

## RESOLUTION No. 37319

Authorize Amendment to Proposed Transaction Terms for Expansion of Stadium with Peregrine Sports, LLC for the expansion of Providence Park (Resolution)

WHEREAS, the City owns the stadium located at SW 18th Avenue and SW Morrison Street, now named Providence Park, which currently has a seating capacity of approximately 21,000; and

WHEREAS, Peregrine Sports, LLC has proposed a 4,000-seat expansion to the stadium and agreed to pay all costs, including cost overruns, to design and construct the expansion, estimated at \$50 million; and

WHEREAS, the proposed stadium expansion will generate economic benefit to the City in the short-term through the generation of construction jobs, and over the long-term through increased event-related economic activity, national and international media exposure, and permanent jobs; and

WHEREAS, the expansion project will help ensure the stadium's long-term viability as an MLS venue as well as enhancing the opportunities for other events such as concerts and exhibition matches to occur at the stadium; and

WHEREAS, the Council adopted Resolution No. 37283 on May 10, 2017 which declared the City's support for Peregrine's proposal and directed appropriate bureaus to work with Peregrine Sports and their representatives on the proposed expansion; and

WHEREAS, the Council adopted Resolution No. 37299 on June 21, 2017 approving the non-binding financial and operational terms of the expansion project, including certain limited-term exemptions from Peregrine's obligations to pay to the City specified ticket revenues and Peregrine's commitment to pay for the design and construction cost of the project; and

WHEREAS, Peregrine Sports, LLC proposes to begin construction of the expansion in October of 2017 and open the new expansion for the start of the 2019 or 2020 season; and

WHEREAS, it is in the best interest of the City to allow preparatory construction activities as shown in Schedule A to Exhibit A to commence in early October, prior to the execution of formal agreements and amendments to existing agreements for the project; and

WHEREAS, the City requires certain binding assurances that the expansion project will be completed or the stadium returned to current condition prior to allowing construction to begin as contained in Exhibit A; and

WHEREAS, the insurance requirements as shown in Schedule B of Exhibit A for Peregrine and any Retained Parties of Peregrine performing work on the expansion project will be met and documented prior to allowing construction to begin.

NOW, THEREFORE, BE IT RESOLVED that the City Council reaffirms its support for Peregrine Sports, LLC's proposed expansion of the City-owned stadium and supports beginning construction as described in Schedule A of Exhibit A prior to completion of formal agreements and amendments to existing agreements; and


BE IT FURTHER RESOLVED that the Mayor is authorized to sign the Amendment to Proposed Transaction Terms for Expansion of Stadium attached as Exhibit A; and

BE IT FURTHER RESOLVED that the Council directs the Office of Management and Finance to continue working with Peregrine Sports, LLC to develop formal agreements and amendments to existing agreements as necessitated by the terms contained in the Proposed Transaction Terms as amended by Exhibit A to allow the design and construction of the expansion to proceed and for the ongoing operation of the stadium; and

BE IT FURTHER RESOLVED that the City Council will consider formal agreements and amendments to existing agreements as described in the Proposed Transaction Terms for Expansion of Stadium as amended by Exhibit A before work not included on Schedule A of Exhibit A commences.

Adopted by the Council: SEP 27 2017

Commissioner: Mayor Ted Wheeler  
Prepared by: Karl Lisle  
Date Prepared: September 18, 2017

**Mary Hull Caballero**  
Auditor of the City of Portland  
By   
Deputy

Agenda No.  
**RESOLUTION NO. 37319**  
 Title

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<b>INTRODUCED BY</b> Commissioner/Auditor: <b>Mayor Ted Wheeler</b>	CLERK USE: DATE FILED <u>SEP 19 2017</u>
<b>COMMISSIONER APPROVAL</b> Mayor—Finance & Administration – Wheeler <i>W</i> Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Eudaly	Mary Hull Caballero Auditor of the City of Portland By: <i>[Signature]</i> Deputy <b>ACTION TAKEN:</b>
<b>BUREAU APPROVAL</b> Bureau: OMF Bureau Head: Tom Rinehart <i>TR</i>	
Prepared by: Karl Lisle Date Prepared: September 18, 2017	
Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<b>City Auditor Office Approval:</b> required for Code Ordinances	
<b>City Attorney Approval:</b> required for contract, code, easement, franchise, charter, Comp Plan <i>KAM</i>	
Council Meeting Date <b>September 27, 2017</b>	

AGENDA	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
<b>TIME CERTAIN</b> <input checked="" type="checkbox"/> <b>Start time: 10:50</b> <b>Total amount of time needed: 10 min.</b> (for presentation, testimony and discussion)		YEAS	NAYS
<b>CONSENT</b> <input type="checkbox"/>	1. Fritz	1. Fritz	✓
<b>REGULAR</b> <input type="checkbox"/> <b>Total amount of time needed:</b> (for presentation, testimony and discussion)	2. Fish	2. Fish	✓
	3. Saltzman	3. Saltzman	✓
	4. Eudaly	4. Eudaly	✓
	Wheeler	Wheeler	✓