

## EXHIBIT C

## VISITOR FACILITIES INTERGOVERNMENTAL AGREEMENT

This amended and restated intergovernmental agreement (the “Agreement” or “VFIGA”) is made among the City of Portland (the “City”), Multnomah County (the “County”) and Metro (each individually, a “Party” and collectively, the “Parties”), and shall be in effect from the latest date of signature.

### ~~FINDINGS~~ RECITALS

- ~~a.~~ A. The purpose of this ~~intergovernmental a~~ Agreement is to support regional visitor facilities and visitor industry development in the Portland-Multnomah County area. The Parties have entered into this Agreement and related agreements to support regional tourism and spectator facilities, the visitor and hospitality industry, and to maximize the economic development benefits associated with visitor facilities, programs and services for the Portland-Multnomah County area. The Agreement and the Visitor Facilities Trust Account (“VFTA”) provide additional support to complement programs, investments and contributions made by all Parties for the health of our community and in support of visitor development~~implement the understandings among the parties contained in the September 14, 1999, Memorandum of Understanding. The MOU included statements concerning the present intention of Metro, the City and the County to not further increase the transient lodgings tax or vehicle rental tax beyond the rates provided for herein. While not a legally binding provision, Metro, the City and the County reaffirm those provisions of the MOU.~~
- B. The Parties entered into the Visitor Facilities Intergovernmental Agreement, dated January 31, 2001 (the “2001 Agreement”), to implement the understandings and agreements contained in that certain Memorandum of Understanding dated September 14, 1999. This Agreement supersedes and fully replaces the 2001 Agreement.
- C. On or about April 26, 2001, the City, County and Metro entered into the Visitor Development Fund Services Agreement (“VDFSFA”) with Visitor Development Fund, Inc., whose 15 member board includes two representatives from each of the City, County, and Metro, two members appointed by “Travel Portland” and nine members representing the hotel and car rental business sectors. The Parties intend to update and amend the VDFSFA to conform with the amendments to this Agreement.
- D. On or about May 15, 2000, the City and Metro entered into the Amended Agreement Regarding Consolidation of Regional Convention, Trade, Spectator and Performing Arts Facilities Owned and Operated by the City of Portland and Metro (commonly called the Consolidation Agreement). Metro and the City expect to amend the Consolidation Agreement to conform with the amendments to this Agreement and to update other provisions of the Consolidation Agreement as needed.
- E. The Parties have previously entered into, and may amend to conform to the Agreement, the following agreements in order to carry out the Agreement: (i) intergovernmental agreement(s) between Metro and Tri Met regarding the provision of public transit passes

for OCC visitors and (ii) intergovernmental agreement(s) between the City and County regarding collection of the transient lodgings tax.

F. ORS 190.010 authorizes the ~~parties~~Parties to enter into intergovernmental agreements to carry out their activities and functions.

e.G. All ~~parties~~Parties are authorized to promote the visitor industry and economic development within their jurisdictions and to fund or operate facilities that attract visitors and support the arts in the Portland-Multnomah County area.

d.H. The Oregon Convention Center (“OCC”) is owned and operated by Metro. The Portland Center for the Performing Arts (“PCPA”) is owned by the City and operated by Metro. ~~The Civic Stadium~~JELD-WEN Field (the “Stadium”) and the “Rose Quarter Facilities” ~~are~~is owned by the City. In addition, Metro, the City, and the County own and operate a variety of other facilities and provide a variety of programs and services that support the purposes of this Agreement.

e.I. All ~~parties~~Parties have an interest in the maintenance and improvement of these regional visitor facilities and in the development of the visitor industry ~~development~~ in the Portland-Multnomah County area. The ~~parties~~Parties recognize that visitor development and the spectator facility system is intertwined and the operation of that system is critical to the continued production of revenue for the purposes defined herein ~~have entered into this Agreement and the related agreements contemplated in the MOU because the visitor development and spectator facility system is intertwined and the operation of that system is critical to the continued production of revenue for the purposes defined herein.~~ In order for the improvements provided in this Agreement to function in an economically viable manner, all of the items included in this Agreement require funding. The loss of funding for any item may threaten the viability of all of the other improvements, programs and services.

~~F. The City is willing to issue bonds backed by its full faith and credit in order to obtain favorable terms for the bonds on the condition that the County imposes and maintains new 2.5% surcharges on its transient lodgings and vehicle rental taxes for the life of the bonds.~~

g.J. The County has the authority to impose and levy a surcharge rate of 2.5% on the gross amounts of value paid to or received by the owners or operators of hotels, motels, and other lodging facilities for lodging of less than one month duration from occupants to support the purposes of this Agreement (the “VFTA TLT Surcharge”). ~~The County is willing to impose and maintain the tax surcharges and intends that the new 2.5% tax surcharges on transient lodging and vehicle rentals will only remain in effect as long as necessary to pay or defease the Bonds issued under this Agreement.~~

K. The County has the authority to impose and levy a surcharge rate of 2.5% on the motor vehicle rental fee charged by a commercial company on vehicle rentals of 30 days or less to support the purposes of this Agreement (the “VFTA VRT Surcharge”).

h.L. As provided in ORS Chapter 287A.310, ~~the~~The County is authorized ~~by the County Charter and by Multnomah County Code Sections 11.300—11.305 and 11.400—11.499~~

to pledge ~~the VFTA TLT Surcharge and the VFTA VRT Surcharge~~~~tax revenues from the Motor Vehicle Rental Tax for Visitor Facilities and the Transient Lodging Tax for Visitor Facilities, respectively,~~ for bonds and other borrowings, including the ~~City's~~ City Bonds as provided in ORS 288.594. The County intends to expand this authority to include the OCC Hotel Project Bonds that Metro anticipates issuing to support the development of an OCC Hotel Project.

- M. The County has the authority to impose and levy a surcharge rate of 3% on the gross amounts of value paid to or received by the owners or operators of hotels, motels, and other lodging facilities for lodging of less than one month duration from occupants (the "Excise Tax Fund TLT" or "ETF TLT") for support of specified facilities and programs including the OCC, PCPA and the Regional Arts and Cultural Council.
- ~~i.N. The Oregon Convention Center~~Metro receives ~~an allocation of~~ a portion of the Excise Tax Fund TLT ~~3% Multnomah County transient lodgings tax surcharge~~ for OCC operating support that is governed by a separate intergovernmental agreement between the County and Metro, entered into on April 1, 2000 (the "ETF IGA")~~pursuant to Multnomah County Code section 11.401(D)(2)(a). These funds are restricted and are only to be used for support of the Oregon Convention Center and may not be used by Metro for other purposes.~~Under the terms of the ETF IGA, one-third of the ETF TLT allocation for OCC operating support is to be dedicated to OCC marketing efforts. Metro reaffirms its commitment to make every possible effort to expend at least one third of the Excise Tax Fund TLT it receives from the County for OCC operating support on OCC marketing efforts.
- O. The City has the authority to impose and levy transient lodging taxes, for (i) general City purposes and (ii) the promotion of convention business and tourism, on the gross amounts of value paid to or received by the owners or operators of hotels, motels, and other lodging facilities for lodging of less than one month duration from occupants (the "City 5% TLT" and "City 1% TLT", respectively).
- P. The City has issued City Bonds, and Metro intends to issue OCC Hotel Project Bonds, on the condition that the County imposes and maintains the VFTA TLT Surcharge and/or the VFTA VRT Surcharge for the life of the Bonds.
- Q. The County is willing to impose and maintain the tax surcharges on transient lodging and/or vehicle rentals described in Recitals J and K above as long as necessary to pay or defease the Bonds issued under this Agreement. At such time as any of these surcharges are no longer necessary to pay or defease bonds issued under this Agreement, the Board of County Commissioners, at its sole discretion, may choose to terminate or modify the surcharges.
- R. Since the 2001 Agreement was approved, the VFTA and the 2001 Agreement have successfully supported regional efforts to bring visitors and conventions to the Portland-Multnomah County region, support the operations of and improvements to regional visitor and spectator facilities including the OCC, PCPA and the Stadium, and increase

visitor development and economic development opportunities in the region through both direct and indirect support for facilities, programs and services.

- S. In 2011, the City refunded the OCC Completion Bonds and the PCPA Bonds to take advantage of improved market conditions, resulting in debt service savings to the VFTA of approximately \$875,000 annually through Fiscal Year 2029-30.
- T. In addition, since the 2001 Agreement was approved, a number of changes have occurred, or are proposed to occur, to business operations and debt obligations, resulting in changes to financing opportunities and efficiencies, revised programmatic services, and modified roles and responsibilities of the Parties. These changes are reflected in the clarification and expansion of the funding priorities contained in this Agreement.
- U. The Parties share a common understanding that (i) the OCC has a fundamental competitive disadvantage due to its lack of an adjacent convention center hotel, and (ii) public investment is necessary to the development of a privately owned, financed, constructed and operated hotel adjacent to the OCC to serve national convention clients and provide a quality hotel of the type and scale, including the necessary meeting and ballroom facilities, to bring additional national convention business to the OCC.
- V. Metro intends to negotiate an OCC Hotel Project Development Agreement, including a commitment of public funds, which will result in development of a convention center hotel and improve the competitiveness of the OCC. In other related agreements, Metro will endeavor to negotiate key terms that address OCC competitiveness, such as a minimum room block for a length of time consistent with the anticipated OCC Hotel Project Bonds, while at the same time taking into consideration the interests of and impacts on existing hotels and service providers. Metro believes that the overall hotel market will grow and strengthen due to the new and additional conventions at the OCC
- W. In addition to private funds in excess of \$115 million and the commitment of site-specific transient lodging taxes generated by the OCC Hotel Project, which is described in this Agreement, development of the OCC Hotel Project is expected to be supported by public contributions including a \$4 million grant from Metro, a \$4 million loan from the Portland Development Commission and \$10 million from State of Oregon lottery funds.
- X. To clearly indicate support for an appropriate level of public investment in a privately-owned convention center hotel, the Parties have included in this Agreement, provisions for the use of non-VFTA Site-Specific Transient Lodging Tax Revenues (“SSTLTR”) and the VFTA for bond financing of a portion of the cost of constructing such hotel. Given that negotiations on the development terms are not complete, specified actions necessary to fully implement this Agreement are provisional and tied to the outcome of the completion by Metro of an OCC Hotel Project Development Agreement.
- Y. A portion of the development of the OCC Hotel Project will be financed via revenue bonds issued by Metro (the “OCC Hotel Project Bonds”), and Metro is willing to provide a limited financial pledge of support for the OCC Hotel Project Bonds on the condition that the County continues to impose and maintain the VFTA TLT Surcharge and Excise

Tax Fund TLT and the City continues to impose and maintain the City 5% TLT and City 1% TLT for the life of the OCC Hotel Project Bonds.

- Z. The Parties intend to utilize the stability and resource capacity of the VFTA to obtain favorable terms for the OCC Hotel Project Bonds, which will benefit from the strength and duration of the VFTA system, and create the most efficient bond financing mechanism for public investment in the OCC Hotel Project. The Parties have included in this Agreement mechanisms intended to assure the continued health and strength of the VFTA system as a whole.
- AA. The Parties agree to redirect the non-VFTA SSTLTR generated by the OCC Hotel Project into the VFTA and that the amount and repayment structure of the OCC Hotel Project Bonds will be based upon the SSTLTR as set forth herein.
- BB. The Parties agree that, based on the current projections for the OCC Hotel Project, the entire VFTA system benefits from the inclusion of the non-VFTA SSTLTR in the VFTA because total revenues are increased and SSTLTR above the amount necessary for OCC Hotel Project Bond repayment, if any, will accrue to the VFTA.
- CC. The Parties agree that the VFTA system will benefit from more frequent and consistent financial review, and to achieve this outcome, have included in this Agreement the creation of a Financial Review Team with specified duties and tasks.
- DD. The Parties agree that the VFTA system will benefit from the development and ongoing maintenance of a Visitor Development Strategic Plan, and to achieve that outcome, have included in this Agreement a commitment to create and maintain such a plan.
- EE. The Parties agree that periodic review of this Agreement by the Parties is valuable to maintain its support of regional visitor facilities and visitor industry development in the Portland-Multnomah County area, and have included in this Agreement a commitment to discuss the terms of this Agreement periodically.

