



E-PARCC

COLLABORATIVE GOVERNANCE INITIATIVE

Syracuse University

Maxwell School of Citizenship and Public Affairs

Program for the Advancement of Research on Conflict and Collaboration

Facilitating a Public Policy Dispute: Practicing Textbook Tools and Confronting Challenges That Textbooks Don't

CASE

Summary

This teaching case is supported by video clips excerpted from televised broadcasts of the public meetings of a citizen task force. It illustrates the challenging reality of facilitation that most textbooks do not discuss. The public policy issue involves multiple parties collaborating on a citizen task force to advise the City Council on a proposal made by the owner of the local minor league soccer and baseball teams. The owner will purchase a Major League Soccer franchise if the City renovates and reconfigures the existing stadium for soccer and builds a new stadium for baseball.

The facts have been modified to integrate lessons learned from multiple public policy facilitations by the authors and to achieve the learning objectives. The case is built around ten discussion questions, affording instructors flexibility in adapting the case to serve specific learning objectives. The teaching note is lengthy because it provides guidance in addressing each of the ten discussion questions, as well as guidance for selecting a subset of questions to accommodate the available class time. The case incorporates public documents and events impacting the decision, and is accompanied by a Teaching Note and supplementary Adaptable Takeaway Tools for facilitators to employ.

This case was an honorable mention place winner in E-PARCC's 2014-15 "Collaborative Public Management, Collaborative Governance, and Collaborative Problem Solving" teaching case and simulation competition. It was double-blind peer reviewed by a committee of academics and practitioners. It was written by Steven M. Maser of the Atkinson Graduate School of Management at Willamette University and Samuel J. Imperati of the Institute for Conflict Management, Inc., with thanks to Jessica Ordonez of Apicality Communication, LLC. This case is intended for classroom discussion and is not intended to suggest either effective or ineffective handling of the situation depicted. It is brought to you by E-PARCC, part of the Syracuse University Maxwell School's Collaborative Governance Initiative, a subset of the Program for the Advancement of Research on Conflict and Collaboration (PARCC). This material may be copied as many times as needed as long as the authors are given full credit for their work.

Facilitating a public policy decision-making group requires shepherding the stakeholders and experts assembled to accomplish a specific objective and then disband. An event, often unexpected, typically triggers its creation when an organization (private, public or NGO) needs to acquire knowledge to help it respond to a problem or opportunity. What would you think about and what would you do if asked to serve as the facilitator?

On a crisp fall day, after a noon walk in downtown Portland, Oregon, you receive a message from city's Mayor-elect:

Steve, Sam Adams here. I would like you to serve as the facilitator¹ of a citizen task force. Merritt Paulson owns Portland's AAA [minor league] baseball team, the Beavers, and the United Soccer League's First Division team, the Timbers. He is proposing that his organization, Shortstop LLC, purchase a franchise from Major League Soccer and bring it to Portland. He's asking the City to refurbish our stadium—where both teams play now—to suit soccer only and to build a new stadium for the baseball team. The estimated cost is \$85 million. This presents a public relations and economic development opportunity for the City, but the economic climate is challenging. I'm creating a task force whose charge will be to review his proposal and advise the City Council. We're on a tight timeline. The Commissioner of Major League Soccer needs to receive a proposal in just over three months because he will be awarding two franchises among four cities competing for them. Will you facilitate the Task Force?

Years ago, you read studies that assessed the economic impact of public investments in stadiums. You vaguely recall newspaper stories about the City investing \$30 million in its stadium as part of a deal with Portland Family Entertainment (PFE), a company that subsequently declared bankruptcy, but you are not familiar with the business of professional sports. On the other hand, you worked with Adams on a small project and you are familiar with mediation and negotiation techniques. You read an article in the local newspaper about the situation.²

Discussion 1: Accepting the Role. What are the responsibilities associated with leading a public policy decision-making group? Should the leader have substantive expertise? Should the leader reveal to the sponsor and/or the group any familiarity with studies bearing on the efficacy of the proposed policy? What are the conditions for accepting or rejecting the invitation to lead?

