"); the WORLD FORESTRY CENTER, an Oregon nonprofit corporation (hereinafter "WFC"); the Portland Children's Museum, an Oregon nonprofit corporation (hereinafter, "PCM"); the JAPANESE GARDEN SOCIETY OF OREGON, an Oregon nonprofit corporation (hereinafter referred to as "the Japanese Garden"); and the HOYT ARBORETUM FRIENDS FOUNDATION, INC., an Oregon nonprofit corporation (hereafter referred to as "Hoyt Arboretum"); collectively referred to herein as the "Parties" or individually as "Party."

RECITALS

WHEREAS, METRO, a municipal corporation, owns and operates the Oregon Zoo, formerly known as the Washington Park Zoo (the "Zoo"), in Washington Park, Portland, Oregon, for the use, education, enjoyment and benefit of the general public; and

WHEREAS, the CITY owns Washington Park, which includes most of the lands on the perimeter of the Zoo, including the parking lots serving the patrons of all the Parties to this Agreement;

WHEREAS, WFC has built and maintains the Discovery Museum, the Julian N. Cheatham Hall, the Harold A. Miller Hall, and the Harry A. Merlo Hall, where it conducts its

activities, programs and functions for the use, education, enjoyment and benefit of the general public on land in Washington Park it has leased from the CITY; and

WHEREAS, PCM operates the Portland Children's Museum, where it conducts activities, exhibits, programs, a public charter school and other functions, and has operated the Museum for the use, education, enjoyment and benefit of the general public on land in Washington Park it has leased from the CITY; and

WHEREAS, Japanese Garden Society of Oregon operates maintains, improves, and administers an authentic, world-class Japanese garden and offers compatible educational, cultural, artistic, horticultural, environmental, and charitable activities for the enjoyment and benefit of the general public on land in Washington Park it occupies under a license agreement with the CITY; and,

WHEREAS, pursuant to a 35-year agreement entered into on April 10, 1979 ("Parking Lot Lease"), the CITY leased to METRO, WFC, and the OREGON MUSEUM OF SCIENCE AND INDUSTRY, an Oregon nonprofit corporation ("OMSI"), the parking lot adjacent to the Zoo, the WFC, and the Washington Park OMSI operation (the "Main Parking Lot"); and

WHEREAS, METRO, OMSI, and the WFC entered into an Operating Agreement dated April 10, 1979, and amended said Agreement on October 21, 1994 by entry into the 1994 Parking Lot Operating Agreement, which currently governs the use, operation, and maintenance of the Main Parking Lot by METRO, the WFC and the CITY (the "Operating Agreement"); and

WHEREAS, the Main Parking Lot is primarily used by METRO, the WFC, PCM, the CITY and the public attending their facilities; and

WHEREAS, in 1997, METRO issued debt instruments in the amount of \$4,940,000, in order to contribute to the cost of the construction of the light rail station at the Main Parking Lot

and construction of improvements and modifications to the Main Parking Lot, which debt was expected to be repaid using the proceeds of parking fees to be paid by users of the Main Parking Lot, but was not so fully repaid ("Metro Bond Repayment") and Metro is willing to forego future usage of parking revenues for debt repayment upon implementation of this Agreement; and

WHEREAS, during the construction of the MAX light rail station in the Main Parking Lot, a portion of an adjacent real property leased by the CITY to OMSI was converted to a temporary parking lot (this temporary parking lot is referred to hereafter as the "West Parking Lot") for use by workers and others during construction of the light rail station and in July 2012, the West Lot was subsequently leased by PP&R to Metro and WFC. The Parties agree that the West Parking Lot as well as the Main Parking Lot should be included in the premises governed by this Agreement; and

WHEREAS, the Parking Lot Lease and Operating Agreement expire in April 2014, but the Parties to this Agreement wish to agree to simultaneously terminate said Parking Lot Lease and the West Lot lease and the Operating Agreement and enter into this Agreement setting forth the rights and obligations of the Parties relating to the operation, use and maintenance of the Main and West Parking Lots, the Veterans Memorial Parking Lot, designated CITY parking lots at the International Rose Test Garden, Hoyt Arboretum and Portland Japanese Garden, as well as spaces on all park roadways, including but not limited to SW Knights Boulevard and SW Kingston Boulevard as depicted and described on the attached Exhibit A (collectively, the "Washington Park Parking"); and

WHEREAS, it is in the public interest for the Parties to enter into this Agreement to cooperatively create and implement an effective, world-class transportation and access management system for the regionally significant public and private non-profit venues within

Washington Park, (the Oregon Zoo, WFC, PCM, Washington Park itself, including the International Rose Test Garden, the Portland Japanese Garden, and the Hoyt Arboretum collectively, the “Venues”), through active access management and programs to increase the use of non-auto transportation alternatives, including bike and pedestrian paths, to Washington Park and provide safe and affordable access, thus ensuring their continued growth and protecting and promoting their financial strength and stability; and

WHEREAS, it is in the public interest to ensure continued and equitable access to the Venues by the residents of the Metro region, the state of Oregon and international visitors while minimizing transportation, parking and safety impacts to the neighborhoods; and

WHEREAS, parking fees must be charged for Washington Park parking, to encourage the use of alternative modes of transportation to Washington Park (“Alternative Mode Use”); to discourage use of Washington Park parking for park-and-ride purposes, except for continuation of an existing permit program for neighbors during non-peak seasons (Fall, Winter and Spring); to fully fund a Transportation Parking and Access Management Association and the development and implementation of a Transportation and Parking Management Plan; to pay for among other things, operations, maintenance and security supervision of all parking within Washington Park; to pay for capital improvements to the Washington Park parking lots needed to bring them into current compliance with CITY building and development codes, from time to time whenever required as a condition of approval for land use permits to be issued to the CITY, METRO, WFC, PCM, the Portland Japanese Garden, or the Hoyt Arboretum, and as necessary to promote pedestrian and vehicle safety and traffic calming; to pay for regular enhanced and expanded shuttle service connecting the Washington Park Parking Lot, the Washington Park Light Rail Station, the off-site Shuttle Parking Lots, the Zoo, PCM, WFC, International Rose Test Garden,

the Portland Japanese Garden, and the Hoyt Arboretum or their successors; to set aside funds to pay for future capital improvements to the Main and West Parking Lots identified in the WPA South Entry Vision Study Phase II, dated July 2012, as well as other transportation-related capital improvements in all of Washington Park; and to pay for the creation of a Washington Park Master Plan;

WHEREAS, PP&R and Metro anticipate serving as lead partners and performing public fiduciary responsibilities to support the fulfillment of this Agreement, including organizational set-up and various implementation functions, provision of funding and staff resources, and on-going technical assistance, and therefore will oversee and approve TMA recommendations on parking rate structures and the annual TMA budget; and,

WHEREAS, all Parties to this Agreement will provide representation on the TMA Board and actively support actions for the improvement of transportation-related infrastructure and transportation programs in Washington Park; and,

WHEREAS, the Parties intend that the parking fees be established and adjusted such that they minimize negative impacts on the guest experiences and financial health; and

WHEREAS, the Parties intend that the Parking Revenues be expended primarily for transportation purposes, that they be solely dedicated to expenditures in Washington Park, and that they be an addition to current CITY funding levels for Washington Park management, operations, repair and maintenance, and not replace said reasonable funding allocated by the CITY, which is approximately \$76,000 on the Effective Date; and

