

AMENDMENT NO. 3CONTRACT NO. 53081

FOR

Service related to Downtown Marketing Initiative/Travel Portland (amended title)[Services of Convention Business and Tourism/Travel Portland (former title)]

Pursuant to Ordinance No. _____

Pursuant to Ordinance 181845, passed May 28, 2008, the City entered into a contract with Travel Portland, an Oregon nonprofit corporation formerly known as Portland Oregon Visitor Association, ("Contractor"), to provide for the promotion of convention business and tourism services by Travel Portland commencing July 1, 2008 for three years. Funding for the contract was to be provided through the one percent increase to the Hotel/Motel tax authorized under Ordinance 146932 and amendment to Portland City Code 6.04.020. The Parties signed contract no. 53081 as a result.

Pursuant to Ordinance No. 182859, passed June 3, 2009, the Parties executed Amendment 1 which added services related to the Downtown Marketing Initiative ("DMI") to promote marketing in the downtown Portland area after construction of the Portland Mall Rail and other major City projects by adding to the Parties' contract Exhibit B for scope of services related to the DMI and specific additional compensation of \$953,309 in the contract toward the DMI efforts.

Pursuant to Ordinance No. 183894, passed June 16, 2010, the Parties executed Amendment 2 which extended the contract for two additional years until June 30, 2013, and provided an addition of \$1,906,618 as compensation for the added two years.

Pursuant to Ordinance No. 184963, passed November 2, 2011, the City Council authorized an agreement with Travel Portland in which the parties clarify services for promotion of convention, business and tourism that was funding by the Hotel/Motel tax. The Parties executed contract no. 30002424 as a result. The Parties amended contract no. 30002424 through ordinance 185635, passed September 19, 2012. The services and funding related to contract no. 30002424 replaced the convention, business and tourism promotion service and funding obligations of the Parties that are in contract no. 53081.

In consideration of the promises and consideration provided herein and incorporating the above recitals, the Parties agree:

1. For purpose of clarity and to avoid confusion as to whether there is redundancy of services and payment obligations, the portion of the services related to promotion of convention business and tourism services to be provided by Travel Portland and the funding that comes from the Hotel/Motel tax shall be deleted from contract no. 53081, leaving contract no. 53081 as the contract for services and funding related to Downtown Marketing Initiative.
2. The existing Exhibits of contract 53081 shall be deleted and replaced by the attached new **Exhibit A: Scope of Services for the Downtown Marketing Initiative**, which is attached and incorporated hereto.
3. Contract no. 53081 shall be extended for up to an additional four years as permitted by City Charter so that the new expiration date shall be June 30, 2017 unless sooner terminated. The City reserves the right to terminate the contract or the portion of the contract related to DMI work for the sole convenient of the City upon ninety (90) days written notice to Contractor.
4. Additional compensation that may be paid per each additional fiscal year for the DMI work shall be at least \$ 953,309 per year, provided that City Council has included such appropriation into the approved budget for the relevant fiscal year.

5. Notices to the Parties shall be provided as follows:

If to the City:

City of Portland, Office of Management and Finance, Attention, Betsy Ames, 1120 SW 5th Avenue, Room 1250, Portland, Oregon 97204; and,

City of Portland, Bureau of Transportation, Attention: Michael Jacobs, 1120 SW 5th Avenue, Rm 800, Portland, Oregon 97204

If to Travel Portland:

Travel Portland, Attention: Jeff Miller, 1000 S.W. Broadway, Suite 2300, Portland, Oregon 97205

All other terms and conditions shall remain unchanged and in full force and effect.

CONTRACTOR SIGNATURE:

This contract amendment may be signed in two (2) or more counterparts, each of which shall be deemed an original, and which, when taken together, shall constitute one and the same contract amendment.

The parties agree the City and Contractor may conduct this transaction by electronic means, including the use of electronic signatures.

Travel Portland

By: _____ Date: _____

Jeff Miller (jmiller@travelportland.com)
President & CEO

Address: 1000 SW Broadway, Suite 2300, Portland, Oregon 97205
Telephone: 503-275-9797

Contract No. 53081 Amendment/Change Order No. 3

Contract Title: Service related Downtown Marketing Initiative/Travel Portland

CITY OF PORTLAND SIGNATURES:

By: _____ Date: _____
Mayor Sam Adams

By: _____ Date: _____
City Auditor LaVonne Griffin-Valade

Approved as to Form:

By: _____
City Attorney

EXHIBIT A: SCOPE OF SERVICES FOR THE DOWNTOWN MARKETING INITIATIVE

Travel Portland will implement a Downtown Marketing Initiative (DMI) to bolster the health of downtown Portland by promoting downtown's dining, shopping, cultural and other experiences to Portland-area residents. DMI is a public/private partnership created in 2006 and funded by the City of Portland. This initiative is dedicated to implementing economic development strategies through consumer marketing programs that promote the long-term vitality of downtown Portland. Travel Portland will employ a Director to develop and execute DMI programs. The Director is authorized, with Travel Portland supervision, to negotiate contracts that will assist with completion of DMI projects. Contracts will be negotiated for services such as marketing and PR that will assist in the completion of DMI goals and objectives to promote downtown. The Director shall work in collaboration with the City of Portland (City), Travel Portland, TriMet, City of Portland Bureau of Transportation (PBOT), Portland Development Commission (PDC), Portland Mall Management Inc., Downtown Retail Council (DRC), Portland Business Alliance, the Downtown Retail Advocate and other stakeholders during the contract period to accomplish priorities established by the DMI Advisory Board. Per May 2011 agreement between the downtown retail community (DRC) and the city/PBOT regarding parking garage increases, DMI is to be funded at or above its current budget level (\$953,309) for a minimum of four years, through June 30, 2017 (FY 16-17).

Deliverables:

- Employ a qualified DMI Director.
- Contract with a creative services and public relations firm or firms to be directed and managed by the DMI Director.
- Oversee the following work performed by the DMI Director:
 - Create, develop and manage an integrated annual marketing, communication and seasonal promotional campaign designed to promote downtown Portland within the Portland metropolitan designated market area as approved by the DMI Advisory Board and in coordination with the Downtown Retail Council.
 - Create a holiday shopping campaign in coordination with the Downtown Retail Council.
 - As part of DMI's larger downtown message, provide consumer-facing information about the City's SmartPark Parking Portfolio, with an emphasis on the parking validation program and the proximity of SmartPark Garages to downtown attractions, amenities, events and experiences. Explore potential partnerships and cross-promotions, including the incorporation of a SmartPark offer, where appropriate.
- Enhance DMI's online initiatives (downtownportland.org; e-newsletters; social media) by leveraging the resources and initiatives of Travel Portland (travelportland.com; e-newsletters; Portland Spoke blog; social media) and other regional partners.
- Manage and coordinate the linking of web sites from the aforementioned organizations as appropriate.
- Leverage current marketing funds and in-kind contributions and corresponding community/public resources by integrating the downtown campaign with the creative and strategic work of Travel Portland and other regional branding initiatives.
- Maintain an Advisory Board for DMI in consultation with the Mayor's Office.
- Provide semi-annual reviews and reports on activities and measurable outcomes to the DMI Advisory Board and Mayor's Office.

Performance Measures and Reporting

Primary measurements (goals outlined below are for FY 12-13; future goals will be developed in conjunction with the DMI Advisory Board):

- 1) Perception surveys: DMI will conduct an annual consumer survey to measure perceptions of key downtown issues and campaign recall. As appropriate, leverage PBA's research of downtown property owners and employees.
- 2) Positive Media Placement:
 - a) Stories: 206
 - b) Ad equivalency: \$231,000
 - c) Impressions: 20 million
 - d) Note: Continued growth in online media, coupled with the realities of social media, has resulted in the PR Industry shifting away from traditional ad value reporting over the past several years. As a result, Travel Portland will research and track other accepted and emerging industry metrics that reflect the new realities of the shifting online and print media landscapes. DMI will look to establish goals based on these revised metrics for 2013-14.
- 3) Online initiatives
 - a) Website:
 - i) Visits: 250,000
 - ii) Engagement metrics:
 - (1) Newsletter signups: 4,500
 - (2) Calendar of events views: 80,000
 - (3) Views on new Visit Mobile app: Benchmark
 - (4) Clicks on links out-of-site: Benchmark
 - b) E-newsletters:
 - i) Total subscribers: 9,750
 - ii) Engagement metrics:
 - (1) Open rate: 15%
 - (2) Click-through rate: 3%
 - c) Social media:
 - i) Facebook:
 - (1) Fans: 95,000
 - (2) Interactions (wall posts + likes + comments): 25,000
 - ii) Twitter
 - (1) Followers: 11,000
 - (2) Interactions (replies + mentions + retweets): 3,000

Secondary barometers

- 1) Smart Park Parking Statistics
 - A) Occupancy Counts (Provided by PBOT)
 - B) Revenue Tracking (Provided by PBOT)
- 2) Redemptions of promotional offers, as appropriate
- 3) Sidewalk pedestrian counts
- 4) Anecdotal retail performance

Dated: Dec. 2012