¹Technically, you were referred to as the Chair, because you had a vote, but you elected to serve as a facilitator, who traditionally does not have a vote. The differences in these roles are important and will play out in this case. The authors took this and other liberties with the facts to better illustrate what typical happens in public policy processes.

²Larabee, M. (2008, November 24). [PGE Park plans for soccer](#), baseball go 'through the wringer' *The Oregonian*. Retrieved February 2, 2015

Should you reveal to Adams and/or the Task Force that the studies you've read all concluded that public investments in sports facilities rarely fulfill expectations in terms of economic development? Will you accept, conditionally accept, or reject the invitation? Why?

After thinking through the implications and answering these questions as best you can, you tell Adams that you've decided to accept the invitation. You are now the facilitator of the Major League Soccer/AAA Baseball (MLS/AAA) Task Force with co-sponsors Adams and Council member Randy Leonard. The Task Force will ultimately present its recommendations to City Council members.

You soon receive three documents by email from David Logsdon, director of Portland's Spectator Facilities Fund, who has been assigned to support the Task Force. The first document contains brief biographies of the eighteen voting members of the Task Force (Appendix 1). The members bring varied expertise to the table. They represent organized labor, sports apparel companies, neighborhoods near potential stadium sites, environmentalists, supporters of City parks, and other interests that members of the City Council wish to see represented. The second document lists processes and procedures, including guiding principles for the Task Force and a proposed schedule (Appendix 2), created "on the back of a napkin" by Adams and Leonard. The third document defines the sponsors' charge to the Task Force (Appendix 3).

The Task Force will convene for the first time in three weeks. David's initial email indicates that he has scheduled presentations with questions and answers by the proponents, Paulson and MLS Commissioner Dan Garber, for about half of the ninety-minute meeting.

Discussion 2: Preparing for the First Meeting. What should a facilitator do to prepare for the first meeting of the group?

Consider what you should do to prepare for the first meeting of the Task Force. If you need or want additional information, how can you obtain it? Outline your opening statement.

[Video Clip 1- Chair's Introduction](#) (1 min, 49 sec)

After introductions and a review of the agenda, the first order of business is to agree upon a process. Although the procedural guidelines (Appendix 2) provided by Adams and Leonard allow a majority vote with at least three members of the minority authorized to file a minority report, you decide to try to bring the group to consensus, whether for or against the proposal. When you share your intentions with the Task Force, no one objects, although you wonder whether they truly understand the implications of adopting a consensus approach.

Adams has charged the Task Force with evaluating a proposal on multiple dimensions and making a recommendation to the City Council. This allows you and the Task Force considerable discretion in organizing the group. Everyone knows the co-sponsors' preferred outcome (bringing MLS to Portland), but the co-sponsors have deferred to the Task Force.

The first meeting has proceeded as expected, with members introducing themselves. Adams and Leonard presented their charge to the Task Force. Paulson and Garber made their presentations and took questions. Now it is time to put more specific procedural rules in place. The Task Force operates under the Public Meetings and Public Records requirements as summarized by the City Attorney (Appendix 4). Now you want the members to discuss, amend, agree, and take ownership of the sparse set of procedural rules proposed by the sponsors (Appendix 2). You advise the group that you intend to use a consensual decision-making process. You send the Task Force members home with the Guiding Principles to review, and you ask them to submit changes to be discussed at the second meeting. How will the participants' comments and questions signal their interests and motivations?

Discussion 3: Establishing Processes and Guiding Principles. What procedural rules should be promulgated? What can be learned from the discussion of the guiding principles provided by the sponsor? What can be learned from discussions of process about group members' interests and how they bear on the group's charge and scope of work?

 [Video Clip 2: Guiding Principles and Scope of Work](#) : (13 min, 23 sec)

The holidays and a blizzard delay the Task Force's second meeting until four weeks later. At that meeting, the Task Force spends thirty minutes discussing and agreeing upon its processes and guiding principles while discussing the scope of its charge: assessing the viability of MLS in Portland, renovating PGE Park, and selecting a site for the baseball stadium. Recognizing the complexity of the information and the tight timeframe, the Task Force decides to meet weekly instead of every two weeks. During the last hour of the meeting, Shortstop representatives make presentations on the economics of MLS, the requirements that MLS and Pacific Coast League Baseball place on franchisees, Shortstop's financial soundness, and concerns that the teams might leave after the City has invested in facilities.