NOW, THEREFORE, the Parties hereto covenant and agree as follows:

1. Termination of Leasehold and Operating Agreement. The CITY, METRO and the WFC hereby agree to terminate the Parking Lot Lease and Operating Agreement and the

West Parking Lot Lease as of the Effective Date hereto. However, notwithstanding anything to the contrary in this Agreement, Sections 4 through 12 of the Operating Agreement and arrangements there under between the Parties existing as of the Effective Date shall temporarily continue to govern the use, operation and management of the Main and West Parking Lots and associated costs and revenues. All provisions in this Agreement that conflict with the terms set forth above, including but not limited to portions of Sections 4-6 of this Agreement, shall be suspended, until such a time as the CITY installs pay stations and begins collecting Parking Revenues, at which time Sections 4-6 and all other similarly suspended provisions of this Agreement shall take full effect. It is anticipated that when Section 4-6 takes full effect, the CITY will enter into a further Intergovernmental Agreement with Metro delegating a subset of its Washington Park Parking management responsibilities to the Zoo.

2. Term and Termination. The term of this Agreement shall be twenty-five (25) years. Notwithstanding said term, the intent of PP&R, the owner of the transportation infrastructure of Washington Park, and the Parties of this Agreement, is a long term relationship to support optimization of the transportation and parking programs and infrastructure in Washington Park, and all Parties intend to achieve and implement these programs on a long-term basis through new agreements at the end of this agreement. New agreements will require City and Metro Council approval.

3. Washington Park Parking. The Parties agree to the continued use of the Main and West Parking Lots (as depicted in Exhibit A) for the Zoo, Washington Park visitors, PCM, WFC and Hoyt Arboretum. The CITY will maintain no fewer than 968 parking spaces in the Main and West Lots, and an overall Washington Park Parking supply of approximately 1,400 spaces, which includes spaces in parking lots and spaces on park roadways, unless a reduction is

mutually agreed upon in writing. No rules, policies, procedures or services provided shall unfairly give one or more Venues an advantage at the expense of other Venues, recognizing that from time to time, increased attendance may require special access and parking accommodations for individual events. The TMA shall receive advance notice of these events from the host Venue in order to adequately plan to address potential impacts.

4. Paid Parking Introduction and Rates. The CITY shall procure and, beginning in 2013, install and operate pay stations throughout Washington Park, to impose parking fees for approximately 1,400 parking spaces in Washington Park, excluding some trailhead locations with limited parking spaces. The CITY shall fund capital and installation costs of the pay stations and be reimbursed from future parking meter revenues. A plan for the introduction to the public of said paid parking shall be coordinated with the Venues, and said meters may not be activated until after the agreed upon introduction plan has been approved by the TMA, or by the Washington Park Alliance, if the TMA has not yet been formed and operational. In calendar year 2013, approximately 1,400 parking spaces within Washington Park is expected to be paid parking. Parking rates may be adjusted thereafter based upon a recommendation from the TMA for approval by PP&R and Metro, as set forth below, in a manner that encourages alternative mode use and minimizes negative impacts on attendance and revenues of the Venues. The TMA will recommend a pricing plan (which may be seasonally based) to PP&R and Metro. PP&R and Metro shall determine the parking fee rates. The TMA, PP&R and Metro shall reevaluate the rates and pricing plan at least annually. High season rates will be consistent with rates necessary to achieve TMA objectives and on-street parking rates, unless the TMA recommends a different management approach, and PP&R and Metro accept the TMA's recommendation. The TMA may implement programs to support equitable access to the Venues. The "85% Rule", a national

parking management tool, will be employed to assist in determining the appropriate parking rate structure. The 85% Rule states that when parking occupancy reaches 85%, management programs will be adjusted to manage high demand for parking and rates may be adjusted in response to the parking demand to encourage alternative modes of transportation. This 85% Rule will be the general benchmark for parking fee management decisions. The Parties agree to the creation of a paid parking pricing plan that is reasonable, simple to execute and understand, and promotes visitor attendance at the Venues.

5. Paid Parking Revenues. The CITY shall collect parking fees and fines (hereafter "Parking Revenues") for all Washington Park Parking, and place said Parking Revenues in a separate CITY managed fund dedicated to the purposes of this Agreement. Parking Revenues and all interest earned on said revenues shall be expended in accord with the terms of this Agreement. The CITY shall provide a monthly accounting to the Parties of the Parking Revenues received and expended and the balances in the several accounts set forth below. The Parking Revenues shall be reserved and expended inside Washington Park, with the exception of shuttle service connecting to points outside of Washington Park, and for the benefit of all public visitors to the park and the Venues.

Base funding amounts are established below, with annual increases where appropriate. Budgeted funds that are not expended may be carried over to the next fiscal year, or if the base funding amount is determined to be more than necessary to achieve service levels, then the additional funding may be redeployed for other priorities. If the CITY expends money in any year, for which expenditures this Agreement provides for reimbursement from Parking Revenues, and if the Parking Revenues in that year are insufficient to reimburse fully those expenditures, then the CITY may carry over into future years the unreimbursed portions of those

expenditures, and shall be reimbursed for them out of Parking Revenues in future years, subject to the annual allocation of funds to Priorities 1-4. METRO commits to expend and shall be reimbursed for funds advanced for the initial costs associated with creating the TMA, up to \$75,000, as indicated in Priority 2. METRO is under no additional obligation to advance funding for other priorities in this Agreement.

Revenues from parking under this Agreement shall be expended according to the priorities set out in this Section. Some money to pay for the items listed as Priorities 1-5, may need to be expended before there will be sufficient revenue from paid parking. The CITY shall be responsible for advancing the moneys necessary for those priorities. The CITY shall be entitled to reimbursement of such moneys expended, in accordance with the priorities and terms set out in this Agreement. It is understood that expenditures under Priorities 1, 2 (except for the one-time expenses of setting up the TMA), and 3 are going to be ongoing expenses of operating the parking lots and paid parking under this Agreement, and that parking revenues will be used for those priority items annually.

Priorities 4 and 5 will be paid, until fully funded and expended, at which time said obligations will be satisfied and will automatically drop from the priority list; and Priority 6 is an on-going capital reserve for current and future agreed upon projects. The tasks listed under Priority 6 will be undertaken if and to the extent that sufficient Parking Revenues have been generated and set aside in the capital reserve to pay for them, except that land use conditions of approval associated with the West Lot Condition Use application and the METRO Oregon Zoo 10-year Conditional Use Master Plan shall be met by the required date. To the extent that the CITY or METRO find it necessary or expedient to borrow money to fund their reimbursable

\$400,000 Maximum Total

6th Capital Improvements and Capital Reserves

In priority order:

Parking Meter Acquisition and Installation	\$ 750,000
Phase I: Initial South Entry Vision Improvements (includes required stormwater vegetative facility improvements for land use approval of West Parking lots).	\$1,500,000
Phase II: South Entry Vision Pre-Development Funding	\$2,000,000
ODOT required improvements, if necessary	\$TBD
Washington Park Master Plan Improvements (based on priorities identified in the WPMP; improvements will be throughout all of Washington Park on an equitable basis; for transportation infrastructure only)	\$ Funding as available