## AGREEMENT

### I.1. DEFINITIONS

“2001 Agreement” is defined in Recital B.

“Additional OCC Operating Support” is defined in Section 3.3.5.1.

~~A. “Administrative Fee” means the annual County Trust Account fee paid to the County as the Trustee and for administering the VFTA. The fee is equal to 0.7% of the gross annual revenues deposited in the VFTA from all sources the County’s Indirect Flow Through Rate that is published annually in the County Indirect Cost Rates and Countywide Cost Allocation Plan and charged to internal County accounts.~~

“Agreement” or “VFIGA” means ~~the~~ this 2013 amended and restated Visitor Facilities Intergovernmental Agreement.

“Beneficiaries” is defined in Section 3.2.

“Board” or “Visitor Development Fund, Inc. Board” means the duly appointed Board of Directors for VDFI, acting in accordance with the VDFSFA and the organization’s bylaws in exercising their responsibilities, including but not limited to decision-making and allocation of funds described in Sections 3.3.5 and 3.3.9.

~~B.~~ “Bonds” mean, collectively, the ~~Civic~~-Stadium Bonds, the Convention Center Completion Bonds, ~~and~~ the PCPA Bonds, and the OCC Hotel Project Bonds, if such OCC Hotel Project Bonds are issued in the future consistent with Section 6.2.

“Bond Redemption Reserve” or “BRR” is defined in Section 3.3.13.

“City CAO” means the Chief Administrative Officer of the City of Portland.

“City 1% TLT” means the 1% transient lodging tax that the City is authorized to collect for the promotion of convention business and tourism under Portland City Charter Section 7-113.2 and Portland City Code Chapter 6.04, and which is a non-VFTA tax.

“City 5% TLT” means the 5% transient lodging tax that the City is authorized to collect for general purposes under Portland City Charter Section 7-113.1 and Portland City Code Chapter 6.04, and which is a non-VFTA tax.

“City Bonds” means, collectively, the Stadium Bonds, the Convention Center Completion Bonds, and the PCPA Bonds.

~~C. Civic Stadium Bonds mean the bonds or other debt obligations issued by the City to fund the Civic Stadium improvements in an amount not to exceed \$35,000,000, and any bonds issued to refund those bonds~~

~~D. Convention Center Completion Bonds mean the bonds or other debt obligations issued by the City to fund the Convention Center Completion Project in an amount not to exceed \$100,000,000, and any bonds issued to refund those bonds.~~

~~E. “Convention Center Completion Project” means the expansion of the Oregon Convention Center facilities to include approximately 105,000 square feet of exhibit space, a 35,000 square foot ballroom, a total of 40 meeting rooms, 35,000 square feet of lobby space, a 825 space parking garage and 10 loading docks. The anticipated budget for the project is \$116,000,000.~~

“County CFO” means the Chief Financial Officer of Multnomah County.

~~F. “CPI” means the Consumer Price Index, Urban, All Consumers, in the Portland-Salem, OR-WA area, or any successor index, as issued by the U.S. Department of Labor, Bureau of Labor Statistics, the annual average percent change in the Portland-Salem OR-WA CPI-U, as issued by the U.S. Department of Labor, Bureau of Labor Statistics, for the most recent 12-month calendar year period, or a comparable measure of price change should this index not be available.~~

“Dispute Resolution Committee” or “DRC” is defined in Section 98.1.1.

“Early Termination Date” is defined in Section 9.1.

~~G.~~ “East County Cities” means Gresham, Troutdale, Fairview and Wood Village.

“Escalated” is defined in Section 3.4.

“ETF IGA” is defined in Recital N.

“Excise Tax Fund TLT” or “ETF TLT” means the 3% transient lodging surcharge that the County collects under the authority of Multnomah County Code 11.401(D) and is utilized to support specified facilities and programs including the OCC, PCPA and the Regional Arts and Cultural Council, and which is a non-VFTA tax.

“Financial Review Team” or “FRT” is described in Section 7.2.

“Fiscal Year” or “FY” is defined as the twelve month period beginning July 1 and continuing through June 30.

“Metro COO” means the Chief Operating Officer of Metro.

~~H.~~ “Net Revenues” mean the collections (including delinquent interest and penalties) from (1) the VFTA TLT Surcharge; (2) the VFTA VRT Surcharge; (3) the SSTLTR; and (4) earnings on amounts in the VFTA, less the Administrative Fee~~the 2.5% surcharge transient lodgings tax (MCC 11.401(E)), the collections (including delinquent interest and penalties) from the 2.5% surcharge vehicle rental tax (MCC 11.301(C)), and earnings on amounts in the VFTA, less the Administrative Fee.~~ Net revenues ~~Revenues~~ does not include any amounts required to pay refunds of surcharge taxes, including interest, or other charges required by state law, ~~debt service on the Regional Children’s Campus Bonds or any Parity Obligations.~~

“OCC” means the Oregon Convention Center located in Portland, Oregon.

“OCC Annual Budget” is defined in Section 3.3.5.1.

“OCC Bonds” or “Convention Center Completion Bonds” means the City’s Limited Tax Revenue Bonds, 2001 Series B and Limited Tax Revenue Refunding Bonds, 2011 Series A and any bonds issued to refund those bonds, including refunding of such refunding bonds.

“OCC Capital Improvement Expenses” means the costs associated with renewal and replacement of existing assets, as well as investments in new capital projects, that enhance the marketability of the OCC and maintain its quality and competitiveness.

~~I.~~ OCC Operating Deficit means the amount that the reasonable operating, capital repair and maintenance costs of the Oregon Convention Center exceed the total of revenues collected from the Convention Center and the 3% surcharge Transient Lodgings Tax

~~(MCC 11.401(D)) received by Metro from the County for operation of the Convention Center. Revenues collected from the Oregon Convention Center may be decreased by the practice of providing discounts from standard rental charges and fees in order to attract events that will have the intended effect of attracting additional visitors to the region thereby increasing Net Revenues.~~

“OCC Expenses” is defined in Section 3.3.5.1.

“OCC Hotel Project” means the proposed hotel to be located adjacent to the Oregon Convention Center, which will (i) function as the lead hotel for national marketing and convention purposes, (ii) include the necessary meeting and ballroom facilities, and (iii) provide a dedicated room block agreement for 500 rooms needed to bring additional national convention business to the OCC.

“OCC Hotel Project Bonds” means the revenue bonds or other debt obligations that may be issued by Metro consistent with Section 6.2 to fund a portion of the construction of the OCC Hotel Project, and any bonds issued to refund those bonds.

“OCC Hotel Project Development Agreement” means a contractual agreement between Metro and a developer for the development of a convention center hotel. Other related agreements between Metro and a hotel developer and/or hotel operator will address terms of the hotel operations (e.g. parking, room blocks and room rate impacts on the market).

“OCC Operating Expenses” means all costs and expenses of operating the OCC during a given Fiscal Year, consistent with the purposes of this Agreement or in accordance with an OCC Annual Budget.

“OCC Operating Revenues” means, for any given Fiscal Year, the gross cash receipts received by the OCC with respect to operations of the OCC.

“OCC Operating Support” is defined in Section 3.3.5.1.

“OCC Revenues” is defined in Section 3.3.5.1.

“Party” or “Parties” means of the City of Portland, Multnomah County and Metro.

“PCPA” means the Portland Center for the Performing Arts, which includes the Arlene Schnitzer Concert Hall, the Ira Keller Auditorium and the Antoinette Hatfield Hall.

~~J.Regional Children’s Campus Bonds and Parity Obligations means (a) the County’s Revenue Bonds, Series 1998 (Regional Children’s Campus, Inc.) that are dated October 1, 1998, (b) the Motor Vehicle Rental Tax Revenue Bonds, Series 2000A and 2000B dated November 1, 2000, (c) any obligations issued to refund obligations described in clause (a) or (b) of this definition.~~

~~K.~~“PCPA Bonds” mean the City’s Full Faith and Credit Loan Agreement (PCPA Refunding) dated December 15, 2011~~bonds or other debt obligations issued by the City to~~

~~fund capital improvements to the PCPA, in an amount not to exceed \$2,100,000~~, and any bonds issued to refund those bonds, including any refunding of such refunding bonds.

“Restricted Reserve” or “RR” is defined as Section 3.3.12.

“Rose Quarter Facilities” means the Veterans Memorial Coliseum and the Rose Quarter properties owned by the City of Portland, by and through the Office of Management and Finance.

“Spectator Facilities Fund Revenues” is defined in Section 5.3.1.

“SSTLTR” or “Site-Specific Transient Lodging Tax Revenues” means the transient lodging taxes collected from the users of the OCC Hotel Project based on the City 1% TLT, City 5% TLT, the Excise Tax Fund TLT, which are all non-VFTA taxes, and the VFTA TLT Surcharge.

“Stadium” means JELD-WEN Field (formerly known as PGE Park and Civic Stadium), the improvements of which were originally funded by the Stadium Bonds.

“Stadium Bonds” means the City’s Limited Tax Revenue Bonds, 2001 Series D issued by the City to fund the Stadium improvements, and any bonds issued to refund those bonds, including any refunding of such refunding bonds.

“Strategic Plan” or “Visitor Development Strategic Plan” is defined in Section 7.3.

“Termination Date” is defined in Section 9.2.

“TLT Net Revenues” means the Net Revenues less the VFTA VRT Surcharge.

“Travel Portland” means the Oregon non-profit corporation organized for the primary purpose of promotion, solicitation, procurement and service of convention business and tourism for the Multnomah County area. Travel Portland was formerly known as Portland Oregon Visitors Association.

“Trustee” means the County CFO, or his designee.

“VDF” or “Visitor Development Fund” is defined in Section 3.3.9.

“VDF1” is defined in Section 3.3.9.1.

“VDF2” is defined in Section 3.3.9.2.

“VDFI” or “Visitor Development Fund, Inc.” means the non-profit corporation formed to budget for and administer the expenditure of certain VFTA allocations as described in the Visitor Development Fund Services Agreement.

“VDFS” or “Visitor Development Fund Services Agreement” is defined in Recital C.

~~L.~~ “VFTA” or “Visitors Facilities Trust Account” (VFTA) means the County ~~exerce~~ tax account that (i) receives the VFTA TLT Surcharge and the VFTA VRT Surcharge collections, (ii) will be modified to receive the non-VFTA SSTLTR, and (iii) disburses Net Revenues and TLT Net Revenues and other allocated disbursements as provided in this Agreement. The VFTA allocations are set forth in Section 3.3 and are sometimes referred to as the “bucket system”~~created by MCC 11.401(E) to receive and disburse Net Revenues as provided in this Agreement.~~

“VFTA TLT Surcharge” is defined in Section 2.1 and is a VFTA tax.

“VFTA VRT Surcharge” is defined in Section 2.2 and is a VFTA tax.

