

PORTLAND METRO P'5 INTERGOVERNMENTAL AGREEMENT RE-NEGOTIATION

Date: October 21, 2024
Department: Chief Operating Officer
Meeting Date: October 24, 2024

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Presenter(s): Craig Stroud, General
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Length: 50 minutes

ISSUE STATEMENT

Metro and the City of Portland are parties to an Intergovernmental Agreement (IGA) governing the management of regional performing arts venues located within city boundaries. Under the IGA, Metro's Portland'5 Centers for the Arts (Portland'5) manages City-owned performing arts facilities with oversight by the Metropolitan Exposition Recreation Commission (MERC).

Metro and the MERC have long acknowledged flaws in the existing (IGA). A 2022 report conducted by Metro's independent, elected Auditor found a lack of shared understanding between the IGA parties regarding the physical condition and maintenance of Portland'5 theaters, governance structures that were difficult to navigate, and no clear funding plan for maintenance, support for arts organizations, and or resources to support diversity, equity, and inclusion efforts.

ACTION REQUESTED

This work session is an opportunity for Councilors to discuss operational challenges under the current IGA and provide direction to staff to finalize a resolution in coordination with the City of Portland to establish a workgroup to make recommendations for future IGA renegotiation.

IDENTIFIED POLICY OUTCOMES

Metro advances regional access to arts, cultural enrichment, and economic development by ensuring regional facilities are well-maintained, efficiently operated, and accessible to local arts organizations. These goals are supported by adequate funding, long-term planning, and a shared commitment to diversity, equity, and inclusion.

POLICY OPTIONS FOR COUNCIL TO CONSIDER

- Maintain the existing IGA between Metro and City of Portland

- Consider a resolution directing staff to form a workgroup with the City of Portland that will identify improvements to operations, maintenance, and long-term planning for City-owned facilities and issue recommendations to Metro Council as to whether to re-negotiate or terminate the IGA
- Immediately enter into re-negotiations, without the assistance of a workgroup
- Immediately notice intent to dissolve the existing IGA effective 18-months from date or notice, relinquishing Portland'5's management of the City-owned facilities, and transferring all operations to the City of Portland or another, mutually agreed upon third party

STAFF RECOMMENDATION

Staff recommends Council consider the attached resolution, directing staff to form a workgroup in coordination with the City of Portland to: (i) review and recommend improvements to the operations, maintenance, and long-term planning of City-owned arts facilities; (ii) to ensure alignment with regional goals for arts, cultural enrichment, and economic development; and (iii) to make a recommendation to Metro Council by the end of fiscal year 2025 regarding re-negotiation or notice to terminate the IGA.

POLICY QUESTION(S)

1. Does Metro Council support staff's recommendation to convene a workgroup charged with providing recommendations for improvements to the operational model, including whether to improve or terminate the existing IGA?
2. Who does Metro Council suggest participate in such a workgroup?
3. Does Metro Council have additional desired outcomes staff and the workgroup should advance?

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

Stakeholders, including performing arts groups and the City of Portland, are eager to address challenges in the operating model for P'5, which staff anticipates will require changes to the IGA. On October 30, the Portland Commission will consider its own resolution similar to the attached draft resolution, in line with staff's recommendation to convene a workgroup. There is no known opposition.

ATTACHMENTS

Draft resolution

[For work session:]

- Is legislation required for Council action? Yes No
- If yes, is draft legislation attached? Yes No
- What other materials are you presenting today? PowerPoint presentation