6. Parking Lot Management, Repair and Maintenance. The CITY agrees to manage, maintain, repair, operate and provide security for all Washington Park Parking (approximately 1,400 spaces), in a good, clean, safe and orderly fashion. This includes, but is not limited to: collecting revenues and fees and imposing fines for parking as set forth in Section 4 above; enforcing the park-and-ride limitations established by the PP&R and Metro; maintenance and repair (sweeping and cleaning, snow and ice removal, landscaping maintenance, lighting, signage, striping, coating, etc.); and parking lot security and customer service (e.g. 24-hour security patrols and presence of security staff, directing traffic during overflow events, monitoring spill-over impacts in the adjacent neighborhoods, unlocking and jumpstarting vehicles, and other reasonable visitor requests) and, coordinating with and complying with the requirements of the Oregon Department of Transportation, etc.). Parking Management and Maintenance shall be fully funded in all years, in a base amount of \$475,000, adjusted annually

in accord with the most recent Portland-Salem CPI-U all items annual indicator (herein, "CPI") and any mutually approved changes to the "Level of Service" as hereafter defined. Metro may provide office space for CITY security personnel within the Oregon Zoo. The CITY will conduct the activities required under this section in accord with the Level of Service set forth in the schedule attached as Exhibit B. Adjustments to the Level of Service may be made from time to time, if mutually agreed upon by the Parties and approved by a vote of the TMA. The CITY may agree to enter into agreements with Metro or another Party for the compensated provision of services to satisfy the requirements of this section. If the CITY fails to maintain the Level of Service required by this section, any Party to this Agreement may provide the CITY with notice of default and reasonable opportunity to cure said default. If the CITY fails to cure said default within a reasonable time, or if the default is of a nature that it must be cured immediately, or if the default is a recurring default for which the CITY has been provided notice more than three (3) times in 365 days, then if Metro and one other Party to this Agreement agrees, the Party notifying the CITY of the default may cure the default and charge the reasonable costs of said cure to the CITY, such charges will be paid only from parking revenues derived from Washington Park.

7. Transportation Parking and Access Management Association. The Parties shall form a 501(c)(3) or (6) nonprofit corporation, whose bylaws and articles of incorporation shall be approved by all Parties. The CITY and Metro shall lead this effort with the support of the CITY Bureau of Transportation, and all CITY and Metro expenses in doing so shall be reimbursed by future Parking Revenues collected from Washington Park up to a maximum amount of \$75,000, exclusive of parking meter capital and installation costs. The purpose of the TMA shall be to adopt and implement a Transportation and Parking Management Plan ("TPMP") for Washington

Park. The TMA shall be an independent organization and shall maintain its own liability insurance. The Parties desire to locate the TMA offices within Washington Park near the Washington Park Light Rail Station. The TMA will serve all of the Venues within Washington Park and strive to implement programs and activities that broadly serve all Venues, neighbors and visitors.

7.1 TMA Functions. The TMA's functions shall include but not be limited to:

7.1.1 Develop and Implement TPMP. Develop, adopt and implement a Washington Park Transportation and Parking Management Plan.

7.1.2 Manage TPMP System. Manage the Washington Park Transportation and Parking Plan system and make recommendations for adjustments to paid parking pricing to PP&R and Metro.

7.1.3 Coordination by Members of Former PLOC Committee. The members of the Parking Lot Operating Committee established under the former Operating Agreement will continue to meet and coordinate Venue operations with respect to parking, until such time as the TMA is formed and the TPMP is adopted. Upon adoption of the TPMP, said activities shall be managed by the TMA and may be formally defined in a new Operating Agreement. Venue staff in operational roles will continue to serve as key coordinators of TMA programs and may perform such duties as part of a revised PLOC function.

7.1.4 Enhanced Shuttle Service. Provide mini-coach or mini-bus shuttle service throughout Washington Park, servicing the International Rose Test Garden, the Portland Japanese Garden, Hoyt Arboretum, Veterans Memorial Parking Lot, Zoo, PCM and WFC with connections to public transit stops to maximize use of light rail to Washington Park, and, when operating, servicing the "Shuttle Lots". Enhanced Shuttle Service shall be fully funded in all

years, at a base budget of \$300,000 annually, adjusted annually in accord with the CPI. The schedule, type and number of buses, fee and other level of service issues shall be addressed in a shuttle service operation plan to be prepared and submitted to the TMA Board for approval. Adjustments to the level of service may be made from time to time, with the intent of no one Party being disadvantaged by the level of service. Said adjustments must first be mutually agreed upon by the Parties and approved by a vote of the TMA Board.

7.1.5 Marketing and Website Development. Provide transportation option marketing and develop a website on the transportation options for travel to the Venues and Washington Park.

7.1.6 Partnerships with Third Parties. The TMA shall manage relationships with external partners, including but not limited to, the Oregon Department of Transportation, TriMet, Portland Bureau of Transportation, the Metro Regional Transportation Options Program and other potential funding organizations. The TMA shall seek additional funding for enhanced programming from foundations, grants and member contributions. Upon Metro's request, the TMA shall accept an assignment from Metro of Metro's agreements and business and financial arrangements with the owners of the Shuttle Lots, and shall manage the Shuttle Lot usage as part of its overall parking management program. TMA will either 1) accept the terms and conditions of the current use agreements 2) negotiate with property owners to modify the terms or 3) terminate the agreement. After the transfer of parking management to PP&R and through to the TMA, Metro shall have no ongoing direct parking management expenses nor obligations other than those explicitly stated in this Agreement or as mutually agreed to in writing in accord with Section 6.

7.2 TMA Governance. The TMA shall be governed by a board of nine (9) directors, to include representatives of the CITY Parks Bureau, Metro/Oregon Zoo, WFC, PCM, the Portland Japanese Garden, TriMet, the Hoyt Arboretum, and one citizen who lives in each of Sylvan Highlands Neighborhood and Arlington Heights Neighborhood (the "Board"). Citizen representation shall be nominated by the respective Neighborhood Boards. For the other TMA board positions, the director of the organization, or his/her designee, shall assume the board position. To remain on the Board, an organization must commit to implement the TPMP within its own organization and report annually on said implementation. Each board member shall commit to serving as an active two-way conduit of communication between the TMA and the board member's respective organization and stakeholders, and shall obtain the authority to speak for and represent said organization in TMA matters.

Governance will be further defined in the TMA's by-laws and articles of incorporation. TMA decision-making will be by majority vote of the TMA Board. PP&R will contract with the TMA for services to be performed pursuant to this Agreement.

7.3 PP&R and Metro. PP&R and Metro, as local governments with stewardship responsibilities within Washington Park, shall have discretionary decision-making authority upon recommendation from the TMA over certain matters, as set forth elsewhere herein. Specifically, the PP&R Director, or designee, and the Metro Chief Operating Officer, or designee, shall review and approve the TMA Board recommended budget and annual parking rate structure. The TMA staff shall prepare, and the TMA Board shall review and approve the proposed annual TMA budget prior to submission to PP&R and Metro. The TMA's agreement with PP&R shall provide for adequate CITY and METRO input into TMA's annual budget to assure its consistency with the terms of this Agreement, while maintaining TMA's independence

from the CITY and METRO. TMA staff shall prepare, and the TMA Board shall review and approve a proposed scope of work and budget, not to exceed the maximum amounts set out in Section 5 of this Agreement. PP&R shall submit the TMA's proposed scope of work and budget to the CITY.