Throughout the meeting, you observe two dynamics. First, Task Force members are asking questions that overly focus on details, and they are not discussing the new information with each other. Second, laypersons and even businesspeople on the Task Force have little interest in the nuances of public finance and are deferring to the three or four members with expertise. In turn, members with expertise in public finance are deferring to members who represent neighborhoods, real estate developers, and urban planners on issues surrounding stadium renovation and construction. These dynamics, if they continue, will consume an inordinate amount of time because everyone is listening to questions and answers about which they have little interest. Moreover, the lack of discussion within the group means that members are not identifying their shared and complementary interests, which are the bases for a consensus.

Discussion 4: Improving the Process. What, if anything, can a facilitator do to advance group discussions and improve the deliberation and decision-making process?

Between the second and third meetings, you discuss process and agenda with Logsdon and decide to create—with the Task Force’s agreement—one subcommittee to digest and report on the financial information and another to focus on siting a new stadium. You also decide that, after each presentation and question period, the Task Force members will have time to discuss among themselves what they have heard.

Although Leonard indicated that he and Adams would not be attending the meetings, Leonard surprises you by requesting time at the beginning of the third meeting. You learn that Adams and Leonard watched the video recording of the second meeting, which was posted online. Leonard announces that he will begin attending Task Force meetings to clarify the mandate and try to move the group forward.

 [Video Clip 3A: Sponsor Intervention: Announcement](#) (4 min, 29 sec)

As the meeting continues, Leonard periodically interjects to direct the Task Force to focus first on deciding whether to renovate PGE Park for soccer, thereby delaying consideration of the site for a new baseball stadium. Members of the Task Force begin challenging Leonard about the changing charge. As you watch the video clips, attempt to track the bases for their objections.

 [Video Clip 3B: Sponsor Intervention: Charge and Scope Debate](#) (5 min, 44 sec)

 [Video Clip 3C: Sponsor Intervention: Charge and Scope Debate](#) (10 min, 25 sec)

Leonard’s engagement marks a major change in how the Task Force will operate and presents a potential challenge to you as the facilitator. In real time, with no preparation, you have to answer a new set of questions.

Discussion 5: Responding to a Change in Scope. How does a co-sponsor’s decision to directly engage with the group shed light on the sponsor’s true motivations and the relationship between the facilitator and the sponsor? If group members challenge the sponsor about changing the group’s charge, how can the facilitator resolve the conflict?

With Leonard ensconced at one end of the table and the agenda focused on soccer, the Task Force meetings continue, consisting primarily of informational presentations by consultants followed by discussions. However, the meetings of the Task Force are not the only venue for action. Information begins to flow to you and other Task Force members from a variety of sources, presenting unexpected challenges. You have to decide what is relevant and how to respond to each new piece of information.

During a meeting that includes only you, City staff support, and a representative from a corporate relations firm hired by Shortstop, the representative asks you to consider rephrasing the question before the Task Force. During the first few meetings, the Task Force talked about whether the City should invest in an entrepreneur’s proposal to bring an MLS franchise to

Portland. The proponent would prefer that the Task Force members discuss whether the City should improve its property, the stadium, to retain a tenant.

 [Video Clip 4: Framing Decisions](#) (1 min, 14 sec)

Adams and municipal officials continue negotiating with stakeholders, including members of the Council, the proponent, labor interests and neighborhood groups. Municipal officials and representatives of the proponent are negotiating with the Governor and state legislators over funding that requires State action. Representatives of the Portland Trail Blazers basketball organization (a competing local sports franchise) and members of the Portland Development Commission (who control relevant real estate and funding options, but are not represented on the Task Force) are negotiating with each other and with City officials.

Leonard asks you to attend some of these meetings. You attend one. By the time you attend a second, the parties are on the verge of signing nondisclosure agreements. As a citizen facilitating a public task force, you are the biggest unknown in terms of assuring confidentiality. Despite protestations by the City Commissioner that your presence is valuable, you say that you will attend future meetings only after receiving direct invitations. You receive none.

