

2020-2021 ANNUAL REPORT

MISSION STATEMENT

Contribute to Portland's economic and cultural vitality by developing and managing first class spectator and performing arts facilities and by supporting a robust travel and tourism industry in the city, region, and state.

City of Portland Spectator Venues and Visitor Activities Program

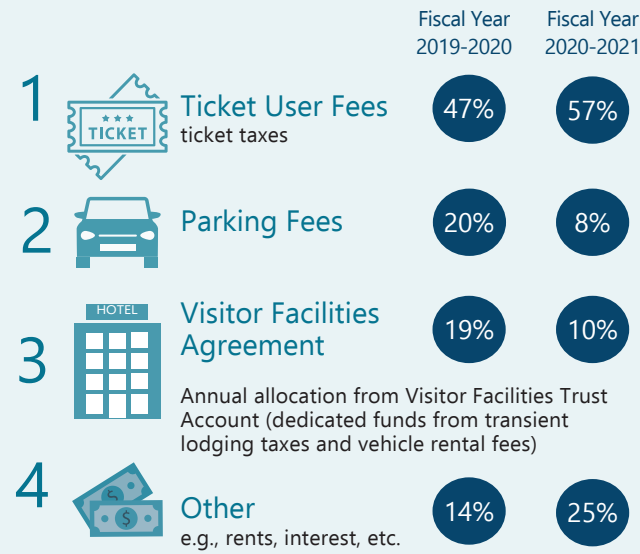
Program and Fund Overview

Housed in the City of Portland Office of Management and Finance, the Spectator Venues and Visitor Activities Program oversees City-owned spectator and performing arts facilities and supports City travel, tourism and visitor development efforts. Program responsibilities include venue operations management, maintenance, capital improvements; financial planning; liaison duties; contract administration; debt service; and special projects for popular City destinations.

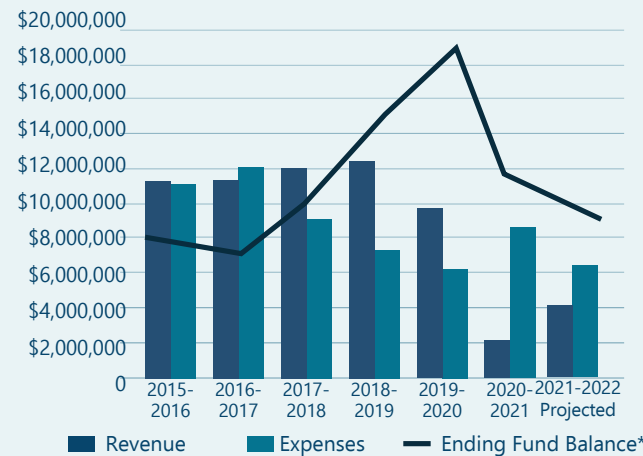


Revenues and Expenses

Primary Revenue Sources



Fund Performance



Venue Portfolio

Portland'5 Metro Visitor Venue Program:

Keller Auditorium	3,000 seats
Arlene Schnitzer Concert Hall	2,800 seats
Antoinette Hatfield Hall	1,400 seats

Peregrine Sports:

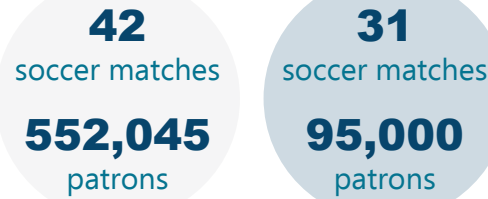
Providence Park Stadium	25,000 seats
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Rip City Management:

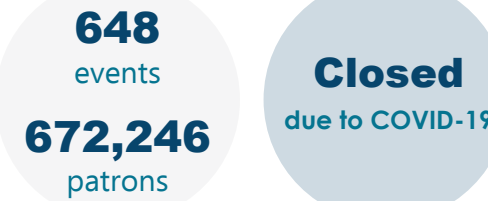
Rose Quarter Commons	Event space
Veterans Memorial Coliseum	12,000 seats
Rose Quarter Parking:	1,200 spaces
East & West Garages, Benton Lot	

Economic Impact

FY 2019-2020 FY 2020-2021



FY 2019-2020 FY 2020-2021



During the COVID-19 event ban, the VMC was able to host five months of filming for both Netflix and Hulu productions helping to support hundreds of local jobs. Netflix was able to complete multiple film, television and commercial shoots while Hulu focused on filming its final season of the popular series "Shrill" that takes place in Portland.

Facilities

Providence Park Stadium



Built by the Multnomah Athletic Club in 1926 and acquired by the City in 1966 as a multi-purpose stadium, Providence Park is home to the Major League Soccer Portland Timbers and National Women's Soccer League Portland Thorns.

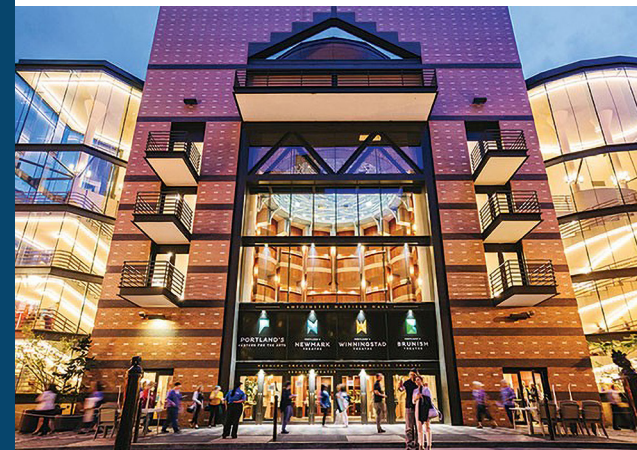
This historic stadium has also hosted a variety of events beyond soccer, including concerts, youth camps and business events. On average, the Stadium hosts 150 events per year.