“VFTA Fund Forecast” is defined in Section 4.3.3.

~~M.~~ “Year One” means ~~fiscal year~~ Fiscal Year ~~2000-2001~~ 2013-14.

## H.2. FUNDING AGREEMENTS~~COUNTY OBLIGATIONS~~

~~A.2.1.~~ Multnomah County ~~Code 11.401(E)~~ Ordinance 941 (MCC 11.401(E)) effective April 1, 2000, amended by Ordinance No. 957 adopted January 25, 2001, imposes a surcharge of 2.5% ~~surcharge~~ on the gross amounts of value paid to or received by the owners or operators of hotels, motels, and other lodging facilities for lodging of less than one month duration from occupants (the “VFTA TLT Surcharge”)~~transient lodgings tax~~. The County will deposit the ~~Net Revenues~~ tax collections from the VFTA TLT Surcharge from this 2.5% surcharge transient lodgings tax in the VFTA as provided in this Agreement ~~and Attachment A~~.

~~B.2.2.~~ Multnomah County ~~Code 11.301(C)~~ Ordinance 942 (MCC 11.301(C)) effective April 1, 2000, imposes a surcharge of 2.5% ~~surcharge~~ on the motor vehicle rental fee charged by commercial companies on vehicle rentals of 30 days or less (the “VFTA VRT Surcharge”)~~tax~~. The County will deposit the ~~Net Revenues~~ tax collections from the VFTA VRT Surcharge ~~this 2.5% surcharge vehicle rental tax~~ in the VFTA as provided in this Agreement ~~and Attachment B~~. ~~[Note: there is no Attachment C to this Agreement.]~~

2.3. The County, as set forth in Section 4.1.3, will amend Multnomah County Code, as needed, to conform to the terms of this Agreement and transfer the SSTLTR.

2.4. The City will transfer SSTLTR as described in Section 5.4.

## C. Dedication of Net Revenues

~~2.2.1. The County acknowledges that the City will issue Bonds backed by the City’s full faith and credit in reliance upon the County’s 2.5% surcharge transient lodgings tax and 2.5% surcharge vehicle rental tax, the County commitment to deposit the Net Revenues in the VFTA, the continuation of these taxes, and the payments from the VFTA to the City, or as directed by City, for repayment of the Bonds as provided in this Agreement.~~

~~2.2.2. As authorized in ORS 288.594, the County pledges the Net Revenues for the benefit of the City, Metro, the owners of the Bonds, and the Beneficiaries of the VFTA as defined in section II.D.3 below. The pledge is valid and binding from April 1, 2000, and will remain in effect until the Bonds are fully paid. The Net Revenues pledged are immediately subject to the lien of the pledge and that lien is, and will remain, superior to other claims and liens, except the lien of the Regional Children's Campus Bonds and any Parity Obligations. The County's pledge is limited solely to the Net Revenues and is not a limited tax bond as that term is defined in ORS Chapter 288.~~

~~2.2.3. The City may assign the County's pledge of the Net Revenues for the benefit of the owners of the Bonds.~~

~~2.2.4. The parties acknowledge that the County has made a pledge of all the revenues of its vehicle rental tax imposed by MCC 11.301 for the Regional Children's Campus Bonds and Parity Obligations. The parties further acknowledge that these pledges have priority and that the County may retain the portion of the 2.5% surcharge vehicle rental tax (MCC 11.301(C)) required to pay debt service when due on those bonds before the 2.5% surcharge vehicle rental tax revenues are deposited in the VFTA. However, the parties expect that the 10% base vehicle rental taxes collected under MCC 11.301(B) will be sufficient to pay the Regional Children's Campus Bonds and Parity Obligations, and the County has agreed in section II.C.6(b) of this Agreement to maintain base vehicle rental taxes that are sufficient to pay the Regional Children's Campus Bonds and Parity Obligations.~~

~~2.2.5. The County may make further subordinate pledges of the 10% base vehicle rental taxes collected under MCC 11.301(B). Until the Bonds are paid or defeased, the County will not grant any additional liens on the Net Revenues, except for any Parity Obligations.~~

~~2.2.6. The County has pledged the 2.5% surcharge transient lodgings tax and the 2.5% surcharge vehicle rental tax to pay the Bonds. ORS 288.594(2) (as amended by the 1999 Regular Session of the Oregon Legislative Assembly) authorizes the County to enter into covenants to impose rates and charges that generate pledged revenues each year in amounts at least equal to the operations and maintenance expenses of the system that produces the pledged revenues, plus debt service on borrowings. The Convention Center, the PCPA, the Civic Stadium, and motor vehicle rental facilities and transient lodging facilities within the County are all part of a system that attracts visitors and supports arts and economic development in the area, and the County's 2.5% surcharge transient lodgings tax and the 2.5% surcharge vehicle rental tax are part of the revenues of that system. Pursuant to the authority of ORS 288.594(2), the County hereby agrees that it will:~~

~~2.2.6.1. maintain the 2.5% surcharge transient lodgings tax imposed under MCC 11.401(E) and the 2.5% surcharge vehicle rental tax imposed under~~

~~MCC 11.301(C) in effect until the Bonds have been paid or the County has transferred sufficient funds to the City to defease the Bonds;~~

~~2.2.6.2.maintain a portion of its 10% base vehicle rental tax imposed by MCC 11.301(B) in effect at a rate that is sufficient to pay all debt service on the Regional Children's Campus Bonds and any Parity Obligations when due, until the Regional Children's Campus Bonds and any Parity Obligations are paid or defeased.~~

### ~~2.3.Visitor Facilities Trust Account~~

## 3. VISITOR FACILITIES TRUST ACCOUNT

1.3.1. To implement this Agreement, the ~~The~~ County has established a Visitor Facilities Trust Account (VFTA) that is held separate from all other County funds. The County is the Trustee and will deposit into the VFTA (i) the revenues described in Sections 2.1 through 2.4 immediately upon receipt, and (ii) the earnings on the amounts held in the VFTA and delinquent interest and penalties that are collected, periodically. The County will disburse funds from the VFTA only as provided in the Agreement.

~~2.4.1.The County will deposit the Net Revenues in the VFTA immediately upon receipt, and will disburse amounts in the VFTA only as provided in the Agreement.~~

3.3.2. The Beneficiaries of the VFTA are:

a)3.2.1. The City of Portland,

b)3.2.2. The owners of the Bonds,

e)3.2.3. Metro,

d)3.2.4. ~~Tri-Met~~ The County, and

e)3.2.5. The Visitor Development ~~Board~~ Fund, ~~or its successor, as provided in section V., below~~ Inc.

4.3.3. The Parties agree that each Fiscal Year ~~Each fiscal year~~, beginning in Year One and continuing until all Bonds are paid or defeased, the ~~County Trustee, after paying the Administrative Fee, and~~ refunds of surcharge taxes, including interest, or ~~and other charges required by state law,~~ will apply funds in the VFTA solely for the ~~following~~ purposes and in the ~~following~~ order of priority described in Sections 3.3.1 through 3.3.13 and in accordance with the payment provisions of ~~subsection 7 of this section~~ Section 4.2. ~~The~~ VFTA allocations will not be distributed pro rata. Reimbursements are subject to the provisions of Section 4.2.6.

For debt service payments on the Bonds, the order of priority is described in Sections 3.3.1 through 3.3.4. Payments described in Sections 3.3.1 through 3.3.4 shall be

made to the issuer of the Bonds, or their trustee or paying agent, not later than the dates that the Bond documents require that payments be made to the trustee or the paying agent for the Bonds.

To fund programs, services, operations, capital improvements, and marketing that support the purposes of this Agreement, the order of priority is described in Sections 3.3.5 through 3.3.11. Unless otherwise stated, allocations in these Sections are as of Year One. Specified allocations are subject to being Escalated as defined in Section 3.4. The Parties acknowledge that the TLT Net Revenues are deemed allocated first to pay debt service payments on the Bonds.

For the purposes of creating and maintaining reserves, the order of priority in funding a Restricted Reserve (RR) and Bond Redemption Reserve (BRR) is described in Sections 3.3.12 and 3.3.13.

a)3.3.1. OCC Bonds. First, to the City the amount necessary to pay scheduled debt service on the Convention Center Completion Bonds (including any mandatory sinking fund or redemption payments), so long as OCC Bonds remain outstanding, and any amounts required to reimburse the City for debt service it was required to pay from other sources in previous fiscal years in which insufficient funds were available in the VFTA to pay debt service when due on the ~~Convention Center Completion~~OCC Bonds, ~~and to Metro any amounts required to reimburse it for amounts it was required to pay under section IV.C. of this Agreement.~~

b)3.3.2. PCPA Bonds. Second, to the City the amount necessary to pay scheduled debt service on the PCPA Bonds (including any mandatory sinking fund or redemption payments), so long as PCPA Bonds remain outstanding, and any amounts required to reimburse the City for debt service it was required to pay from other sources in previous fiscal years in which insufficient funds were available in the VFTA to pay debt service when due on the PCPA Bonds.

e)3.3.3. Stadium Bonds. Third, to the City the amount certified by the City as necessary after application of Spectator Facilities Fund Revenues, as established in Section 5.3.1 ~~available revenues from Civic Stadium, as established in section III.F. below~~, to pay scheduled debt service on the ~~Civic~~-Stadium Bonds (including any mandatory sinking fund or redemption payments), so long as Stadium Bonds remain outstanding, and any amounts required to reimburse the City for debt service it was required to pay from sources other than Spectator Fund ~~Civic Stadium~~-Revenues in previous years in which insufficient funds were available in the VFTA to pay debt service when due on the ~~Civic~~-Stadium Bonds.

3.3.4. OCC Hotel Project Bonds. Fourth, to Metro, the amount necessary to pay scheduled debt service on OCC Hotel Project Bonds (including any mandatory sinking fund or redemption payments), if such bonds are issued as described in Section 6.2, so long as OCC Hotel Project Bonds remain outstanding.

~~(2)~~3.3.5. OCC Operating Support. ~~Fourth~~Fifth, to Metro ~~the-an~~ amount not to exceed One Million, Two Hundred Fifty Thousand Dollars (\$1,250,000), Escalated, ~~for of any projected~~ OCC Operating ~~Deficit~~ Support to maintain the OCC's competitiveness ~~for that fiscal year, and amounts required to reimburse Metro for amounts that would have been paid to Metro under this subsection but not paid because there were insufficient funds in the VFTA.~~ An amount for Additional OCC Operating Support may also be requested by Metro annually. ~~The (1) During the first six fiscal years, the total cumulative amount paid to Metro under this subsection will not exceed \$8,840,000; these payments will be made according to the schedule attached as Attachment D, as that Attachment may be modified from time to time by agreement of the City's chief financial officer, the County's chief financial officer and Metro's chief financial officer. (2) For the seventh and subsequent fiscal years, the amount~~ of the OCC Operating Support and Additional OCC Operating Support, if any, of the projected OCC Operating Deficit will be established and reviewed as provided below.

3.3.5.1. No later than ninety (90) days prior to the start of each Fiscal Year, If the Metro Executive OfficerCOO shall prepare and transmit to the Board a proposed preliminary budget (the "OCC Annual Budget"), which may be modified during Metro's budget process. The proposed preliminary OCC Annual Budget shall set forth in reasonable detail (i) anticipated OCC Operating Revenues and anticipated OCC Excise Tax Revenues for that Fiscal Year (collectively, "OCC Revenues"), (ii) anticipated OCC Operating Expenses and any proposed OCC Capital Improvement Expenses (collectively, "OCC Expenses"), and (iii) a request for VFTA funds for OCC Operating Support for the difference between the OCC Revenues and OCC Expenses up to One Million, Two Hundred Fifty Thousand Dollars (\$1,250,000), Escalated. If the difference between the OCC Revenues and OCC Expenses for that Fiscal Year exceeds One Million, Two Hundred Fifty Thousand Dollars (\$1,250,000), Escalated, a concurrent request for "Additional OCC Operating Support" can be submitted and considered consistent with Sections 3.3.5.2 and 3.3.5.6.