7.4 TMA Operations. The TMA shall retain a professional full-time Executive Director and full or part-time staff, as necessary. The Executive Director shall report to the Board. Operating revenues for the TMA shall be funded through dedicated Parking Revenues, in a base amount of \$375,000.00, adjusted annually in accord with the CPI, intended to support 1.5 full time equivalent employees to operate the TMA and provide all services (other than Enhanced Shuttle Service) described in this section 7 and functions set forth in the bylaws and articles of incorporation. The TMA will contract with the CITY for accounting and financial management services, and will prepare an annual budget for submission to the CITY as part of the CITY's budget process. The TMA may contract with any of the Parties for other services, if doing so is more economical than performing the function internally. The TMA shall seek donations and grants to provide further funding to affect its purpose, which grants and donations, if received, shall not replace or diminish its dedicated paid Parking Revenue share, unless otherwise agreed to by the Parties to this Agreement.

8. Transportation and Parking Management Plan. The purpose of the TPMP shall be to implement a formal plan for, among other things: research and monitoring, reporting, goal setting, pricing strategy recommendations, alternative mode shift incentives programs, marketing and web information for alternative modes, transportation safety projects, enhancing multi-modal services, coordinating efforts among all institutions represented on the TMA board, offsite parking control/arrangements, event management, and developing additional funding. The

Parties agree to comply with the TPMP adopted by the TMA, to the extent that funding is available from Parking Revenues as provided in this Agreement. Additional funding not currently provided by this Agreement may be sought and utilized by the TMA to implement portions of the TPMP as set forth in Section 7.1.6. Adoption shall be done by majority vote of the TMA Board.

9. Washington Park Road, Bike and Pedestrian Lane Repair and Maintenance. The Parties agree that a fixed amount of \$200,000 per annum, adjusted annually in accord with the CPI, shall be allocated to implement a phased long-term maintenance and repair plan for the Washington Park Road and associated Bike and Pedestrian Lane System. Said funds shall augment and not replace current CITY budget allocations (the "Baseline Road, Bike and Pedestrian Lane Maintenance Budget") for park road, bike and pedestrian lane maintenance and repair, which is \$76,000 for the 2011-2012 CITY budget cycle. To assure that the Parking Revenues are not used to replace current CITY budget allocations, reductions in the Baseline Road, Bike and Pedestrian Lane Maintenance Budget by the CITY in future years shall result in a matching percentage reduction in the allocation of Parking Revenues set forth hereunder. Parks will maintain the roads, bike and pedestrian lanes to Park service standards.

10. Code-Required Capital Improvements. As of the Effective Date, capital improvements to the Main Parking Lot are required by the City of Portland Bureau of Development Services as a condition of approval for the Zoo's Conditional Use Master Plan (CUMP) Amendment. In March 2012, the City Hearings Officer allowed deferral of the improvements until the Zoo's new 10-year CUMP application was reviewed and approved. In addition, capital improvements to the West Parking Lot are also required to achieve and maintain compliance with the CITY's development code, including but not limited to landscaping and

stormwater management. The CITY agrees to fund the capital improvements set forth in Section 5 out of Parking Revenues, at a maximum not to exceed \$840,000, adjusted annually in accord with the CPI until such time that the improvements are completed. The CITY may enter into an Option 2 Compliance Plan under Portland City Code 33.258.D.2.d. (2), to phase in the construction of said capital improvements required for Conditional Use Master Plan Amendment, 2012 Conditional Use Master Plan, and the West Parking Lot Conditional Use Application. The CITY may request that Metro manage the construction of these code-required improvements. Metro may accept or reject this responsibility at its sole discretion. If Metro so accepts, the CITY and Metro will enter into an Intergovernmental Agreement, setting forth Metro's and the CITY's obligations relating to said construction work, which shall be fully funded by PP&R. As parking revenues are available for future capital improvements, other non-conforming improvements required for transportation infrastructure throughout Washington Park may be funded.

11. Washington Park Master Plan Update. The CITY will conduct a Master Planning Process and establish a new Master Plan for Washington Park. The Parties agree that the CITY shall use Parking Revenues to fund the Master Planning Process in an amount not to exceed \$400,000, adjusted annually in accord with the CPI, funded during a three-year period. The Master Plan will, among other things, contain a Capital Improvement Plan establishing a schedule and priorities for future Capital Improvements, including potential bond funded projects, to the Washington Park Parking Lot and all transportation-related infrastructure in Washington Park, and will determine the long term future of the West Parking Lot. The Washington Park Master Plan will be fully completed and presented to the CITY Council no later than November 11, 2017. A planning process, scope of work and outreach strategy for said

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Plan will be established by CITY on or before November 11, 2015, and approved by the PP&R and Metro. A committee of stakeholders and professionals will be created to serve in an advisory role to CITY staff. Said committee's members will include TMA Board members, among others.

12. Capital Improvements and Capital Reserves. Metro agrees that, in lieu of receiving compensation from the CITY for the \$1.42 million in indebtedness outstanding on the Metro Bond Repayment, and in consideration for Metro's relinquishment of said right to compensation, funds remaining upon the satisfaction of Sections 5 through 11 hereof, shall be reserved to fund future Capital Improvements and Reserves, as set forth below, according to the priorities set out in Section 5. After completion of said capital improvements, the parties will establish new capital project priorities by mutual written agreement, consistent with the Washington Park Master Plan and other parking lot non-conforming requirements related to land use decisions.

12.1 Parking Meter Acquisition and Installation. PP&R will acquire and install pay stations in Washington Park, in locations as indicated in the Parking Meter Installation Plan which will be reviewed and approved by the WPA prior to implementation. The pay stations will be installed by spring 2013, at a total maximum cost of \$750,000, adjusted annually in accord with the CPI.

12.2 Phase I Initial South Entry Improvements. Improvements are shown in Exhibit C and include new landscaping, stormwater management, new signage, minor roadway reconstruction, creation of a pick-up and drop-off driveway for the Zoo's new Conservation Discovery Zone Education building, and enhanced pedestrian and bicycle improvements in an amount no less than \$1,500,000 (2012 dollars), adjusted annually in accord with the CPI. Design,

engineering, project management, construction and all other necessary and typical costs associated with the project are eligible expenditures. CITY land use conditions of approval associated with the West Lot and the METRO Oregon Zoo 10-Year Conditional Use Master Plan may require time-specific improvements.

12.3 Phase II Improvements -- South Entry, Common Green Space, Parking.

Improvements are shown in Exhibit D and include the phased implementation of a plan to develop a front entry experience and common green space for the Zoo, PCM and WFC and to replace surface parking with a structured parking facility. For purposes of Section 5, a base amount of \$2,000,000 (2012 dollars), adjusted annually in accord with the CPI, is allocated to provide additional design and pre-development planning services and prepare a funding strategy for full build-out of the Phase II South Entry Improvements. Total estimated cost of all Phase II South Entry Improvements is approximately \$50,000,000 (2012 dollars). Design, engineering, project management, construction and all other necessary and typical costs associated with the project are eligible expenditures.