You do, however, start receiving input from acquaintances and strangers. An attorney who has been involved in promoting sports in Oregon contacts you more than once to share his opinions. An academic at a local university who played professional soccer and has written about it contacts you. Someone with whom you have not spoken in fifteen years, but who has been working with franchisees and governments on stadium deals in the sports entertainment business, offers his counsel *pro bono*. These and others advise questioning the proponent carefully about projected attendance and the economic development benefits of building a stadium, and to discount those figures by at least thirty percent. They warn about negative trends in the concert business, which is an ancillary, but financially important part of the business plan for a stadium.

Meanwhile, the Task Force requests systematic market research on the Portland market to support the proponent's projections and pricing model, but the proponent does not provide it. The proponent's business case is built on projected ticket sales, sponsorships, and other revenue sources, all of which were predicated on projections about attendance at the games. The proponent projected attendance based on that of other cities with MLS franchises, without controlling for the size of the city, competing entertainment opportunities, or local demographics. These projections are fundamental to evaluating the ability of Paulson's business to pay its rent to the City, generate fees from ticket sales, and thereby generate funds that the City can use to underwrite the sale of construction bonds. City staff members have neither the expertise nor the time needed to perform the analysis; the independent consultants hired by the City have the time and resources only to critique the methods and projections provided by the proponent relative to others they have reviewed.

The people paying closest attention to the work of the Task Force tend to be those who hold the strongest views on the issues under consideration. The most ardent supporters of the

proposal are the fans of Portland's existing minor league soccer franchise, known as the Timbers Army. Between twenty-five and fifty of them attend every meeting, decked out in the team colors. And they have a blog. Because all meetings of the Task Force are broadcast on a local access cable channel and made available online, events, testimony and discussion occur almost instantaneously. Broadcast to the world and discoverable on the internet, the postings are not held to journalistic standards. As a result, Task Force members find themselves pilloried in cyberspace by those who disagree with their opinions. Indeed, even members who are neutral, but who ask probing questions, especially if the answers are weak, risk public criticism.

The local media is putting a dramatic spin on stories to attract an audience. To your chagrin, reporters do not see their role as educating the public. They are not interested in hearing about your consensus-building approach. Facing publication deadlines, they often ask you questions that have already been addressed in the public record. And they seem to have a penchant for focusing only on the most controversial issues that are raised during the Task Force's discussions.

Discussion 6: Managing Outside Forces. How should a facilitator frame the issue and why does it matter? How can a facilitator fulfill the charge of a public policy group in the shadow of ongoing negotiations by actors who are not members of the group? How should a facilitator manage the flow of solicited and unsolicited information, public interest, and the formal and informal media? What should happen if the facilitator becomes aware of a flaw in the information flowing to the group?

Less than ten years ago, the City of Portland partnered with PFE, which owned the Portland Beavers. The then-mayor of Portland decided to have the City sell thirty million dollars in bonds to renovate and upgrade PGE Park. This was perceived to result from private and controversial negotiations, and the business failed. Adams created the MLS/AAA Task Force to put a public face on the upcoming decision. Most members of the Task Force know—or think they know—the history of the failed venture and assume the City's General Fund has been saddled with repaying these bonds. As a result, some members are so skeptical and risk averse that they appear ready to reject the new proposal out of hand. PFE is like an elephant in the room.

Discussion 7: Managing Misconceptions. How can a facilitator manage the impact of history that encumbers group members, creates distrust and militates against agreement?

 [Video Clip 5: Managing History](#) (10 min, 4 sec)

As the Task Force focuses on whether the proposal is a good financial deal for the City and its citizens, other issues keep intruding. Who will bear the costs and reap the benefits? Some residents of the Lents neighborhood,³ feeling neglected by the City, want a new stadium within

³ Lents, originally built as a self-sufficient town and suburb of Portland, was annexed into the city of Portland in 1912. The residents of this growing, ethnically diverse, lower-income neighborhood, which is distant from central

Lents Park. Two members of the Task Force are adamant that not a single square inch of City parkland should be devoted to a sports facility. Others are more concerned about the number of jobs created than about the aggregate financial impact. Basically, any group receiving government funds for its program or planning to approach the government for support is looking for ways to link its issue with the charge given to the Task Force.

