

**PROSPER PORTLAND**

Portland, Oregon

**RESOLUTION NO. 7442**

**AUTHORIZING THE TERMS OF A HOTEL MANAGEMENT AGREEMENT WITH COLUMBIA HOSPITALITY FOR THE INN AT THE CONVENTION CENTER LOCATED AT 420 NE HOLLADAY STREET**

**WHEREAS**, on May 8, 2002, through Resolution No. 5855, the Prosper Portland Board of Commissioners (“Board”) authorized acquisition of the 98-room Inn at the Convention Center Hotel (“ICC Hotel”) located at 420 NE Holladay Street in the Oregon Convention Center tax increment finance district;

**WHEREAS**, while Prosper Portland’s original intent was to demolish the ICC Hotel using the site and adjacent land for development of a new convention center hotel, a different site was ultimately selected for that project, leaving Prosper Portland with a revenue-producing asset;

**WHEREAS**, since acquisition, Prosper Portland has owned and operated the ICC Hotel as an affordably-priced lodging option in a rapidly changing urban neighborhood;

**WHEREAS**, on September 11, 2019, through Resolution No. 7337, the Prosper Portland Board adopted real estate property plans for all agency assets, categorizing the ICC Hotel as an operating/hold Mission Related Investment;

**WHEREAS**, the existing ICC Hotel operator, Trek Ventures, LLC, has tendered its resignation and will cease operating the hotel on March 31, 2022;

**WHEREAS**, Prosper Portland issued a request for proposal (“RFP”) in September 2021, seeking competitive proposals for the day-to-day operations and management of the ICC Hotel; and

**WHEREAS**, the RFP review committee recommended selecting Columbia Hospitality.

**NOW, THEREFORE, BE IT RESOLVED**, that the Executive Director is hereby authorized to negotiate and execute a Hotel Management Agreement with Columbia Hospitality for the management and operation of the ICC Hotel consistent with Summary of Terms attached as Exhibit A; and

**BE IT FURTHER RESOLVED**, that the Executive Director may approve changes to the contract terms from the Summary of Terms provided that such change(s) do not materially increase the risk to Prosper Portland, as determined by the Executive Director in consultation with Prosper Portland’s General Counsel;

**BE IT FURTHER RESOLVED**, this resolution shall become effective immediately upon its adoption.

Adopted by the Prosper Portland Commission on

January 12, 2022



Pam Feigenbutz, Recording Secretary

**Summary of Terms  
Inn at the Convention Center  
Hotel Management Agreement**

<b>Hotel Operator</b>	Columbia Hospitality
<b>Effective Date</b>	Upon execution
<b>Contract Term</b>	Initial term of 5 years
<b>Transition Period</b>	Date of execution to March 31, 2022, when current Hotel Operating Agreement with Trek Ventures, LLC expires
<b>Operator to assume full day-to-day operations</b>	April 1, 2022
<b>Extension Options</b>	Two, 5-year extension options for a total potential term of 15 years
<b>Base Management Fee</b>	The greater of four and one-half percent (4.50%) of monthly Gross Revenue of the Hotel or eleven thousand dollars (\$11,000.00)
<b>Incentive Management Fee</b>	Shall be equal to fifteen percent (15.00%) of the amount by which Gross Operating Profits (GOP) of the Hotel exceeds the Owner's approved annual budgeted (GOP).
<b>Transition Fee</b>	Operator to be paid a monthly transition fee equal to \$11,000 during the transition period between execution of the Hotel Management Agreement and April 1, 2022 when Operator will assume full operations of the hotel.
<b>Centralized and Shared Administrative Services</b>	Marketing, revenue management, accounting, personnel and other centralized services to be billed at \$8,000 and adjusted by 4.00% annual in January during each year of the Term, including any extensions
<b>Annual Plan and Budget</b>	On or before April 1 of each Operating Year, Operator shall prepare and submit to Prosper for its review and approval an Annual Plan and Budget for the ensuing Fiscal Year. The Annual Plan and Budget shall include, among other things, estimated revenue and expenses, planned capital expenditures, and a sales and marketing plan.



**PROSPER  
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Building an Equitable Economy

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**RESOLUTION TITLE:**

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Adopted by the Prosper Portland Commission on January 12, 2022

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Gustavo J. Cruz, Jr.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Francesca Gambetti	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Peter Platt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Serena Stoudamire Wesley	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner William Myers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consent Agenda <input checked="" type="checkbox"/> Regular Agenda				

**CERTIFICATION**

**The undersigned hereby certifies that:**

*The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Prosper Portland Commission and as duly recorded in the official minutes of the meeting.*

	<b>Date:</b>  January 18, 2022
<b>Pam Feigenbutz, Recording Secretary</b>	