3.3.5.2. A request for Additional OCC Operating Support will be provided by Metro to the Financial Review Team at least ten (10) days prior to being submitted to the Board. The FRT shall review and analyze the request and provide advice to the Board as described in Task 2A of Attachment A.

3.3.5.3. ~~determines that there will be an OCC Operating Deficit, the Metro Executive Officer may propose the allocation of additional funds in the fiscal year budget the Metro Executive Officer transmits to the Metro Council. At the time of transmission of the proposed OCC Annual Budget~~ fiscal year budget is transmitted to the Board, the Metro Executive OfficerCOO will notify the City, ~~and the~~ County ~~and the Visitor Development Fund Board of the projected-proposed~~ OCC Operating Deficit Support amount and the requested Additional OCC Operating

Support amount, if any. Unless the City, County or the Visitor Development Fund, Inc. Board give notice of objection to the proposed OCC Operating Support amount within 60 days of the Metro notice, the Metro Council may thereafter adopt the proposed OCC Annual Budget~~budget~~ that includes an OCC Operating ~~Deficit~~ Support, up to the amount proposed by the Metro ~~Executive Officer~~ COO. If either the City, acting through its ~~City Commissioner in Charge~~ Mayor, the County acting through its Chair, or the Visitor Development Fund, Inc. Board, acting through a vote of its authorized membership, objects to the proposed ~~budget~~ OCC Operating Support amount, the matter will be referred to the Dispute Resolution Committee and the dispute resolution process described in Section 8.

~~(b)~~ 3.3.5.4. If the proposed ~~budget~~ OCC Operating Support is approved in whole or in part by the Dispute Resolution Committee, the objection will be removed and the Metro Council may adopt a ~~proposed~~ budget that includes the OCC Operating ~~Deficit~~ Support up to the amount approved by the Dispute Resolution Committee.

~~(e)~~ 3.3.5.5. If the Dispute Resolution Committee does not approve any OCC Operating ~~Deficit~~ Support, then no VFTA ~~additional~~ funds shall be allocated.

3.3.5.6. A request of Additional OCC Operating Support will be subject to specific action by the Board, acting through a vote of its authorized membership, to approve, deny or reduce the allocation. The standards for the Board's decision shall be whether approval of Additional OCC Operating Support in the specified amount will (i) fulfill the purposes of this Agreement and (ii) allow for other obligation of this Agreement to be met. The decision of the Board in this Section 3.3.5.6 is subject to the dispute resolution process described in Section 8.

3.3.5.7. If ~~this~~ the process described in Sections 3.3.5.1 through 3.3.5.6 has been followed, and an amount for OCC Operating ~~Deficit~~ Support and Additional OCC Operating Support, if any, has been approved, upon adoption by the Metro Council of an annual budget that includes an OCC Operating ~~Deficit~~ Support and Additional OCC Operating Support, the Metro ~~Executive Officer~~ COO may transmit the adopted budget to the County, who will pay the authorized amount for OCC Operating ~~Deficit~~ Support and Additional OCC Operating Support, if any, from the VFTA, as provided in ~~section II.D.4.d) or h) of~~ this Agreement.

~~(d)~~ 3.3.5.8. At the end of any Fiscal Year in which the OCC Operating Support and Additional OCC Operating Support, if any, is not fully expended to meet obligations of the OCC Annual Budget, the remaining funds shall be deposited by Metro in an OCC reserve fund dedicated for future capital or operational needs.

3.3.5.9. Notwithstanding Section 3.3.5, the amount for OCC Operating Support authorized for FY 2013-14 shall be One Million, Four Hundred Thirty-Nine Thousand and Eight Hundred Dollars (\$1,439,800). The process described in Sections 3.3.5.1 through 3.3.5.6 shall not apply in FY 2013-14.

3.3.6. County Visitor Facilities and Operations Support. Sixth, to the County, except as described in Sections 3.3.6.1 through 3.3.6.3, ~~an~~ the amount of Five Hundred Thousand Dollars (\$500,000), Escalated, to fund operations and capital improvements supporting the purposes of this Agreement.

3.3.6.1. For FY 2013-14, the amount shall be Two Hundred Fifty Thousand Dollars (\$250,000).

3.3.6.2. Beginning in FY 2017-18 and continuing through FY 2020-21, the amount shall reset to Seven Hundred Fifty Thousand Dollars (\$750,000). The starting date of this increase shall be subject to review and confirmation by the Financial Review Team based on the sufficiency of VFTA revenues to cover the obligations of the Agreement, as described in Task 2B of Attachment A. The increased annual allocation shall be Escalated beginning the year in which the increase is confirmed by the Financial Review Team.

3.3.6.3. Beginning in FY 2021-22, the amount shall reset to One Million Dollars (\$1,000,000). The starting date of this increase shall be subject to review and confirmation by the Financial Review Team based on the sufficiency of VFTA revenues to cover the obligations of the Agreement, as described in Task 2B of Attachment A. The increased annual allocation shall be Escalated beginning the year in which the increase is confirmed by the Financial Review Team.

3.3.7. Enhanced OCC Marketing Support. ~~Seventh~~<sup>Fifth</sup>, to Metro ~~an amount~~ for enhanced convention center ~~Convention Center~~ marketing ~~the amount of~~ ~~as follows:~~

3.3.7.1. For FY 2013-14, and annually until Metro issues OCC Hotel Project Bonds and an OCC Hotel Project has been in operation for eighteen (18) consecutive months, the amount of Four Hundred Fifty Thousand Dollars (\$450,000), Escalated, ~~\$250,000 in Year One, \$350,000 in the second year, increased for each fiscal year thereafter by the CPI.~~

3.3.7.2. Beginning with the third Fiscal Year after the OCC Hotel Project has been in operation for eighteen (18) consecutive months, and only in the event Metro issues OCC Hotel Project Bonds as described in Section 6.2, the allocation for Enhanced OCC Marketing Support shall be reduced to the amount of One Hundred Seventy-Five Thousand Dollars

(\$175,000), Escalated, for as long as the OCC Hotel Project Bonds remain outstanding.

~~f)3.3.8. Convention Visitor Public Transit Passes. Eighth, to the entity contractually obligated to pay TriMet, the amount actually paid, Sixth, to Tri-Met the amount of \$300,000 per fiscal year beginning in the year after Year One increased for each fiscal year thereafter by the CPI, to be used to pay the costs associated with the expansion of Fareless Square to the Lloyd Center Max station, plus any amount required to reimburse Tri-Met for costs up to Three Hundred Ninety Thousand Dollars (\$390,000), Escalated, for convention visitor public transit passes, and any amount required to reimburse that entity for costs up to Three Hundred Ninety Thousand Dollars (\$390,000), Escalated, per Fiscal Year that the entity \$300,000 plus CPI per fiscal year that Tri-Met was required to pay to TriMet in previous years in which insufficient funds were available in the VFTA to pay to Tri-Met that entity the amount it provided-allowed in this subsection~~Section 3.3.8.

~~g)3.3.9. Visitor Development Fund. Ninth, to VDFISeventh, to the Visitor Development Board, or its successor as provided in section V., below, to be deposited in the “Visitor Development Fund” (or “VDF”) for convention and tourism marketing purposes, separately into two subaccounts to be used as follows: the amount of \$250,000 in Year One, the amount of \$500,000 in the next fiscal year of this Agreement, and the amount of \$500,000 for each subsequent fiscal year increased by the CPI.~~

3.3.9.1. Subaccount Visitor Development Fund One (“VDF1”), the amount of Six Hundred Forty-Five Thousand Dollars (\$645,000), as Escalated.

3.3.9.2. Subaccount Visitor Development Fund Two (“VDF2”), the amount of Eight Hundred Seventy-Five Thousand Dollars (\$875,000), to be deposited annually through FY 2029-30. The VDF2 allocation shall not be Escalated. Any unobligated VDF2 funds above \$250,000 annually shall be refunded to the County and deposited to the RR or BRR, as described in Sections 3.3.12 and 3.3.13.

~~h)3.3.10. PCPA Operations Support. EighthTenth, to Metro, for so long as Metro operates PCPAon behalf of the operator of PCPA, the amount of Six Hundred Forty-Five Thousand Dollars (\$645,000), eEscalatedof \$250,000 in Year One, \$500,000 in the second year increased for each year thereafter by the CPI.~~

~~i)3.3.11. Rose Quarter Facilities and City Tourism Support. Eleventh, to the City, the amount of Five Hundred Thousand Dollars (\$500,000), Escalated, to fund Rose Quarter Facilities operations and capital improvements, and activities supporting the purposes of this Agreement. Ninth, during the first six fiscal years of this Agreement, the amount of any projected OCC Operating Deficit in excess~~

~~of the amounts provided in subsection d)(1), above, as determined pursuant to the procedure set forth in subsection d(2) above.~~

3.3.11.1. Notwithstanding Section 3.3.11, for FY 2013-14, the amount of Two Hundred Fifty Thousand Dollars (\$250,000).

~~j)3.3.12. Restricted Reserve. Twelfth, to a "Restricted Reserve" (or "RR"), which funds shall be reserved for use in making disbursements in future years if Net Revenues and TLT Net Revenues are insufficient to pay all disbursements required for Sections 3.3.1 through 3.3.11. The minimum amount to be established and maintained in the RR shall be reviewed annually by the Financial Review Team, as described in Task 3A of Attachment A, and shall be equal to 1.5 times the maximum annual payments forecast to be expended for the required allocations in Sections 3.3.5 through 3.3.11 during the next five Fiscal Years in the VFTA Fund Forecast. Tenth, to create and fund a revenue stabilization subaccount (RSS).~~

~~(1) The purposes of the RSS shall be to pay disbursements due in future years if Net Revenues are insufficient to pay all disbursements required for subsections a) through i).~~

~~(2) Until one year before the first date on which Convention Center Completion Bonds maturing more than 25 years after January 1, 2001, are subject to redemption, all Net Revenues remaining after the deposits required by subsections a) through i) and interest earnings thereon shall be deposited in the RSS.~~

~~k)3.3.13. Bond Redemption Reserve. Thirteenth, any Net Revenues or TLT Net Revenues in excess of the amount required to be deposited in the RR will be deposited into a "Bond Redemption Reserve" (or "BRR"), and shall be used exclusively to redeem Bonds prior to their stated maturity date and at their earliest optional redemption date. Funds on deposit in the BRR will be used to call Bonds in the same priority order as shown in Sections 3.3.1 through 3.3.4, or as otherwise recommended by the Financial Review Team as described in Task 3B of Attachment A. Eleventh, beginning one year before the first date on which Convention Center Completion Bonds maturing more than 25 years after January 1, 2001, are subject to redemption, all Net Revenues which remain after the payments and deposits described in subsections a) through i) have been made and all amounts in the RSS above the amount defined in subsection i)(3) above shall be transferred to the City to redeem or defease Convention Center Completion Bonds which mature more than 25 years after January 1, 2001, until an amount sufficient to redeem or defease all Bonds which mature after January 1, 2026, has been transferred to the City.~~

~~m)Reimbursement amounts will be paid with interest. Reimbursement payments will be made first toward those amounts that have been outstanding for the longest period.~~

3.4. Allocations Subject to Being Escalated. “Escalated” means an annual increase to a stated amount based on the change in the CPI between the second half of the prior calendar year compared to the second half of the year immediately preceding the prior calendar year. For example, for Fiscal Year 2014-2015 (July 1, 2014 – June 30, 2015), each of the allocations will be multiplied by a fraction, the numerator of which is the CPI for the second half of 2013 (July 1 – December 31, 2013) and the denominator of which is the CPI for the second half of 2012 (July 1 – December 31, 2012). Escalation for all allocation amounts in Sections 3.3.5 through 3.3.11 begins in Year One and continues annually thereafter unless otherwise stated. The Trustee shall calculate the Escalated amount for each Escalated allocation in Sections 3.3.5 through 3.3.11 at least one-hundred (100) days prior to the start of each Fiscal Year.