Discussion 8: Focusing and Breaking Impasses. How can a facilitator keep the group focused on its charge, given the numerous issues being raised?

As the Task Force meetings continue, you begin to get a sense of the issues and interests at stake, but you want to validate your assessment. Others have advised you to take the pulse of the group to assess the members' level of agreement and identify which issues remain to be addressed. Moreover, you know that the Task Force will hold a public hearing at an upcoming meeting, allowing anyone to express his or her opinion. You want members of the public to express their opinions in reaction to the Task Force members' inclinations. You could elicit those inclinations by asking the Task Force members to raise their hands in the public forum to signify agreement. Alternatively, you could ask each member to hold up a colored card: green for agree, yellow for agree with caveats, or red for disagree. Or you could poll the members privately.

Discussion 9: Assessing Task Force Progress and Seeking Closure. What is the best way to take the pulse of the group? How will public testimony impact the group's deliberations? How can a facilitator bring a group to closure with a consensus or guide the members toward a conditional agreement? **What is the risk of process prevailing over substance?**

 [Video Clip 6: Results of a Private Straw Poll](#) (15 min, 21 sec)

 [Video Clip 7: Public Testimony](#) (9 min, 58 sec)

After the presentations, questions, discussions, and public testimony, the Task Force must complete its work. You have found support for the proposal, but a variety of interests underlie the members' positions and arguments. For instance, members representing Nike and Adidas (both headquartered in Portland) and the Oregon Sports Authority, the State's sports economic development arm that attracts sports events and franchises, are unequivocally supportive. Members representing neighborhood groups, such as Lents and Goose Hollow, home of PGE Park, agree in concept, but fear that City funds for the project could undermine other municipal priorities and are concerned about the impact of construction and operation of the stadium on traffic patterns and parking. Members who have long supported parks and environmental issues oppose the idea because they cannot imagine the stadium being renovated or built without claiming City land and diverting funds from other parks that are already poorly

Portland and separated by an Interstate Highway, feel neglected by the City in terms of street and sewer improvements. See MacColl, E. Kimbark (1979). *The Growth of a City: Power and Politics in Portland, Oregon 1915–1950*. Portland, Oregon: The Georgian Press.

maintained. No doubt some members have crossed paths, if not swords, in the past and will do so again.

You sigh deeply, reminding yourself that you have no responsibility for implementing recommendations and you do not need to delegate responsibilities to the Task Force members. Your task is to reach agreement on recommendations. Any three members who vote against the Task Force's decision may file a minority report, but you have been working toward a consensus. As Task Force members have collaborated, listened to each other, asked questions, and supplied information, they have developed respect for each other and reinforced a norm of reciprocity.

 [Video Clip 8: Single Text Negotiation](#) (2 min, 4 sec)

Given the emerging consensus and remaining issues, the Task Force agrees to vote on the proposal subject to a series of conditions, each one addressing a different issue. For example, one condition is that the AAA baseball team will remain in Portland. Another restricts the use of public funds and public parkland. Even so, everyone on the Task Force believes that one member, Mike Houck, opposes the proposal, primarily because he believes some risk remains that public parkland could be used. Houck's questions, comments, and concerns make clear his position and everyone expects that he will vote against the recommendation. However, he joins everyone else to vote in favor, surprising himself and, no doubt, the member of the City Council who placed him on the Task Force to be a skeptic. When you ask him why he voted in favor, he says:

After weeks of exchange with members of the Task Force, I felt my all of my concerns were not only heard, but also considered and addressed. While I don't agree with everything in the final wording and would prefer stronger wording to protect Lents Park, I felt ethically bound to support the final package. I think it would have been very poor form to get virtually everything I asked for and then vote no.

As facilitator, you attend the City Council meeting to present the Task Force's [report and recommendations](#). The Council chamber is packed with members of the Timbers Army. The meeting begins at 8:00 a.m. At approximately 10:00 a.m., you are called to summarize the findings of the Task Force and to answer questions from the Council members. Within fifteen minutes, you have completed your assignment and returned to your seat in the gallery. Most Council meetings last three to four hours, but this meeting concludes eleven hours later.

