

ORDINANCE No. 186038

*Approve agreement between the City and Rip City Management LLC, dba Portland Arena Management for the continuing operation of the Veterans Memorial Coliseum and Rose Quarter public parking facilities (Ordinance)

The City Council ordains:

Section 1. The Council finds:

1. The Veterans Memorial Coliseum (VMC) is owned by the City of Portland (City) and has been operated since January 1, 2005, by Rip City Management LLC, d/b/a Portland Arena Management (PAM) successor-in-interest to Oregon Arena Corporation (OAC) pursuant to the 1993 Memorial Coliseum Operating Agreement dated April 23, 1993, as amended by the First Amendment thereto dated June 23, 1993 (Operating Agreement). The Operating Agreement presently expires on June 30, 2013.
2. The VMC is the home venue for the Portland Winter Hawks (PWH), a Western Hockey League team and also hosts many events significant to the Portland region and the State of Oregon.
3. At a hearing on November 29, 2012, the City Council considered a number of multi-party agreements implementing the results of a multi-year process to determine the future use of the VMC, develop a renovation project for its reuse and establish terms for its continued operation.
4. PAM was prepared to deliver signed agreements to the City prior to the first hearing. Circumstances beyond PAM's and the City's control led to the City Council not taking action on the agreements. .
5. The Office of Management and Finance (OMF) and PAM have negotiated a Second Amendment to the Coliseum Operating Agreement (Exhibit A) that extends and modifies the terms and provides for the continued operation of the VMC and the Rose Quarter public parking facilities beyond the expiration date of the current Operating Agreement.
6. The Second Amendment to the Coliseum Operating Agreement provides an initial 2-year term, which allows the City to continue pursuing a potential renovation project for the VMC that will reduce operating costs and improve its functionality as a sports and event facility.
7. The City of Portland Spectator Facilities Fund will be the primary funding source for all of the City's payment obligations under the Second Amendment to the Coliseum Operating Agreement, including, an annual budget amount of \$500,000 (as escalated) applicable to the costs of certain repairs, structural repairs, and capital improvements to the VMC, and potential payment of up to \$250,000 annually applicable to net operating losses (NOL) at the VMC.

8. The City's Chief Administrative Officer should be granted authority to provide administrative oversight to the Operating Agreement.

NOW, THEREFORE, the Council directs:

- a. The Mayor is authorized to execute the Second Amendment to the Coliseum Operating Agreement on behalf of the City in substantially similar form as contained in Exhibit A to this Ordinance.
- b. The City's Chief Administrative Officer is granted authority to act on behalf of the City and to amend the Operating Agreement provided the amendments do not substantially alter the financial obligations of the City.

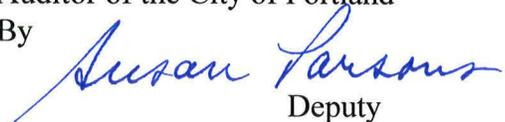
Section 2. The Council declares an emergency exists because other VMC agreements, such as the sublicense with PWH, expire on June 30, 2013, and sufficient time is needed to finalize and execute those agreements before they expire. Additionally, other revenue generating events are planned in the VMC for July and August 2013 and beyond, and require an operator of the VMC to be in place. Therefore this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: MAY 22 2013

Mayor Charlie Hales
Prepared by: Susan Hartnett
Date Prepared: May 8, 2013

LaVonne Griffin-Valade
Auditor of the City of Portland

By


Deputy

Agenda No. **186038**
ORDINANCE NO.
 Title

*Approve agreement between the City of ~~Portland~~ and Rip City Management LLC, d/b/a Portland Arena Management for the operation of the Veterans Memorial Coliseum and Rose Quarter public parking facilities. *(Ordinance) continuing*

<p>INTRODUCED BY Commissioner/Auditor: Mayor Hales</p>	<p>CLERK USE: DATE FILED <u>MAY 17 2013</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales <i>[Signature]</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p>	<p style="text-align: center;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <u><i>[Signature]</i></u> Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: OMF Bureau Head: Jack D. Graham <i>[Signature]</i></p>	<p>ACTION TAKEN:</p>
<p>Prepared by: Susan Hartnett Date Prepared: May 8, 2013</p>	
<p>Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	
<p>Council Meeting Date May 22, 2013</p>	
<p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter <i>[Signature]</i></p>	

AGENDA
<p>TIME CERTAIN <input checked="" type="checkbox"/> Start time: <u>10:30 AM</u> <i>15</i></p> <p>Total amount of time needed: 15 min (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Novick	4. Novick	✓	
Hales	Hales	✓	