12.4 Future Capital Improvements. The Parties acknowledge that future signage improvements may be required by Oregon Department of Transportation (ODOT) and that such an improvement will be funded from future capital reserves and/or other external sources such as grant funding, as available. The cost of such improvements is not known as of the date of execution of this Agreement and therefore, the capital funding amount must be approved by the Parties to this Agreement.

Upon completion of the Washington Park Master Plan Update, additional capital improvements may be identified for funding; however, the types, amounts and locations of such

improvements are not known as of the date of execution of this Agreement and therefore, capital funding amounts must be approved by the Parties to this Agreement.

13. Land Use Approval for West Parking Lot. The CITY Bureau of Parks, Metro, WFC, PCM and Hoyt Arboretum are co-applicants on a Conditional Use Application to obtain land use approval to develop the West Parking Lot into a permanent parking resource, submitted on June 29, 2012. Metro shall lead the Conditional Use Application process.

14. Taxes. All taxes, liens, and assessments, if any, which may be levied or imposed upon the Washington Park Parking, if any, shall be paid by the CITY.

15. Insurance and Indemnity.

15.1 Insurance. The TMA will purchase and maintain the types of insurance listed below covering the TMA, its employees, contractors and agents. The TMA shall provide the Parties with certificates of insurance complying with this article upon request. Notice of any material change or policy cancellation shall be provided to the Parties thirty (30) days prior to change. Each Party must obtain and maintain insurance coverage or maintain self-insurance in accord with the requirements below, covering each Party, its elected officials, employees, contractors and agents.

15.1.1 Commercial General Liability Insurance, written on an occurrence basis, with limits not less than \$2,000,000 per occurrence and \$2,000,000 aggregate, including coverage for bodily injury, property damage, personal injury, contractual liability, premises and products/completed operations; Automobile insurance with coverage for bodily injury and property damage and with limits not less than minimum of \$1,000,000 per occurrence;

\$1,000,000 and such insurance shall include Blanket Contractual Liability coverage as set forth below:

15.1.1.1 Employer's Liability Insurance with limits not less than \$1,000,000 each accident.

15.1.1.2 The Commercial General Liability policy required by this Agreement shall name as additional insureds the Parties, their elected officials, departments, employees and agents.

15.1.2 Worker's Compensation insurance providing coverage for Oregon statutory requirements.

15.1.3 Non-Profit Directors and Officers Insurance to protect the directors, officers and board members (past, present, and future) of the organization. Coverage shall include employment practices liability coverage, which must also include employees as insureds, with limits not less than \$1,000,000.

15.2 Indemnity.

15.2.1 TMA shall defend, indemnify and hold harmless the Parties and their elected officials, officers, agents and employees, against all loss, damage, expenses, judgments, claims and liability, whether arising in tort, contract or by operation of any statute or common law, arising out of the acts or omissions of TMA, including, but not limited to, TMA's performance of, or failure to perform, this Agreement.

15.2.2 Subject to the limitations and conditions of Article XI Section 9 of the Oregon Constitution and the Oregon Tort Claims Act, ORS Chapter 30, each Party shall defend,

indemnify and hold harmless the other Parties, and their officers, agents and employees, against all loss, damage, expenses, judgments, claims and liability, whether arising in tort, contract or by operation of any statute or common law, to the extent that such loss, damage, expenses, judgments, claims or liability is caused by the negligent acts or omissions of the indemnitor, including those arising out of the indemnitor's performance of, or failure to perform, this Agreement.

15.2.3 The foregoing indemnification, defense, and hold harmless provisions are for the sole and exclusive benefit of the Parties and their respective officers, employees, and agents, and are not intended, nor shall they be construed, to confer any rights on or liabilities to any person or persons other than the Parties and their respective officers, employees and agents.

16. Assignability Restriction. This Agreement shall not be transferable or assignable, without the prior written consent of the Parties.

17. Waivers. No waiver made by a Party to this Agreement with respect to the performance, or manner or time thereof, of any obligation set forth herein shall be considered a waiver of any other rights of the Parties. No waiver by a Party to this Agreement of any provision of this Agreement or any breach thereof shall be of any force or effect unless in writing; and no such waiver shall be construed to be a continuing waiver.

18. Severability. In the event that any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable, in whole or in part, or in any other respect, then such provision or provisions shall be deemed null and void and shall not affect the validity of the remainder of the Agreement, which shall remain operative and in full force and effect to the fullest extent permitted by law.

19. Modifications. Any modifications to this Agreement shall be made in writing and executed by all Parties. Any Party may propose modifications to the Agreement. The process for consideration and decision-making shall be as follows:

19.1 Modification of Agreement. The Party desiring to modify this Agreement shall first prepare a written amendment and submit it to PP&R. Then PP&R shall convene a meeting of all the Parties and distribute an agenda and a copy of the modification proposal two weeks in advance of the meeting. All proposed modifications shall be acted upon with a formal vote, requiring all (or 100%) of the Parties support for approval. Voting members are the designated representatives identified in Section 21.

19.2 Termination. The process of terminating this Agreement shall be identical to the modification process defined in 19.1.

20. Disputes. Except as otherwise set forth herein, in the event there is a dispute over the interpretation or enforcement of this Agreement that the Parties are unable to mutually resolve, then:

20.1. Mediation. The Parties agree to promptly submit the issue or dispute to a nonbinding mediation. Unless otherwise agreed to by the Parties, such mediation shall take place promptly in Portland, Oregon. The mediator shall be mutually approved by the Parties. If the Parties are unable to agree upon a mediator, each shall select one name from a list of mediators maintained by any bona fide dispute resolution provider in Portland, Oregon. The selected mediators shall then choose a third person who will serve as mediator. Each Party shall participate in good faith in the mediation, shall pay its own costs for the mediation (including attorney fees), and shall share equally the costs of the mediator(s). In the event a Party fails or

refuses to proceed with the mediation, then one or both of the other Parties may file suit in the Circuit Court of the State of Oregon for Multnomah County at Portland, Oregon, to force mediation.

20.2 Litigation. In the event mediation is unsuccessful or there is an emergency or a matter of sufficient urgency of any sort that an immediate hearing/decision is needed to resolve the issue, dispute, emergency, or matter, then any Party may file suit in the Circuit Court of the State of Oregon for Multnomah County at Portland, Oregon, to seek an injunction, a mandatory injunction, or other suitable relief. The Parties agree to submit to the jurisdiction of the Circuit Court of the State of Oregon for Multnomah County and consent to service of process by email or fax, followed by certified mail, return receipt requested, addressed in accordance with the notice provision set forth herein. Each Party shall pay its own costs for such suit, action or proceeding (including attorney fees).