~~n)Interest on amounts to be paid under this section shall be at the Local Government Investment Pool Rate, determined as of the time of the reimbursement, for the time period beginning on the first day of the fiscal year following the date at which the payment requiring reimbursement was made.~~

3.5. A periodic review of the VFTA cash flows and the VFTA Fund Forecast shall be performed by the Financial Review Team as described in Task 1 of Attachment A.

#### 4. COUNTY OBLIGATIONS

4.1. Dedication of Net Revenues, TLT Net Revenues, and SSTLTR.

4.1.1. The County acknowledges that the City has issued and Metro intends to issue Bonds in reliance upon and secured in part by the Net Revenues and TLT Net Revenues.

4.1.2. The County commits to deposit into the VFTA (i) the tax collections from the VFTA TLT Surcharge and the VFTA VRT Surcharge and (ii) the SSTLTR, once these are tax collections are redirected by the City and County to the VFTA.

4.1.3. Within ninety (90) days of execution of this Agreement, the County will adopt an ordinance amending Multnomah County Code Chapter 11 consistent with this Agreement. However, the amendments to enable SSTLTR from the Excise Tax Fund TLT of the OCC Hotel Project to be redirected to the VFTA and to allow the VFTA to receive the non-VFTA SSTLTR shall be contingent upon Metro signing an OCC Hotel Project Development Agreement consistent with Section 6.2.

4.1.4. The County pledges the Net Revenues to pay the City Bonds. The pledge is valid and binding from April 1, 2000, and will remain in effect until the City Bonds are fully paid. The Net Revenues pledged are immediately subject to the lien of the pledge and that lien is, and will remain, superior to other claims and liens. The County’s obligations under this Section 4.1.4 are limited solely to the Net Revenues and this Agreement is not “bonded indebtedness” within the meaning of Section 10, Article XI of the Oregon Constitution or as described in ORS 287A.105.

4.1.5. The County pledges the TLT Net Revenues to pay the OCC Hotel Project Bonds. The pledge is valid and binding from the date Metro signs an OCC Hotel Project Development Agreement, and will remain in effect until the OCC Hotel Project Bonds are fully paid. The TLT Net Revenues pledged are immediately subject to the lien of the pledge, and, except as provided in Section 4.1.4, that lien is, and will remain, superior to other claims and liens. The County's obligations under this Section 4.1.5 are limited solely to the TLT Net Revenues and this Agreement is not "bonded indebtedness" within the meaning of Section 10, Article XI of the Oregon Constitution or as described in ORS 287A.105.

4.1.6. The City may assign the County's pledge of the Net Revenues for the benefit of the owners of the City Bonds, and Metro may assign the County's pledge of the TLT Net Revenues for the benefit of the owners of the OCC Hotel Project Bonds.

4.1.7. The County may make further subordinate pledges of the 14.5% base vehicle rental taxes collected under Multnomah County Code 11.301(B). Until the Bonds are paid or defeased, the County will not grant any additional liens on the Net Revenues or TLT Net Revenues.

4.1.8. Pursuant to the authority of ORS 287A.325, the County hereby agrees that it will:

4.1.8.1. Maintain the VFTA TLT Surcharge and the VFTA VRT Surcharge in effect until all City Bonds have been paid or the County has transferred sufficient funds to the City to defease all the City Bonds.

4.1.8.2. Maintain the VFTA TLT Surcharge and the Excise Tax Fund TLT in effect until all OCC Hotel Project Bonds have been paid or the County has transferred sufficient funds to Metro to defease the OCC Hotel Project Bonds.

~~5. The County will maintain records regarding tax receipts and the calculation of the VFTA revenues and make those records available to the City and the other Beneficiaries upon request.~~

~~6. Deposits to VFTA:~~

~~a) — The County will deposit the Net Revenues resulting from the 2.5% surcharge transient lodgings tax in the VFTA immediately upon receipt.~~

~~b) — The County will deposit the Net Revenues resulting from the 2.5% surcharge vehicle rental tax in the VFTA immediately upon receipt. The County may retain the portion of the surcharge vehicle rental tax required to pay debt service when due on the Regional Children's Campus Bonds and Parity Obligations before the vehicle rental tax revenues are deposited in the VFTA.~~

7.4.2. Payment from the VFTA.

~~a)4.2.1. \_\_\_\_\_~~ The County ~~will~~ has ~~established sub-accounts for each of the Beneficiaries and for the RSS as necessary to~~ and will maintain a VFTA that complies~~comply~~ with the terms of this Agreement.

4.2.2. After paying the Administrative Fee, refunds of surcharge taxes, including interest, and other charges required by state law, the Trustee will apply funds in the VFTA solely for the purposes and in the order of priority described in Sections 3.3.1 through 3.3.13.

4.2.3. The County will make payments (i) to the City~~at the direction of the City for the City Bonds according to the established bond payment schedule, and to Metro, or the bond trustee or paying agent, for the OCC Hotel Project Bonds, if such bonds are issued, according to the established bond payment schedule, (ii) to Metro quarterly, and (iii) to all other Beneficiaries at the end of each~~ fiscal year~~of Fiscal Year in the amounts described in Sections 3.3.5 through 3.3.11 in the sub-accounts described below.~~

~~e)At the end of each quarter, to the extent that Net Revenues are available, and subject to subsection f), below, the County will:~~

~~(1)Deposit into the City's or Metro's sub-account the amount necessary to reimburse either or both of them for any advances made to pay debt service on the Bonds for any previous period. If there are insufficient Net Revenues or TLT Net Revenues to reimburse both the City and Metro, the longest standing reimbursement amount will be paid first.~~

~~(2)Deposit into City's sub-account the amount required to make up any deficiency in the deposit to the City's sub-account from the previous quarter.~~

~~(3)Deposit into the City's sub-account one-half of the amount certified by the City to be required to pay the current semi-annual debt service payment due on the Bonds.~~

~~(4)Deposit into the Metro sub-account the amount required to reimburse Metro for any deficiency in the amount deposited in its sub-account from any previous quarter(s).~~

~~(5)Deposit into the Metro sub-account the amount certified by Metro as required to pay one-quarter of the amount defined in section II.D.4.d and e.~~

~~(6)Deposit into the Tri-Met sub-account the amount required to reimburse Tri-Met for any deficiencies in the amount deposited in its sub-account from any previous fiscal year.~~

~~(7)Deposit the amounts provided in subsection II. D.4. f. through i. of this section in the sub-accounts of the Beneficiaries in the order of their priority~~

~~provided in that subsection. Each sub-account will be filled to the maximum amount provided in subsection H.D.4. of this section before the next sub-account receives funds.~~

~~(8) Deposit into the RSS the amount required by subsection D.4.i of this section.~~

~~(9) Deposit into the City's redemption sub-account the amount described in subsection D.4.j of this section.~~

4.2.4. The County will deposit into the reserves the amount required by Sections 3.3.12 and 3.3.13.

4.2.5. For each allocation amount in Section 3.3, if there are insufficient funds flowing into the VFTA to fully fund all allocations, the allocations will be funded from the Restricted Reserve in the same priority order stated in Section 3.3.

4.2.6. Reimbursements from the VFTA will occur as follows:

4.2.6.1. If there are insufficient funds in the VFTA in a Fiscal Year to pay the debt service allocations in Section 3.3.1 through 3.3.3, the City will be reimbursed in subsequent Fiscal Years after the allocations in Sections 3.3.1 through 3.3.4 are paid for the current Fiscal Year and before allocations in Sections 3.3.5 through 3.3.11 are disbursed for the current Fiscal Year.

4.2.6.2. If there are insufficient funds in the VFTA in a Fiscal Year to pay the allocation in Section 3.3.8, the entity will be reimbursed in subsequent Fiscal Years after the allocations in Sections 3.3.1 through 3.3.4 are paid for the current Fiscal Year and after any City reimbursement as described in Section 4.2.6.1 is paid but before allocations in Sections 3.3.5 through 3.3.11 are disbursed for the current Fiscal Year.

4.2.6.3. As provided in Section 6.2.4, if Metro is required to reimburse the VFTA for a shortfall in SSTLTR, refunds to Metro from a subsequent SSTLTR reconciliation accounting credit balance shall be made based on confirmation by the Financial Review Team as described in Task 5 of Attachment A.

4.2.6.4. No other allocation in the Agreement shall be eligible for reimbursement.

4.2.6.5. Reimbursement amounts will be paid with interest. Interest on amounts to be paid under this Section 4.2.6 shall be at the State of Oregon Local Government Investment Pool rate, determined as of the time of the reimbursement, for the time period beginning on the first day of the Fiscal Year following the date in which the payment requiring reimbursement was outstanding and continuing until the reimbursement payment date.

~~d) If, in any quarter, the County has not received sufficient Net Revenues to deposit into the City's or Metro's sub-accounts the amount required in subsection c.(1) through c.(6) above, respectively, the County will first transfer any funds available in the RSS to fill the City's and Metro's sub-accounts for that quarter.~~

~~e) If, after the transfer(s) described in the subsection immediately above, there are still insufficient funds to fill the City's and Metro's sub-accounts for the quarter, the County will transfer funds that have been deposited in the sub-accounts of the other Beneficiaries during that fiscal year, in reverse order of deposit priority, to fill the City's and Metro's sub-accounts for the quarter.~~

~~f) If, at the end of the fiscal year, there are insufficient Net Revenues to make the payments specified in subsection D.4.a. through h. of this section, the County will transfer funds from the RSS to the extent available to fill those accounts.~~

8.4.3. The powers and duties of County as the Trustee are as follows:

4.3.1. The County will maintain records regarding aggregate tax receipts and the calculation of the VFTA revenues and make those records available to the Beneficiaries upon request.

~~a) 4.3.2.~~ The County will make an annual accounting of the VFTA ~~trust~~ and make that accounting available for review by the City Auditor, the County Auditor and the Metro Auditor.

4.3.3. The County will prepare an annual forecast of projected income and expenses for the VFTA through the life of the Agreement (the "VFTA Fund Forecast") and make that forecast available for review by the Financial Review Team and to the Beneficiaries upon request.

4.3.4. The County will exercise the rights and powers vested in it by this Agreement, and use the same degree of care and skill ~~in~~ as a prudent person would exercise or use under the circumstances.

~~e) 4.3.5.~~ The County may rely upon any certificate from the City or Metro reasonably believed by ~~it~~ the County to be genuine and correct, and reasonably believed by ~~it~~ the County to have been signed or sent by the ~~proper person or persons~~ City or Metro authorized representative.