Two stakeholders not represented on the Task Force, Multnomah County and Portland Public Schools, object vigorously during the hearing to being excluded from the process. One of the likely funding vehicles for the stadium projects would reduce the flow of property tax revenues to these jurisdictions. As a result, the third member of the Council, whose vote the sponsors need to go forward with the deal, requests a delay until the sponsors address these concerns. Within a matter of weeks, the City Council votes in favor of bringing MLS to Portland, receiving

mixed reactions in the blogosphere.⁴ Eventually, Portland receives an MLS franchise and renovates its stadium for soccer, but loses AAA baseball. And the Timbers go on to become the second most successful professional sports franchise in Portland.

When all is said and done, you have learned a lot about public policy, politics, and facilitating a public policy issue. You recognize that there were opportunities to improve, but you did the best you could with limited time, information, and other resources. You are left to ponder one final question: Was this a good outcome?

Discussion 10: Reflecting on Outcomes. What is a good outcome for a public policy mediation?

 [Video Clip 9: Lessons Learned](#) (8 min, 58 sec)

⁴Larabee, M. (2009, March 11). [Soccer deal passes council with one major change](#). *The Oregonian*. Retrieved February 2, 2015, from .

APPENDIX 1

MLS Soccer/AAA Baseball Task Force Membership and

Support Staff Task Force Members

Steven Maser, Ph.D., chair and facilitator, is a Professor of Public Management and Public Policy at the Atkinson Graduate School of Management at Willamette University. He lives in Portland and teaches MBA courses about business-government relations and conflict management.

Jackie Thomas is Global Brand Marketing Director for NIKE Basketball. She has received numerous professional awards including an advertising Emmy and the prestigious EFFIE for marketing excellence in 2006.

William (“Billy”) Barquin, a member of the Eastern Shoshone and Oglala Lakota Tribes, was raised on the Wind River Indian Reservation in Wyoming. Billy’s legal work includes serving clients regarding the Portland Harbor Superfund Site cleanup. He is the Attorney General for the Kootenai Tribe headquartered in northern Idaho and manages the tribe’s office in Portland.

John Bradley, Chair of the Land Use Committee for the Northwest District Association, has served on the Oversight Committee for PGE Park since the 2001 remodel. John was a member of Mayor Katz’s Turnaround Team for PGE Park and represented the northwest neighborhood in the development of the Good Neighbor Agreement for PGE Park. John is a medical researcher at Oregon Health Sciences University.

Lindsay A. Desrochers, Vice President of Finance and Administration at Portland State University, has led PSU’s efforts in collaboration with the City and private partners to expand the urban campus to meet the demands of student growth, academic research and economic development for the region. PSU’s football team uses PGE Park.

Elisa Dozono is an attorney with the Miller Nash law firm in Portland and serves as Multnomah County’s appointee to the Metropolitan Exposition and Recreation Commission (MERC), which oversees the regional convention and performing arts facilities. Elisa was the Communications Director for Mayor Vera Katz, and Corporate Media Manager for the Port of Portland

Mike Houck, Executive Director of the Urban Greenspaces Institute, has been active in Oregon environmental and open space issues for over two decades, including service on the Portland Parks Board and the Portland/Multnomah County Sustainable Development Commission.

Mike Jones, a member of the Lloyd District Community Association, home to Veterans Memorial Coliseum, is an architect with LRS Architects.

Drew Mahalic is CEO of the Oregon Sports Authority (OSA), a nonprofit membership organization. It helped secure world-class sporting events, such as two Women's World Cups, the US Figure Skating National Championships and the Davis Cup. Founder of Pacific University Humanitarian Center, he is an active fundraiser for Portland Public Schools' sports programs.

Brad Malsin is with Beam Development, a Portland company. His most visible projects include the Eastbank Commerce Center and Olympic Mills, both in Portland's Central Eastside.

Chris McGuire, Director of U.S. Sports Marketing for Adidas America, is a member of OSA.

John Mohlis is Executive Secretary-Treasurer of the Columbia Pacific Building Trades Council and a member of the Portland Development Commission, which establishes urban renewal districts that could potentially underwrite the costs of a new stadium.