21. Notices. All notices and communications from one Party to the other on legal matters and disputes shall be sent:

(1) To METRO: Chief Operating Officer, Metro
600 NE Grand Avenue
Portland, Oregon 97232
Telephone: (503) 797-1541
Fax: (503) 797-1793

and METRO Attorney
600 NE Grand Avenue
Portland, Oregon 97232-2799
Telephone: (503) 797-1528
Fax: (503) 797-1792

(2) To WFC: WFC President
World Forestry Center
4033 SW Canyon Road
Portland, Oregon 97221-2760
Telephone: (503) 228-1367

Fax: (503) 228-4608

and

Secretary and Legal Counsel of the WFC
Miller, Nash LLP
111 SW Fifth Avenue, Suite 3500
Portland, Oregon 97204-3638
Telephone: (503) 224-5858
Fax: (503) 224-0155

(3) To CITY:

Portland Parks & Recreation Director
1120 SW Fifth Avenue
Portland, Oregon 97204-1909
Telephone: (503) 823-2223
Fax: (503) 823-6007

and

City Attorney
1221 SW Fourth Ave., Room 430
Portland, Oregon 97204-1900
Telephone: (503) 823-4047
Fax: (503) 823-3089

(4) To PCM:

Director
Portland Children's Museum
4011 SW Canyon Road
Portland, Oregon 97221
Telephone: _____
Fax: _____

and

(5) To Japanese Garden

Director
Portland Japanese Garden
POB 3847
Portland, OR 97208-3847
Telephone: (503) 223-0913
Fax: (503) 223-8303

and

(6) To Hoyt
Arboretum:

Executive Director
Hoyt Arboretum Friends Foundation
4000 SW Fairview Blvd.
Portland, OR 97221
Telephone: (503) 823-1648
Fax: (503) 823-4213

and

IN WITNESS WHEREOF each Party has caused this Agreement to be executed in duplicate by authority of its board of directors or executive board committee, its commissioners, or its council as of the date first above written.

CITY OF PORTLAND

METRO/ZOO

By: _____

By: _____

Title: _____

Title: _____

WORLD FORESTRY CENTER

PORTLAND CHILDRENS MUSEUM

By: _____

By: _____

Title: _____

Title: _____

JAPANESE GARDEN SOCIETY OF OREGON

HOYT ARBORETUM FRIENDS FOUNDATION, INC.

By: _____

By: _____

Title: _____

Title: _____

APPROVED AS TO FORM:

Harry Michael Auerbach
Chief Deputy City Attorney

Joel Morton
Metro Senior Attorney

Dean D. DeChaine
Attorney for World Forestry Center

EXHIBIT LIST

- A Washington Park Parking Lots and Spaces
- B Washington Park Service Level Agreement
- C South Entry Visioning Study Phase I Improvements
- D South Entry Visioning Study Phase II Improvements

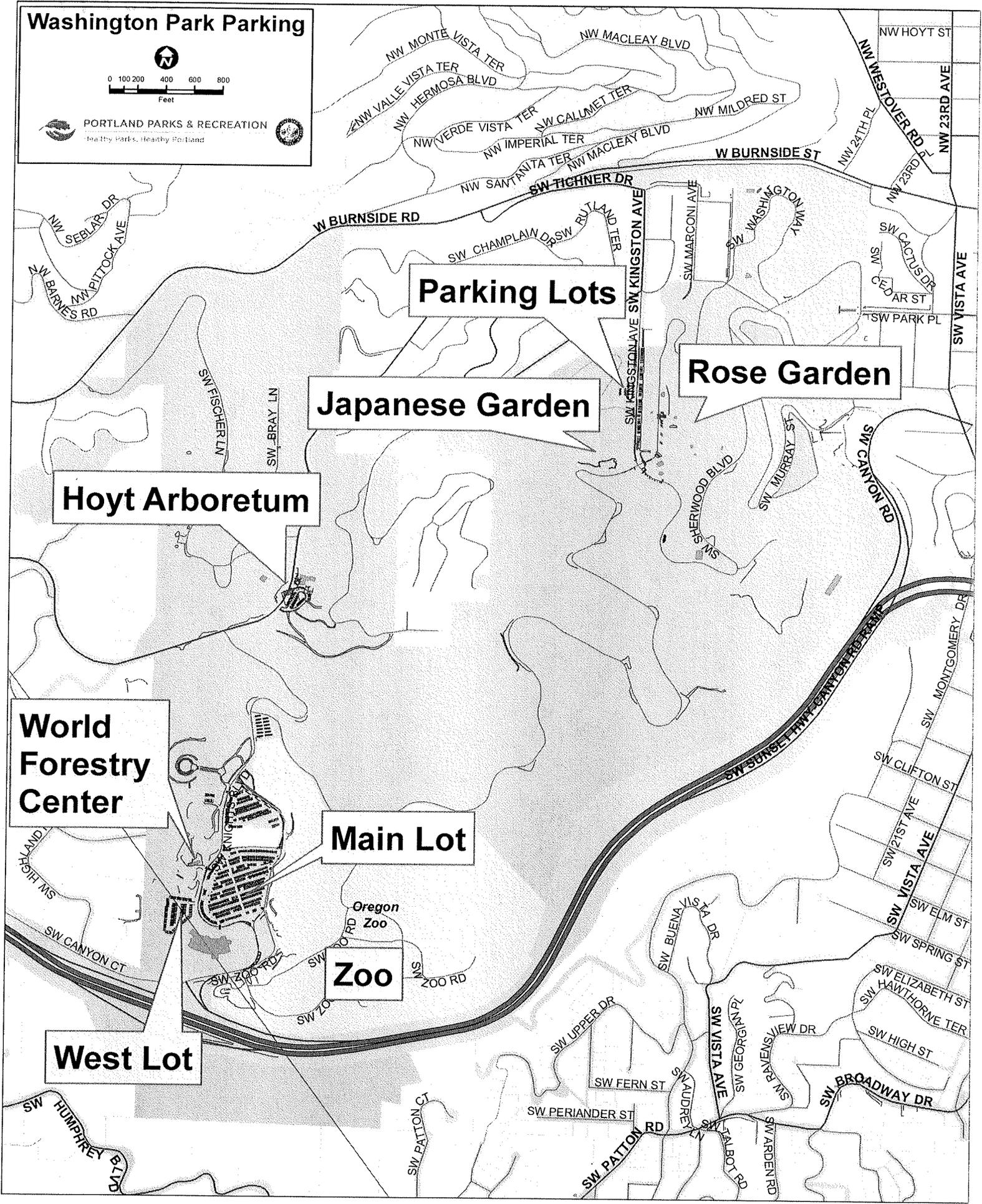
EXHIBIT A
2012 WASHINGTON PARK TRANSPORTATION
AND PARKING MANAGEMENT AGREEMENT

Washington Park Parking Lots Graphic and Description

Exhibit A

Washington Park Parking

PORTLAND PARKS & RECREATION
Healthy Parks, Healthy Portland



**EXHIBIT B
2012 WASHINGTON PARK TRANSPORTATION
AND PARKING MANAGEMENT AGREEMENT**

Washington Park Service Level Agreement

Exhibit B to the 2012 Washington Park Transportation and Parking Management Agreement-Service Level Agreement