4.3.6. ~~d)~~ The County will not be answerable for other than its negligence or willful misconduct in the performance of its powers and duties under this Agreement.

~~e) The County will not be required to give any bond or surety in respect of the execution of the trust created or the powers granted in this Agreement.~~

~~f) 4.3.7.~~ This Agreement does not require the County to expend or risk its owns funds (other than the Net Revenues or TLT Net Revenues) or otherwise incur any

financial liability in the performance of any of its duties, or in the exercise of ~~the~~ its rights or powers, if the County has reasonable grounds for believing that repayment of such funds, or in the alternative, indemnity satisfactory to it against such expense, risk or liability, is not reasonably assured to it.

~~g) In addition to those required in subsection 7 of this section, the County may establish and maintain additional accounts or subaccounts within the VFTA.~~

~~h) The County is authorized and directed to make disbursements from the VFTA from time to time as provided herein. The County will keep and maintain adequate records pertaining to the VFTA and all receipts and disbursements pertaining thereto, and will furnish upon request periodic statements to the Beneficiaries. County records relating to all income and disbursements of the VFTA will be made available by the County at its office during normal business hours to the Beneficiaries.~~

4.3.8. Any moneys held as part of the VFTA will be invested or reinvested by the County in legally authorized investments and administered according to the County's investment policy. All proceeds of such investments will be deposited into and become part of the VFTA.

4.4. The County will not take any action, or fail to take any action, that would result in any of the tax exempt Bonds becoming taxable.

### III.5. CITY OBLIGATIONS ~~OF CITY~~

A.5.1. The City has issued ~~will issue~~ limited tax revenue bonds, secured by the City's full faith and credit and amortized over a period not to exceed 30 years from the original date of the 2001 Agreement (January 31, 2001), as follows:

1.5.1.1. The Convention Center Completion Bonds, dated February 13, 2001, in the amount of \$99,998,888.25 and as subsequently refunded, ~~in an amount not to exceed \$100,000,000~~ to fund the Convention Center Completion Project, including the costs of issuance;

2.5.1.2. The PCPA Bonds, dated May 15, 2001, in the amount of \$2,100,000 and as subsequently refunded, ~~in an amount not to exceed \$2,100,000~~ to fund capital improvements to PCPA, including costs of issuance; and

3.5.1.3. The ~~Civic~~ Stadium Bonds, dated May 15, 2001, in the amount of \$35,000,000 in an amount not to exceed \$35,000,000 to fund improvements to ~~Civic~~ the Stadium, including costs of issuance. The City may issue bonds or other indebtedness to fund ~~Civic~~ Stadium improvements in addition to the ~~Civic~~ Stadium Bonds, however, such bonds shall not be repaid from the VFTA.

B.5.2. The ~~City's obligation to issue~~ City issued the City Bonds ~~is~~ conditioned on the VFTA TLT Surcharge and the VFTA VRT Surcharge ~~County's 2.5% surcharge transient lodgings tax and the 2.5% surcharge vehicle rental tax~~, the creation of the VFTA, and the County's dedication of the ~~increased Net Revenues~~ tax collections from the VFTA TLT

Surcharge and the VFTA VRT Surcharge to the VFTA, ~~and is further conditioned upon voter approval of the surcharge taxes if required by law.~~

~~C. Any representations made by the City in connection with the issuance of the Bonds that discuss or refer to projections of income to be raised by the tax increases or rental income provided in this Agreement will make it clear that those projections were not based upon and do not rely upon information provided by either the vehicle rental or the transient lodgings industry, except to the extent that the County tax records include such information.~~

~~D. The City will provide the proceeds and earnings on proceeds of the Convention Center Completion Bonds to Metro within 15 business days of bond issuance. The City and Metro will agree on procedures to transfer the proceeds.~~

~~E. The City will provide the proceeds of the PCPA Bonds to Metro, as those funds are necessary to pay for the PCPA capital improvements. The City and Metro will agree on procedures to transfer the proceeds.~~

F.5.3. So long as Stadium Bonds are outstanding:

1.5.3.1. The City will provide for the payment of a portion of the debt service on the Stadium Bonds from resources of the City's Spectator Facilities Fund ("Spectator Facilities Fund Revenues"). The original allocation of Stadium Bond debt service was based on an annual license fee payment expected to be received by the City from a prior operator of the Stadium. The prior operator is no longer associated with the Stadium and the City no longer collects the annual license fee payment in the amounts anticipated in the original allocation. The Parties have agreed that the City's share of debt service on the Stadium Bonds is equal to the FY 2002-03 payment of \$944,320.00, increasing by 4.00 percent per year to a payment of \$1,397,824.28 for FY 2012-13. Beginning in FY 2013-14, the City's share of debt service on Stadium Bonds will continue to increase by 4.00 percent per year unless the Stadium Bonds are refinanced to produce debt service savings. If the Stadium Bonds are refinanced, the City's share of Stadium Bond debt service will be determined as described in Section 5.3.2. ~~The City will dedicate to repayment of Civic Stadium Bonds the revenues actually received from the annual license payment from the Civic Stadium, now anticipated to be \$908,000 per year beginning in fiscal year 2001-2002, increased by 4% per year.~~

5.3.2. If the Stadium bonds are refinanced: ~~Civic Stadium Revenue.~~

5.3.2.1. The remaining nominal debt service will be allocated in a manner that provides a total minimum of \$3,000,000 in debt service savings to the City's Spectator Facilities Fund Revenues, with the balance of debt service savings allocated to the VFTA. If less than \$3,000,000 total nominal debt service savings is produced, the entire amount of the savings will be allocated to the benefit of the City's Spectator Facilities Fund Revenues, but in no case will the allocation of nominal debt service

paid by the VFTA be increased above the annual amounts originally anticipated prior to refunding. The Parties may elect to realize debt service savings upfront or in some manner other than uniformly over the remaining life of the refunding bonds.

2.5.3.2.2. Notwithstanding the conditions described in Section 5.3.2.1, and prior to the City's commitment to execute Stadium bonds to refinance the outstanding Stadium Bonds, the Financial Review Team shall review and verify the final debt service on the Stadium Bond refunding as described in Task 4A of Attachment A.

~~5.4.a) — The City will dedicate Civic Stadium net revenues (revenues received by the City from the operation of Civic Stadium, net of debt service payments, if any, on the Civic Stadium Bonds and any other bonds issued by the City to fund the construction of Civic Stadium, reasonable operations and maintenance costs and reserves for operations and maintenance costs of Civic Stadium, and in excess of those anticipated in column 14 of Attachment F), to redeem the Civic Stadium Bonds before their maturity, provided, however, that if Civic Stadium is not operated by the County or Metro, before using net Civic Stadium revenues to redeem Civic Stadium Bonds in any year, the City will calculate and provide directly to the VDF Board, to be used for visitor development projects that benefit the East County Cities, the amount of any transient lodgings tax the City estimates to have been collected within the East County Cities in the prior fiscal that was applied to pay debt service on Civic Stadium Bonds.~~

~~5.4.b) — If there are insufficient excess Civic Stadium net revenues to make the payment to the VDF Board provided in subsection a) immediately above, the City will, subject to appropriation by the City Council of legally available funds, make that payment from other City revenues.~~

~~5.4.c) — If the City makes the payment for the benefit of the East County Cities from City revenues other than excess Civic Stadium net revenues, excess Civic Stadium net revenues will be used to reimburse the City for those payments before they are used to redeem Civic Stadium Bonds before their maturity.~~

~~5.4.3. — The City will exercise due diligence to maximize the revenues received from Civic Stadium operations.~~

~~5.4.4. — The City will use any proceeds from a sale or partial sale of Civic Stadium to repay any outstanding Civic Stadium Bonds.~~

5.3.3. The City will calculate and provide directly to the Board the amount of any VFTA TLT Surcharge the City estimates to have been collected within East County Cities in the prior Fiscal Year that was applied to pay debt service on the

Stadium Bonds. This amount will be used for visitor development programs, services or projects that benefit the East County Cities.

~~G. The City will enter into an agreement with Tri-Met to support and provide \$300,000 per year, adjusted annually for CPI, in funding for the extension of Fareless Square to the Lloyd Center Max station.~~

~~H. The City will enter into an agreement with Metro to provide \$600,000 per year, adjusted annually for CPI, to be used for PCPA operations support and one-half for PCPA capital support.~~

5.4. If Metro has signed an OCC Hotel Project Development Agreement consistent with Section 6.2 and the County has amended the Multnomah County Code consistent with Section 4.1.3, then, beginning the first Fiscal Year SSTLTR is generated by the OCC Hotel Project, the City will transfer funds equal to the SSTLTR attributable to the City 5% TLT and collected pursuant to Portland City Code Chapter 6.04 to the County to deposit in the VFTA, and continuing for the duration that the OCC Hotel Project Bonds remain outstanding.

5.5. The City will not take any action, or fail to take any action, that would result in any of the tax exempt Bonds becoming taxable. The City will indemnify the Parties for any costs incurred by them from City action, or failure to take action, that makes the OCC Bonds or the PCPA Bonds taxable.

#### IV.6. METRO OBLIGATIONS.

~~A. Metro will manage the construction of the capital improvements made to the Oregon Convention Center, including development of a capital budget.~~

~~1. Metro will enter a negotiated guaranteed maximum price contract for the Convention Center Completion Project with a general contractor selected through a competitive process. The guaranteed maximum price will not exceed \$116,000,000. Metro will limit overhead and administrative expenses charged to the project to those amounts and items that would be allowed if the Convention Center Completion bonds were voter approved general obligation bonds.~~

~~2. Metro will not authorize expenditures for the Convention Center Completion Project that exceed the capital budget of \$116,000,000, plus earnings on proceeds and any additional funds Metro obtains for the project. In order to remain within that capital budget, Metro may have to delete items from the project as currently planned.~~

~~3. Metro will contribute from Convention Center reserves an amount not less than \$5,000,000 to the cost of the Convention Center Completion Project.~~

~~B. Metro will manage the construction of the capital improvements to PCPA, including development of a budget for the capital improvements. The budget for the capital improvements to PCPA will not exceed the revenues available for PCPA from the PCPA Bonds, and the \$300,000 annual capital support provided by the City.~~

~~C.If revenues from the VFTA available to pay debt service on the Convention Center Completion Bonds are insufficient to pay the debt service when due, Metro will make available funds sufficient to pay any shortfall in the debt service in an amount not to exceed the 3% surcharge transient lodgings tax received by Metro (MCC 11.401(D)) under its intergovernmental agreement with the County.~~

~~D.6.1. Metro will not take any action, or fail to take any action, that would result in the OCC Bonds Convention Center Completion Bonds becoming taxable. If the PCPA Bonds are issued as tax exempt bonds, Metro will not take any action that would result in those or PCPA Bonds becoming taxable. Metro will indemnify the City Parties for any costs incurred by the City Parties from Metro action, or failure to take action, that makes the OCC Bonds Convention Center Completion Bonds or the PCPA Bonds taxable.~~

6.2. Metro intends to enter into an OCC Hotel Project Development Agreement and to issue OCC Hotel Project Bonds as follows:

6.2.1. In support of the OCC Hotel Project, and after the OCC Hotel Project Development Agreement is signed, Metro intends to issue OCC Hotel Project Bonds, which will be revenue bonds in an amount expected to provide not more than \$60,000,000 of net proceeds to fund a portion of the proposed OCC Hotel Project.

6.2.2. If Metro signs an OCC Hotel Project Development Agreement by December 31, 2018, and issues OCC Hotel Project Bonds, the OCC Hotel Project Bonds will be secured in part or in whole by TLT Net Revenues and will be amortized over a period not to exceed 30 years.