Major Projects

Completed—COVID-19 required extensive upgrades to Stadium health and safety operations to reopen safely under a pandemic landscape. Providence Park began to allow limited capacity crowds in April and was allowing full capacity crowds by early summer. Operators spent more than \$1 million at the Stadium to purchase health and safety equipment including sanitation stations, plexiglass barriers, air purifiers and more.

Underway—In 2021-2022, various maintenance needs will be a focus for Providence Park. Recently, the Stadium has faced new and complicated groundwater intrusion issues that will require the development and implementation of a permanent mitigation measure. The turf playing surface is also anticipated to be replaced in the 2022-2023 winter.

Portland'5 Centers for the Arts



The Portland'5 Centers for the Arts operates five theaters in three separate City-owned buildings in downtown Portland: the Arlene Schnitzer Concert Hall, Keller Auditorium and Antoinette Hatfield Hall, which houses the Brunish, Newmark and Winnings-tad theatres.

Portland'5 brings over 1,000 music, theater, dance and lecture performances to Portland annually. The five venues draw over one million patrons to downtown Portland's Cultural District and generate an average of \$60 million in total spending every year.

Major Projects

Completed—The \$9.6 million Arlene Schnitzer Concert Hall Acoustical Enhancement Project was completed late summer 2021. The project installed a new state-of-the-art electronic acoustic system and renovations to the historic building including new draperies, structural work and stage and safety upgrades. With funding from Prosper Portland, the marquees on both sides of the Concert Hall were also modernized and upgraded to new digital technology. All Portland'5 venues were also equipped with extensive upgrades to health and safety operations.

Underway—Design and pre-construction work is underway for a new sewer connection at the Concert Hall. The project is required by the City's Bureau of Environmental Services and must be completed by fall 2022 when an existing sewer main will be rehabilitated.

Veterans Memorial Coliseum



The VMC is a historic multi-purpose arena in the Rose Quarter Campus. The VMC serves as the primary home for the Western Hockey League Portland Winterhawks and was the original home of the Trail Blazers.

For the past 60 years, the VMC has hosted a wide range of events and played a vital role in Portland's history and community life.

Major Projects

Completed—A full rebuild of four original air handling units located in the attic was completed. This \$600,000 project greatly improves the ability to properly condition the seating bowl and improves air filtration capabilities. Over \$500,000 was spent during the pandemic to purchase health and safety equipment including sanitation stations, plexiglass barriers, air purifiers and more.

Underway—The rooftop cooling towers have reached the end of their service life and will be replaced in spring 2022. The conceptual design and pre-construction work for significant renovations to the VMC continues. Improvements are also being made to point of sale equipment at the City-owned parking garages.



Program Challenges

Near Term

- 1. COVID 19-Pandemic**
Continued venue closures forced digging deep into program reserves and the pace of recovery remains unclear.
- 2. Civil Unrest**
Recurring vandalism, public safety issues and highly visible homeless camps are negatively impacting City's reputation as a destination for visitors.
- 3. Revenue Depletion**
Lodging tax dollars are down with rapid declines in tourism. The program will likely have to rely on reserves again in 2021-2022, though to a much lesser extent than in 2020-2021.

Long Term

- 1. Aging Facilities**
Over the next decade, increasing costs for needed venue renovations far exceed projected resources.
- 2. Agreement Negotiations**
Original 1990s Rose Quarter agreements reach the end of their terms in 2-4 years: VMC Operating Agreement and Arena Ground Lease require Trail Blazers play at Moda Center.
- 3. Upcoming Investments**
The Rose Quarter campus will require major capital projects and significant investments that will require widespread material and political support.

Pandemic Recovery

The Spectator Venues Program supported its venues and operators during this challenging period:

- The City allocated **\$1.8 million of Federal CARES Act Revenues** to directly support operators and assist with COVID-19-related costs.
- The City provided **\$1.6 million in General Fund Resources** to further support the Portland's Centers for the Arts during the protracted closure period.
- Drawing on reserves, the Spectator Venues Program met all existing financial obligations and commitments and kept important capital projects moving forward despite declines in revenues.

Access Improvements

Box office retrofits—microphone amplification systems at all three Portland's buildings.

New acoustic system at Arlene Schnitzer Concert Hall—all seating locations (including accessible seats and wheelchair positions) now experience the same, high-quality sound.

Travel & Tourism

As the City's liaison to the sports, travel, and tourism industry, the Spectator Venues Program works closely with travel and tourism organizations to promote local industry and attract events to Portland.

Program staff are also involved in policies and projects surrounding local transient lodging taxes – a major contributor to the City's General Fund that has been used to support investments at some of the City's venues.

This year, the City approved a new five-year contract with Travel Portland to provide travel, tourism, and convention marketing services. In addition, the City made changes to the Tourism Improvement District, making the existing 2% transient lodging fee permanent and adding a temporary 1% Tourism and Hospitality Recovery Surcharge to help the industry rebound from the impacts of COVID-19 and other challenges.

The Spectator Venues Program also awarded grants to Travel Portland and Prosper Portland to help kick start a return of visitors to hotels and sponsor downtown event programming during the spring and summer.

Program Partners

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