Item #	Service Category	Service	Desired Service Level	
1	Manage Lot for Visitors	Open barrier gates	Certain ones are needed. West, main and upper to be opened once daily. Maintain once per year. Times vary due to events.	
2		Close barrier gate	Certain ones are needed. West, main and upper to be opened once daily. Maintain once per year. Times vary due to events.	
3		Issue citations or warnings for parking violations, including park and ride	Monitor lot 7 days per week-8 hours per day March through September and 5 hours per day October through February. Times vary due to events.	
4		Generate incident reports for vehicle damage or theft	Respond to damage or theft within an average time of 5-15 minutes of notification and generate incident report within 24 hours.	
5		Traffic control on streets and lot during peak attendance days.	June, July, August and December. Current average 3-4 days per week	
6		Car unlocks	Respond within an average of 5-15 minutes of notification. Current average 5 assists per week in June, July and August. 4-5 per month in off season months	
7		Air/Water vehicle assists	Respond within an average of 5-15 minutes of notification. Current average 5 assists per month.	
8		Jumpstarts	Respond within an average of 5-15 minutes of notification. Current average 5 assists per week in June, July and August. 4-5 per month in off season months	
9		Monitor for animal/children left in cars	Respond within an average of 5-15 minutes of notification.	
10		Manage shuttle lots and shuttle service	June, July, August and December. Average 3-4 days per week. As needed depending on weather or projected attendance. Occasional use year round.	
11		Tow vehicles from park.	As needed.	
12		Oversize vehicle management	Respond as needed.	
13		Hazardous Spill response	Respond within an average 5-15 minutes of notification. Happens approximately 10 times per year. Oil leaks, radiator, fuel leaks, etc. Usually 5 gallons or less.	
14		Bus management for large school group days	Daily March through June.	
16		Placing shuttle signs on peak days	As needed year round. Currently 3-4 days per week March, April, May, June, July, August, September and December. As needed when lot reaches capacity. Usually takes 2 people approximately 30 minutes for set up and two people 30 minutes each for breakdown. Shuttle lot needs to have one to three security persons on hand at shuttles when in activation.	
17		Coordinate with venues to anticipate and manage peak days	15 times per year.	
19		Provide Security Function	Patrol lots	Maintain visible patrol presence during lot operating hours, year-round.
20			Monitor or make contact with persons of suspicion	Daily as needed
21	Make arrest or assist Portland Police when applicable, per PP&R policy.		As needed. Average 30-35 times per year.	
22	Respond to emergencies		Respond immediately upon notification.	
23	Lost children coordination for park including South Lot immediate area		Respond immediately upon notification.	
24	Liaison to Police and Fire Departments		As needed	
25				
26	Landscaping	Maintain landscaping	Quarterly and as needed. (Rick to provide historical times at tomorrow's meeting)	
27		Maintain storm water bioswales	Quarterly and as needed. (Rick to provide historical times at tomorrow's meeting)	
28		Manage irrigation	Every 6 months. Trimet currently turns on and off the source. Trimet winterizes as well. Zoo currently does an initial check at start of season. Sets controller times and monitors throughout the season.	
29		Maintain and replace irrigation system	Maintenance and repairs as needed	
30		Plant replacement	As needed.	
31		Mulch	Yearly. Zoo will provide ZooDoo.	
32	Fertilize	Yearly.		

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Item #	Service Category	Service	Desired Service Level
33		Weed control	Round UP application every three weeks from March through October. Hand pull weeds as needed.
34		Leaf pick up	Weekly during fall season. Drain concerns if not done regularly in Fall season
35		Mow	Once per week.
36		Wildflower Garden (round landscape bed at entrance top south lot)	Plant wildflowers, weed and maintain as needed.
37			
38	Utilities	Manage utility accounts and pay billings (water and electricity)	Electricity submeter currently on Zoo property. Bill processing every 6 months.
39		Maintain lights	Replace as needed. Service as needed. Lights to remain on from dusk to dawn. Look at moving disconnects to area outside of Zoo.
40			
41	Maintenance	Maintain and repair asphalt	Yearly and as needed
42		Maintain striping in lots and on curbing	Yearly
43		Maintain and repair curbs	Yearly and as needed
44		Car stops	Visually inspect daily. Maintain as needed.
45		Maintain wayfinding and signage	As needed (Zoo will do for South Lot Only, Parks will continue for rest of park).
46		Litter patrol	Daily. Must happen before lot opens, for South and North lots.
47		Sweep lot	Weekly April 1-November 30. Twice per month December 1-March 31.
48		Maintain sidewalks	As needed.
49		Monitor for and remove graffiti	Inspect daily, address as needed.
50		Maintain highway/parking lot shuttle signage and "temporary signage" such as lit reader boards for South Lot	As needed. Update/repair yearly at the beginning of the spring season.
52			
53			
54	Adverse weather	Clear and de-ice pedestrian areas and lot when needed	Winter as conditions dictate.
55		Clear lot of snow. Includes main road from freeway through main lot.	Winter as conditions dictate. Generally we clear rows 6,7, 8 and 12 prior to opening. During Zoo lights plow entire lot and road. Continuously when snow conditions continue throughout the day.
56		Gravel/sand drop for snow days	Winter as conditions dictate.
57		Assist with stuck vehicles	As needed.
58		Clear sidewalks of snow	Winter as conditions dictate.
59		All above Adverse Weather response for Wash. Park besides South Lot.	As needed.
60			
61	Marketing	Promote the use of shuttle lots/service on peak days	Often.
62			
63			
64	Shuttle Service	Procure Shuttle service. Busses, etc	Contracting as needed.
65		Coordinate shuttle service for peak days	As needed year round. As needed when lot reaches capacity. Set a monthly schedule for shuttle service based on needs and events.
66		Place shuttle signage and provide security/information service at shuttle lots	As needed year round. Currently 3-4 days per week March, April, May, June, July, August, September and December. As needed when lot reaches capacity. Usually takes 2 people approximately 30 minutes for set up and two people 30 minutes each for breakdown. Shuttle lot needs to have one to three security persons on hand at shuttles when in activation.
67		Place signs on freeway/roadways for shuttle lots	As needed.
68		Manage employee shuttle parking	Daily when activated.
69		Litter patrol in shuttle lots	Daily when activated. Needs to be complete before opening of business.
70		Maintain signs, coordinate with ODOT for new signs	As needed.
71		Porta-Potty agreement for shuttle lots	When shuttles in use

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Item #	Service Category	Service	Desired Service Level
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*Zoo to manage with TMA through December 2013. Meet to discuss and plan in September 2013