6.2.3. Prior to final pricing of the OCC Hotel Project Bonds, Metro shall submit the bond debt service to the Financial Review Team for review and verification as described in Task 4B of Attachment A.

6.2.4. Review and reconciliation of the SSTLTR and OCC Hotel Project Bond payments shall occur as described in Task 5 of Attachment A and as follows:

6.2.4.1. Within the first 180 days of every five Fiscal Years beginning in the sixth Fiscal Year following the opening of the OCC Hotel Project, and continuing for as long as the OCC Hotel Project Bonds are outstanding, the Financial Review Team shall undertake a reconciliation accounting review and analysis of the SSTLTR paid by the OCC Hotel Project. The Trustee may also initiate FRT review of the SSTLTR at any time the Restricted Reserve balance falls to, or is expected to fall to, 25% or less of the minimum required in Section 3.3.11, or when the Restricted Reserve balance has declined for three consecutive Fiscal Years.

6.2.4.2. As a result of such review and reconciliation accounting, and if no funds are available in the Restricted Reserve, the FRT may determine that a Metro reimbursement payment to the VFTA is required. As described in Task 5 of Attachment A, the FRT shall determine the amount

of any required reimbursement payment as long as it is no greater than the cumulative accounting debit balance. Metro shall make such reimbursement payment in equal annual installment payments over the ensuing three Fiscal Years, with such payments being made to the VFTA by the end of the second quarter of each Fiscal Year.

6.2.4.3. If a Metro reimbursement payment is required, and to the extent the installment payments have been paid, the cumulative accounting credit balance resulting from a future reconciliation calculation will be used to make a refund payment to Metro from the VFTA consistent with Section 4.2.6.3. Such refund payments will be paid to Metro by the end of the second quarter of the Fiscal Year following the reconciliation.

6.3. So long as OCC Hotel Project Bonds are outstanding, Metro shall, at least twelve (12) months prior to the call date of the OCC Hotel Project Bonds, consider opportunities for refunding the bonds and shall consider the advice of the FRT, as described in Task 6A of Attachment A, on OCC Hotel Project Bond refunding.

6.4. If any portion of the OCC Hotel Project Bonds is issued as tax-exempt bonds, Metro will not take any action, or fail to take any action, that would result in any of the tax-exempt portion of the OCC Hotel Project Bonds becoming taxable. Metro will indemnify the City, the County and the VFTA for any costs that result from a Metro action, or failure to take any action, that makes the OCC Hotel Project Bonds taxable. However, this language will not apply in the event that actions undertaken by Metro resulting in a change in tax status of the OCC Hotel Project Bonds results in net financial benefits to the VFTA as confirmed by the FRT in their analysis described in Task 6B of Attachment A.

~~7.3.E. Metro will provide its proposed and final budgets and any proposed or final supplemental budgets for MERC and the Convention Center to the City, the County and the VDF Board at the time they become available.~~

~~7.3.F. Regarding the support services it charges to MERC for the Convention Center, Metro agrees:~~

~~7.3.1. During the first six (6) years of this Agreement, Metro's support services charges will be included within the \$8,840,000 OCC Operating Deficit payable from the VFTA pursuant to Section H.D.4.d.(1) above.~~

~~7.3.2. During the first six years, Metro understands and agrees that except for amounts funded consistent with the provisions of Subsection (I) below, the City, the County and the VDF Board will expect and anticipate that the support services charges will be limited to the amount that would be calculated if the support services charges had been capped at an average of 5% increase per year or a cumulative amount of 30%. This amount is shown in Attachment G, in the line designated as "Metro Support Svcs/Ins." Attachment G is attached hereto for~~

~~purposes of that line only and the parties are not relying upon any other figures from that Attachment G.~~

~~7.3.G. Metro reaffirms its commitment to make every possible effort to expend at least one-third of the 3% transient lodgings tax it receives from Multnomah County for marketing the Convention Center.~~

~~7.3.H. Beginning in the seventh fiscal year, Metro's request for any VFTA funds for the OCC Operating Deficit will reflect and address the results of further studies of all Convention Center operation revenues and costs, including Metro support services charges. The studies will be conducted by an independent financial consultant or consultants chosen after consultation with an OCC advisory committee to the Metro Council created for this purpose. The selection of any independent financial consultant shall be subject to approval of the VDF Board.~~

~~7.3.I. Beginning no later than the seventh year, Metro agrees that it will, or will cause MERC to, fund at least \$400,000 of the Metro support services charges allocated to the Convention Center from revenues other than revenues received from the VFTA or from decreased expenditures. In determining how to fund this amount, Metro will avoid adverse impacts on Convention Center events that attract additional visitors to the region. That amount will not be included in any request for OCC Operating Deficit. For the eighth year, the amount to be funded as provided above and excluded from OCC Operating Deficit will be \$400,000 plus CPI, and the amount shall increase by CPI for every subsequent year.~~

~~7.3.J. OCC Advisory Board. Attachment H is a description of the Oregon Convention Center Advisory Committee. Within sixty (60) days of the approval of this Intergovernmental Agreement, Metro shall take all action necessary to create the contemplated Advisory Committee in a form substantially similar to Attachment H. In addition to these functions listed in the subparagraph relating to the scope of the Advisory Committee, the Advisory Committee shall also consult with Metro on all matters relating to the construction of the Oregon Convention Center and its expansion.~~

#### ~~7.3.7. OTHER AGREEMENTS~~ JOINT OBLIGATIONS OF CITY, COUNTY AND METRO

~~A. The parties agree that if the taxes imposed by MCC 11.301(C) or 11.401(E) are repealed or suspended before the issuance of any of the Bonds, or any of them, this Agreement will be suspended. If this Agreement is suspended, the parties will meet to use good faith efforts to either modify or terminate this Agreement. If this Agreement is terminated and there is any money in the VFTA, the County will pay the balance to Metro for Oregon Convention Center operations.~~

~~B. The City, County and Metro will enter into a contract with the Visitor Development Fund Board, or its successor, regarding:~~

- ~~1. the composition of the Board, the procedures for appointment, nomination and confirmation of board members;~~

- ~~2. approval of the rules, policies and procedures of the Board,~~
- ~~3. approval of the budget adopted by the Board, and~~
- ~~4. review and audit of the expenditures of the Board.~~

~~C. The parties anticipate other documents will be required to carry out the entire project. These documents are identified in Attachment E.~~

7.1. Reporting on use of VFTA funds. Within ninety (90) days of the end of each Fiscal Year, upon request of the Board or any Party to this Agreement, each Party requested shall furnish to the Board and the other Parties, a summary statement of the Party's use of VFTA funds in the previous Fiscal Year.

7.2. Financial Review Team. The Parties agree that establishing a "Financial Review Team" (or "FRT") with specified tasks will enhance the VFTA system through more frequent and consistent financial review. The Parties agree to assign financial experts from each Party to perform certain financial review responsibilities on an ongoing and as needed basis in order to more actively monitor and manage VFTA resources, and to encourage accountable and efficient application of those resources. The composition of the FRT and its specified tasks and authorities are as follows:

7.2.1. The FRT shall be composed of the City CAO, the County CFO, and the Metro COO, or their respective assigned designees. The Trustee shall convene the FRT as needed and may invite the Executive Vice President - Finance & Administration for Travel Portland to participate with the FRT in an advising capacity.

7.2.2. Attachment A to this Agreement specifies the tasks to be performed by the FRT including the intended action(s) to be taken, the timing and/or frequency for each task, and the deliverable(s) for each task. The level of authority delegated to the FRT is also specified for each task either in Attachment A or in this Agreement. A decision by the FRT shall require a consensus agreement by all members on any specified action; however, each FRT member may provide advice to their respective elected official (i.e. City Mayor, County Chair or Metro President). If action is required and consensus is not achieved in a timely manner, any FRT member may refer the matter to the dispute resolution process describe in Section 8.1

7.2.3. The role of the FRT is to provide financial analysis, advice and recommendations to the Parties. The FRT does not have the authority to change or amend any term of the Agreement. The FRT and its members individually may recommend amendments to this Agreement to the Parties, which amendments shall only be implemented upon agreement of the Parties.

7.3. Visitor Development Strategic Plan. The Parties agree to work together to prepare a Visitor Development Strategic Plan ("Strategic Plan") to provide general direction for the future use of VFTA funds in support of tourism and the convention

industry to maximize the economic benefits for the Portland-Multnomah County area. The Parties agree to include the other Beneficiaries to this Agreement in the development of a Strategic Plan. The development of the Strategic Plan will begin in January of the third year following the opening of the OCC Hotel Project or January 2020, whichever comes first. Nothing in this section prevents an earlier start to the development of the Strategic Plan if the Parties, through the City Mayor, the County Chair, and the Metro Council President, agree to begin the process earlier. Once a Strategic Plan is developed, the Parties will use their best efforts to update the Strategic Plan at least every five years for as long as this Agreement is in effect.

7.4. The Parties agree to convene to review this Agreement periodically. Beginning on July 1, 2018, any Party may request the Parties convene to consider amendments to this Agreement. If a request to consider amendments is made, the Parties shall agree to convene and, in a timely manner, shall assign adequate staff resources, establish a schedule for negotiations and participate in the negotiations in good faith.

~~7.1.~~7.5. The Parties shall provide written notice to VDFI sixty (60) days in advance of amending this Agreement. The notice shall include an explanation, with reasonable particularity, of the proposed modification or amendment and, if available, a copy of the proposed modification or amendment.

#### ~~VI.~~8. DISPUTE RESOLUTION

~~A.8.1.~~ If a dispute arises under this Agreement among the ~~parties~~Parties, any ~~party~~Party, or the Board as described in Sections 3.3.5.3 and 3.3.5.6, may initiate the following dispute resolution process:

~~1.8.1.1.~~ The initiating ~~party~~Party, or Board, will give written notice consistent with Section 10.2 to (a) the City ~~Commissioner in Charge~~Mayor, (b) the ~~Multnomah~~County Chair, (c) the Metro ~~Executive Officer~~Council President and (d) the ~~VDF~~Board. The City ~~Commissioner in Charge~~Mayor, the ~~Multnomah~~County Chair and the Metro ~~Executive Officer~~Council President, or their designees, will be the “Dispute Resolution Committee” (or “DRC”). The notice will identify the dispute for which the dispute process is initiated.

~~2.8.1.2.~~ The ~~VDF~~Board will be a party to and allowed to participate in the ~~Dispute~~ dispute Resolution-resolution process, although it will not have a voting member on the DRC.

~~3.8.1.3.~~ Within 15 days of the notice, each ~~party~~Party and the Board may submit a written statement to the DRC stating the party’s position on the dispute.

~~4.8.1.4.~~ Within 60 days of the notice, the DRC will decide on a resolution of the dispute and notify the ~~parties~~Parties and Board of the resolution. Decisions of the DRC will be by majority vote. The Party that initiated the dispute shall be entitled to vote on the matter and shall not be deemed conflicted out of the decision.

~~5.8.1.5.~~ Decisions of the DRC are final. However, the DRC has no authority to approve an amendment to this Agreement.