Conrad Myers is principal of Myers & Company, a Portland-based consulting firm specializing in business turnarounds. A financial expert, he was born in England and is an avid Arsenal fan. He advised Mayor Vera Katz on PGE Park as part of the Turnaround Team for that facility.

Cora Potter, Chair of the Lents neighborhood Urban Renewal Advisory Committee, is active in the Lents Neighborhood Association and lives near Lents Park, which has an old stadium that could be replaced by a new one for baseball. She is a transportation specialist for a nonprofit organization.

Jerry Powell is Chair of the Planning Committee for the Goose Hollow Neighborhood Association in Southwest Portland where PGE Park is located.

Tony Stacy is Managing Partner of One Wolf Soccer, an organization whose mission is to promote the development of professional, amateur and youth soccer in Oregon and the Pacific Northwest. Tony is a member of Vietnam Veterans of America, the Cherokee Nation Veterans Association, and AMVETS, a legislative advocacy group for veterans' issues.

Keith Thomajan is the President and CEO of Campfire USA, a co-educational youth development organization. Keith is also the Chair of the Portland Parks Board, the Vice Chair of Hands On Greater Portland, and a member of VisionPDX.

Mark B. Williams is the Associate Vice President with Oregon Health Sciences University for Campus Planning, Development, and Real Estate. As the CEO of the Metropolitan Exposition and Recreation Commission (MERC), Mark had responsibility for spectator and visitor facilities, including Memorial Coliseum and Civic Stadium, when these facilities were under public control.

Staff, City of Portland

Ken Rust, Chief Administrative Officer

Eric Johansen, Debt Manager

David Logsdon, Project Manager and Director of Spectator Facilities Fund

Ben Smith, Financial Analyst

Mark Moline, City Attorney

Byron Estes, Portland Development Commission

City Consultants

Public Financial Management: consultants who conduct financial analysis, sports industry economics and sports facility cost analysis

Steve Janik: Ball Janik LLC, outside legal counsel

APPENDIX 2

Proposed Process and Procedures

1. Task Force meetings are open to the public and media
2. Recommendations of the Task Force will be affirmed by majority vote
3. If three members share a contrary opinion, a minority report may be prepared
4. Prior to finalizing recommendations, the Task Force will take public testimony
5. Staff will produce and email meeting summaries following each meeting
6. Sending a substitute when a member cannot attend a task force meeting is permitted
7. Task Force will conduct its deliberations in compliance with Oregon public records regulations
8. All Task Force documents will be posted to the City's website (URL address) Proposed Guiding Principles

Financial Principles

Existing City programs will not be cut to help fund the project.

Taxpayers should see a return on the public investment in the project in 3 to 5 years.

To the extent possible, revenues from the MLS/baseball enterprise will be used to finance the project.

The City should have mechanisms in the agreements that provide a financial upside to the City should the teams' profitability exceed projections. The City should also build in mechanisms to protect the City's financial position on the downside.

The City will identify any amenities or program expenditures it wants the project to address at the front-end of the discussions with the proposer.

The more financial risk the City assumes on the project, the City will need to have more control over those risks.

Financial data and projections developed by the proposer and given to the City will be a public record. All meetings of the Task Force will be open to the public. The Task Force will take public testimony prior to finalizing any recommendations.

Social Principles

MLS and baseball facilities will be required to enter into Good Neighbor Agreements to minimize impacts on surrounding neighborhoods due to activities at these facilities. The City and proponent will initiate discussions with adjacent neighborhoods and properties over the project and keep affected parties informed over the course of project development and execution.

The City will work with Portland State University to ensure that changes to PGE Park meet the needs of the University.

The City and proponent will strive to find ways to benefit area high school sports activities and facilities and bring attention to these activities.

There will be no net loss of outdoor athletic fields within the neighborhood(s) where the project is developed.

City goals and requirements for M/W/ESB participation and for Workforce Training and Hiring will apply to the project

State Prevailing Wage requirements will apply to project construction activities

The City and project proponents will make efforts called for in the Local Business Initiative to promote the growth and economic health of locally based businesses.

The City's Fair Wage policy will apply to employees at PGE Park and the new baseball park.

Environmental Principles

For any remodeling of existing facilities, every effort will be made to reuse and/or recycle all materials removed from the facilities.