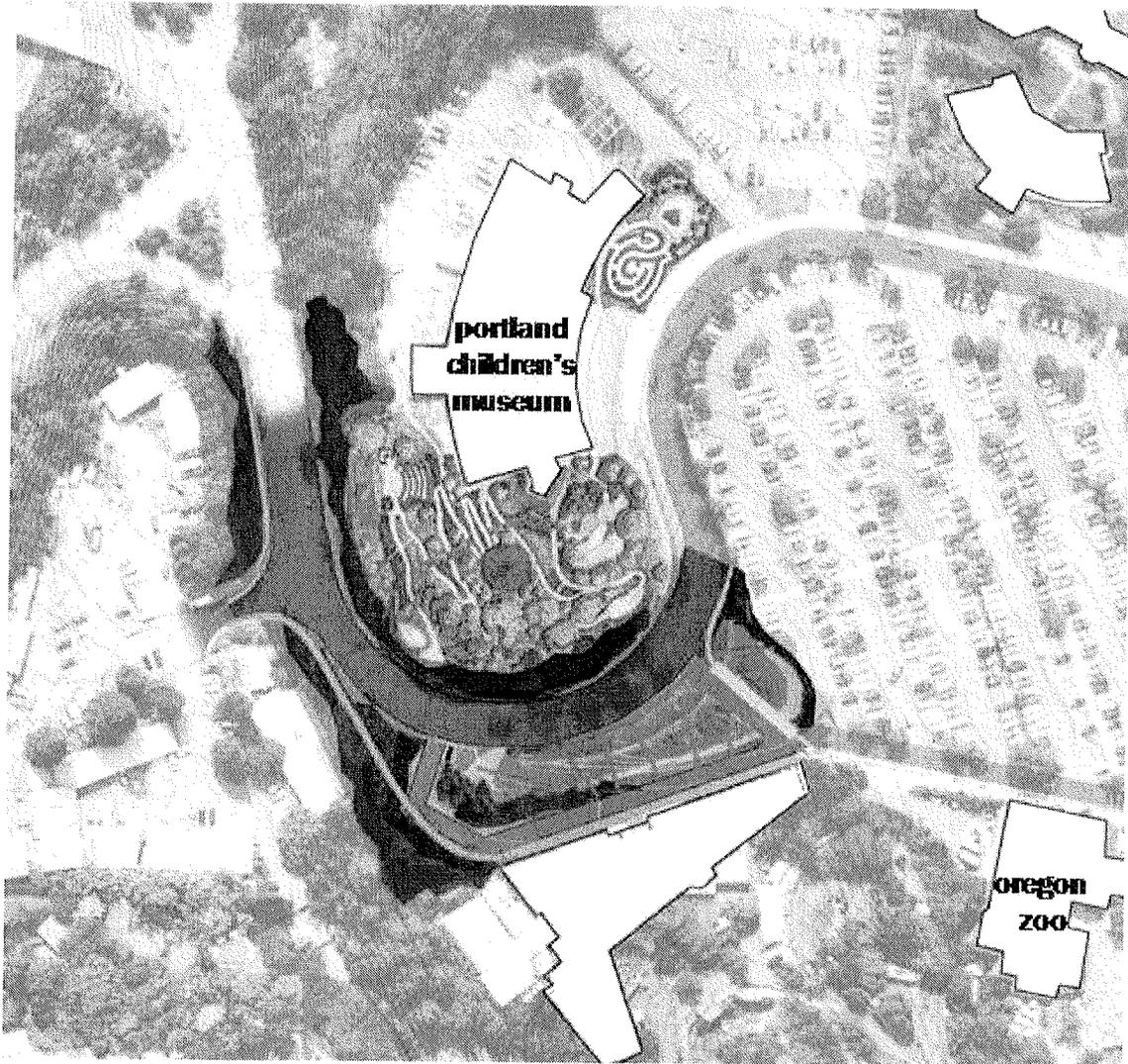
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**EXHIBIT C
2012 WASHINGTON PARK TRANSPORTATION
AND PARKING MANAGEMENT AGREEMENT**

South Entry Visioning Study Phase I Improvements



SRGPLACE

September 2012

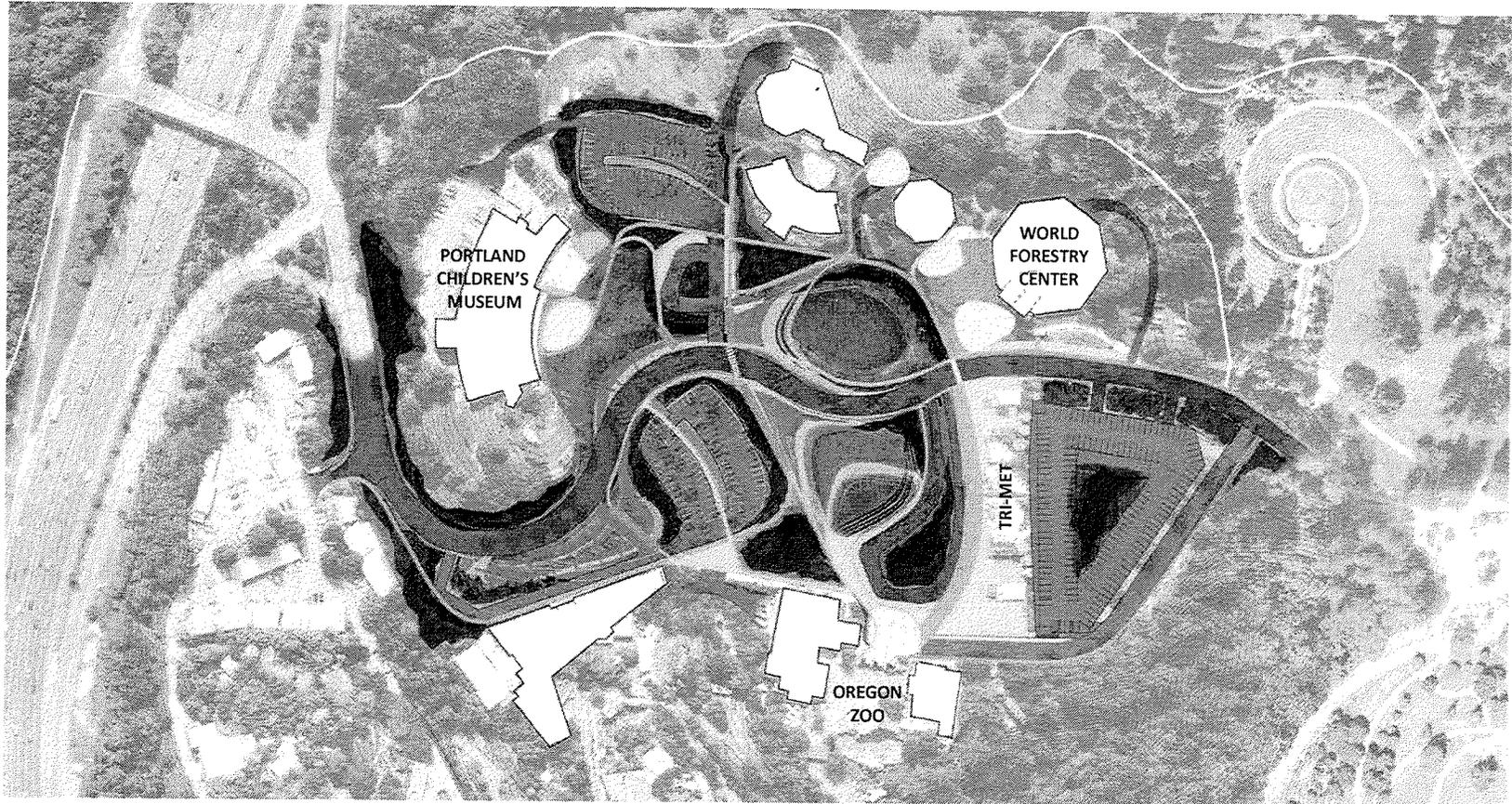
METRO / Portland Parks & Recreation / Washington Park Alliance
WASHINGTON PARK SOUTH ENTRY VISION

EXHIBIT C: South Entry Visioning Study Phase I Improvements

2012 WASHINGTON PARK TRANSPORTATION AND PARKING MANAGEMENT AGREEMENT

**EXHIBIT D
2012 WASHINGTON PARK TRANSPORTATION
AND PARKING MANAGEMENT AGREEMENT**

South Entry Visioning Study Phase II Improvements



SRGPLACE

SEPTEMBER 2012

METRO / Portland Parks & Recreation / Washington Park Alliance
WASHINGTON PARK SOUTH ENTRY VISION

EXHIBIT D: South Entry Visioning Study Phase II Improvements

2012 WASHINGTON PARK TRANSPORTATION AND PARKING MANAGEMENT AGREEMENT

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