## ~~VII.9.~~ TERMINATION AND REMEDIES

9.1. A. ~~It is the intention of the parties to this Agreement that the~~ The County's obligation to provide Net Revenues for ~~payment of the Civic Stadium City Bonds and the PCPA Bonds will end on July 1, 2026, however, the Convention Center Completion Bonds may be outstanding beyond that date. Therefore, this Agreement will~~ shall terminate ~~automatically on the earliest of:~~ when all City Bonds are fully paid or defeased, and will end (i) no later than June 1, 2021, for the PCPA Bonds, (ii) no later than June 1, 2023, for the Stadium Bonds, and (iii) no later than June 1, 2030, for the OCC Bonds. If Metro does not issue OCC Hotel Project Bonds, as described in Section 6.2, this Agreement will terminate when all the City Bonds are paid or defeased (the "Early Termination Date"), and the Agreement may be extended beyond the Early Termination Date by agreement of the Parties.

~~1. the date that all of the Bonds are paid or defeased;~~

~~2. July 1, 2026, if the Convention Center Completion Bonds have been paid or defeased by that date; or~~

~~3. the date that the Convention Center Completion Bonds are paid or defeased if that date is after July 1, 2026.~~

9.2. The County's obligation to provide TLT Net Revenues is tied to the OCC Hotel Project Bonds, which are expected to be outstanding beyond June 1, 2030. If Metro issues OCC Hotel Project Bonds consistent with Section 6.2, neither this Agreement nor the imposition of the VFTA TLT will terminate until all of the OCC Hotel Project Bonds are paid or defeased (the "Termination Date"), and the Agreement may be extended beyond the Termination Date by agreement of the Parties.

9.3. B. Notwithstanding ~~subsection A of this section~~ Sections 9.1 and 9.2, all taxes subject to this ~~agreement~~ Agreement that are imposed but not collected by the County on the ~~termination date~~ Early Termination Date will be Net Revenues, and on the Termination Date will be TLT Net Revenues.

9.4. C. Before the ~~termination date~~ Early Termination Date or Termination Date, this ~~agreement~~ Agreement may only be terminated by the agreement in writing of all ~~parties~~ Parties.

9.5. D. So long as any of the City Bonds are outstanding and this Agreement is in effect, the obligations of the County to (i) collect the taxes imposed by Multnomah County Code 11.301(C) and 11.401(E), and (ii) maintain the Net Revenues and transfer them to the City to pay the City Bonds, as provided in this Agreement, may not be terminated for any reason, including a breach by any ~~party~~ Party of its obligations under this Agreement or any amendment to this Agreement.

9.6. So long as the OCC Hotel Project Bonds are outstanding, and this Agreement is in effect, the obligations of the County to (i) collect the taxes imposed by Multnomah County Code 11.401(E), and (ii) maintain the TLT Net Revenues and transfer them to Metro to pay the OCC Hotel Project Bonds, as provided in this Agreement, may not be terminated for any reason, including a breach by any Party of its obligations under this Agreement or any amendment to this Agreement.

9.7. ~~E.~~ Upon ~~termination~~ reaching the Early Termination Date of this Agreement, the County ~~will~~ may terminate or modify the taxes ~~surcharge~~ imposed by ~~MCC~~ Multnomah County Code 11.301(C) and 11.401(E).

9.8. Upon reaching the Termination Date of this Agreement, the County may terminate or modify the tax surcharge imposed by Multnomah County Code 11.401(E).

## VIII.10. GENERAL PROVISIONS

~~A.10.1.~~ Maintenance of Records. All ~~parties~~ Parties will maintain records of payments made and funds received under this Agreement and such records are subject to audit and inspection by the other ~~parties~~ Parties.

~~B.10.2.~~ Notice. A notice or communication under this Agreement by a Party to another Party shall be sufficiently given or delivered if sent with all applicable postage or delivery charges prepaid by: (a) personal delivery; (b) sending a confirmed email copy (either by automatic electronic confirmation or by affidavit of the sender) directed to the email address of the Party set forth below; (c) registered or certified U.S. mail, return receipt requested; or (d) delivery service or "overnight delivery" service that provides a written confirmation of delivery, each addressed to a Party as follows ~~party will be deemed received by the addressee on the earliest to occur of:~~

- ~~1. The date the notice is hand delivered to the Notice Address of the addressee;~~
- ~~2. If the notice is transmitted by telecopy or facsimile to the Fax number of the addressee specified as part of its Notice Address, then:~~
  - ~~a) If such notice is transmitted during regular business hours (8:00 a.m. to 5:00 p.m.) on a regular business day, then the notice will be deemed delivered on the date it is transmitted; and~~
  - ~~b) If the notice is not transmitted during regular business hours, then the notice will be deemed delivered on the next regular business day.~~
  - ~~c) If sent to the Notice Address through the U.S. Postal Service, the notice will be deemed delivered on the third regular business day following the postmarked date.~~
- ~~3. The Notice Address of each party is:~~

~~City of Portland~~

~~1120 S.W. 5th Avenue  
Room 1250  
Portland, Oregon 97204  
Fax #: 823-5384  
Attn: OMF Director~~

~~Multnomah County  
501 N.E. Hawthorne Blvd.  
Portland, Oregon 97214  
Fax 988-3292  
Attn: Finance Director~~

~~Metro  
600 N.E. Grand Avenue  
Portland, Oregon 97232  
Fax 797-1791  
Attn: Chief Financial Officer~~

~~Notice to the VDFB shall be sent to:~~

~~POVA  
26 SW Salmon Street  
Portland, Oregon 97204  
Attn: Joe D'Allesando~~

~~4. Any party may change its Notice Address by giving written notice of each of the other parties.~~

If to the City:            City of Portland  
                                 Office of the Mayor  
                                 1221 S.W. Fourth Avenue, Room 340  
                                 Portland, Oregon 97204  
                                 Email: [mayorcharliehales@portlandoregon.gov](mailto:mayorcharliehales@portlandoregon.gov)  
                                 Phone No.: 503-823-4120

and

City of Portland  
                                 Office of Management and Finance  
                                 1120 S.W. Fifth Avenue, Room 1204  
Portland, Oregon 97204  
                                 Attn: Chief Administrative Officer  
                                 Em ail: [jack.graham@portlandoregon.gov](mailto:jack.graham@portlandoregon.gov)  
                                 Phone No.: 503-823-5288

with copies to:            Spectator Facilities & Development Manager  
                                 1120 S.W. Fifth Avenue, Room 1204  
                                 Portland, Oregon 97204

Attn: Spectator Facilities & Development Manager  
 Em ail: [SpectatorFacilities@portlandoregon.gov](mailto:SpectatorFacilities@portlandoregon.gov)  
 Phone No.: 503-823-6958

and

Office of the City Attorney  
 City of Portland, Oregon  
 1221 S.W. Fourth Avenue, 4th Floor  
 Portland, Oregon 97204  
 Attn: City Attorney  
 Em ail: [Jim.VanDyke@portlandoregon.gov](mailto:Jim.VanDyke@portlandoregon.gov)  
 Phone No.: 503-823-4047

If to the County: Multnomah County  
 Office of the County Chair  
 501 N.E. Hawthorne Blvd., Suite 600  
 Portland, Oregon 97214  
 Em ail: [mult.chair@multco.us](mailto:mult.chair@multco.us)  
 Phone No.: 503-988-3308

and

Multnomah County  
 Finance and Risk Management Division  
 501 N.E. Hawthorne Blvd.  
 Portland, Oregon 97214  
 Attn: Chief Financial Officer  
 Em ail: [mark.campbell@multco.us](mailto:mark.campbell@multco.us)  
 Phone No.: 503-988-6229

with copies to: County Attorney  
 501 N.E. Hawthorne Blvd.  
 Portland, Oregon 97214  
 Attn: Jacquie Weber  
 Em ail: [jacquie.a.weber@multco.us](mailto:jacquie.a.weber@multco.us)  
 Phone No.: 503-988-3138

If to Metro: Metro  
 Office of the Council President  
 600 N.E. Grand Avenue.  
 Portland, Oregon 97232  
 Em ail: [tom.hughes@oregonmetro.gov](mailto:tom.hughes@oregonmetro.gov)  
 Phone No.: 503-797-1700

and

Metro  
 600 N.E. Grand Avenue.  
 Portland, Oregon 97232  
 Attn: Chief Operating Officer  
 Em ail: [Martha.Bennett@oregonmetro.gov](mailto:Martha.Bennett@oregonmetro.gov)

Phone No.: 503-797-1700  
with copies to: Office of Metro Attorney  
Metro  
600 N.E. Grand Avenue  
Portland, Oregon 97232  
Attn: General Counsel  
Em ail: Alison.Kean.Campbell@oregonmetro.gov  
Phone No.: 503-797-1511

Notice to the Board shall be sent to:  
Travel Portland  
1000 SW Broadway, Suite 2300  
Portland, Oregon 97205  
Attention: President -CEO  
Em ail: grants@VisitorsDevelopmentFund.com  
Phone No: (503) 275-9797

Each Party may, by notice to the other Party, specify a different address or confirmation number for subsequent notice purposes. Notices may be sent by counsel for a Party. Notice shall be deemed effective on the earlier of actual delivery or refusal of a Party to accept delivery, provided that notices delivered by email shall not be deemed effective unless simultaneously transmitted by another means allowed under this Section 10.2. For a notice to be effective, the copied persons must also be given notice.

~~E~~10.3.Successors and Assigns. This Agreement will bind each ~~party~~Party, its successors, assigns and legal representatives. No ~~party~~Party, under any condition, may voluntarily assign or transfer it obligations to any third party. Any attempted assignment or transfer will be void.

~~D~~10.4.Adherence to Law. The ~~parties~~Parties will adhere to all applicable federal and state laws- in all activities under this Agreement.

~~E~~10.5. Waivers. No waiver made by a ~~party~~Party with respect to performance, or the manner or time of performance, of any obligation of another ~~party~~Party or any condition under this Agreement will be considered a waiver of any other rights of the ~~party~~Party making the waiver or a waiver by any other ~~party~~Party. No waiver by a ~~party~~Party of any provision of this Agreement will be of any force or effect unless in writing and no waiver shall be construed to be a continuing waiver.

~~F~~10.6. Time of the Essence. -Time is of the essence of this Agreement.

~~G~~10.7.Choice of Law and Forum. This Agreement will be construed in accordance with the laws of the State of Oregon and any action brought under this Agreement will be brought in Multnomah County, Oregon.

~~H.10.8.~~Modification. This Agreement may only be modified by a writing signed by each of the ~~parties~~Parties. No modification to any provision of this Agreement may- be implied from any course of performance, any acquiescence by any Party, any failure of any ~~party~~Party to object to another ~~party's~~Party's performance or failure to perform, or any failure or delay by any ~~party~~Party to enforce its rights.

~~I.10.9.~~ Headings. Any titles of the sections of this Agreement are inserted for convenience of reference only and will be disregarded in construing or interpreting its provisions.

10.10. ~~J.~~Counterparts; Electronic Transaction. This Agreement may be executed in counterparts, each treated as an original, and the counterparts will constitute one document. The Parties agree that they may conduct this transaction, including any amendments or extension, by electronic means including the use of electronic signatures and facsimiles.

10.11. Severability. If any term or provision of this Agreement or its application to any Party or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such term or provision to such Party or circumstance other than those as to which it is held invalid or unenforceable shall not be affected, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

10.12. Construction and Interpretation. To the extent consistent with the context, words in the singular shall include the plural, words in the masculine gender shall include the feminine gender and the neuter, and vice versa. All provisions of this Agreement have been negotiated at arms length, and this Agreement shall not be construed for or against any Party by reason of the authorship or alleged authorship of any provision of this Agreement.

10.13. Implementation. The Parties agree to take all actions and execute all documents necessary to effect the terms of this Agreement.

~~Dated this~~ day of \_\_\_\_\_, 2000. [Signature page follows]