The project will strive to meet the City's Green Buildings Policies and will meet a LEED Silver Certification and strive to achieve a LEED Gold Certification.

The team owner/stadium operator will commit to implementing sustainable practices for facility management and operations.

Proposed Schedule

- Task Force
- Start-up – background on City sports facilities, presentation on MLS proposal, facility siting alternatives, affirm project guiding principles

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e, project funding strategies, projects in other markets
 - City consultant work of project funding options, evaluation of team financial performance, research on MLS projects in other markets
 - Formation of City negotiating team
 - Determine specifics of what is required by MLS for March franchise award

January

- Task Force
- Updates on project costs, funding options; form tentative position on project feasibility and funding strategy
- Review progress report from City negotiating team and outline of deal points

February

- Task Force
- Review final products from consultant team
- Prepare draft recommendations and take public testimony
- Prepare final recommendations and present to City Council for consideration

March

- If project determined to be financially feasible, prepare binding agreement between City and proponent
- In conjunction with proponent, prepare final submittal to MLS

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APPENDIX 3

MLS Soccer/AAA Baseball Task Force

Charge Financial: Funding

- Provide critical review of team financial projections to assess Shortstop LLC's viability as a partner and tenant in City facilities--ask the tough questions, test assumptions behind the projections.
- Review and comment on analysis of team financial projections by City consultant team.
- Provide critical review of financial projections for City's spectator fund—ask the tough questions, test assumptions behind the projections. Review and comment on analysis of City Spectator Fund projections by City consultant team.
- Review and comment on funding options and strategies to complete the financing of modifications to PGE Park for soccer. Review and comment on general options for future funding of a new baseball stadium appropriate for AAA baseball. Preliminary cost estimate is \$85 million, which includes the remodel costs for PGE Park and assumes Lents Park—for cost estimating purposes only—as the site for the baseball stadium.
- Define conditions under which task force recommends proceeding with each project.
- Review and comment on consultant's report on how other MLS facilities have been developed.
- Prepare set of findings and recommendations on financial aspects of the PGE remodel phase of the project.
- Prepare a general set of findings on approaches to financing a new baseball park.
- Take public testimony on draft findings and recommendations and prepare a final set of findings and recommendations and present to City Council – planned for March 11.

Financial: Costs

- Review and comment on plans and cost estimates for the remodel of PGE Park for MLS play. Identify any additional cost analysis work that should be undertaken to insure cost estimates for PGE Park are comprehensive and accurate, given that final design and engineering work have not been completed.
- Review and comment on preliminary costs for development of the baseball venue.
- Take public testimony on the draft findings and recommendations on the PGE Park remodel and the generic cost estimates for the baseball park. Prepare a final set of findings and recommendations and present to City Council.

Miscellaneous Tasks

- Review draft Project Guiding Principles, discuss and amend and supplement based on Task Force discussions.
- Consult these principles throughout the work of the Task Force and insure the findings and recommendations of the Task Force are consistent with the principles document.

APPENDIX 4

Introduction to Public Meetings and Public Records

- 1) Public meetings: Any time a quorum of the Task Force (10 members) are present to decide, discuss *or receive information* on matters related to the Task Force's business, it is a public meeting.
 - a) Public meetings require notice and are subject to certain requirements regarding location and accessibility.
 - b) It is likely a real-time email discussion among Task Force members would be considered to be a public meeting.
- 2) Public records
 - a) A public record is "any writing that contains information relating to the conduct of the public's business... prepared, owned, used or retained by a public body regardless of physical form or characteristics." ORS 192.420
 - b) The term "writing" means just about everything on paper or electronic media, pictures, sounds, videotape, etc., including files that have been "deleted" but continue to exist on backup tapes or other media.
 - c) The location of a public record is not determinative – records created or maintained on home computers, personal cell phones and pda's are public records if they relate to the conduct of the public's business.
 - d) Public records must:
 - i) Be produced for review or copying if requested and if not exempt from disclosure, and
 - ii) Be retained for the requisite retention period.
 - e) There are a number of exemptions from disclosure. Some are conditional on a balancing of the interest in disclosure against the interest in nondisclosure.

Prepared by City Attorney
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