



September 1, 2026

Portland City Council
City Hall
1221 SW 4th Ave
Portland, OR 97205

Dear Members of Portland City Council:

We are writing on behalf of the 90 community leaders and organizations who sent a letter in February to Mayor Wilson urging him to save the Keller auditorium and reject the proposal for the city to finance, build and operate a new Broadway theater on the south end of the PSU campus (see attached). We also represent thousands of grassroots Portlanders who oppose this idea and who have sent your offices more than 2,400 emails in recent weeks urging opposition to this expensive and impractical idea. Since February, the proposal has only gotten worse.

Sometimes, even in polite Portland, it's necessary to say out loud what many people are thinking or quietly saying to each other. **The city's proposal for a new Broadway theater on the PSU campus is simply a very bad idea.** After years of debate, no groundswell of public support, and strong grassroots opposition, the city council should reject this idea and pursue a more affordable, practical alternative.

Setting aside issues of escalating construction costs, lack of available funding, questionable market demand and even the future of Portland's arts economy, each City Council member should ask themselves a few basic questions before voting on the latest theater resolution.

First, does it really make sense to move Portland's largest theater out of downtown and away from its iconic fountain and the neighborhood of housing, hotels, restaurants and parking that was purposely planned and built around it?

Second, is an isolated plot of land at the southernmost edge of the city with challenging access and almost no existing amenities and infrastructure really a good place for a new city performing arts complex? Have you walked the area and asked nearby downtown residents if they think it's a good idea?

Third, would professional city planners or even average citizens with common sense select SW 4th and Lincoln as the best location for taxpayers to spend a half-a-billion dollars to build a new performing arts complex to serve the City of Portland for generations to come?

The answer to these questions, of course, is no. In fact, proponents of the plan have acknowledged the flawed location by requiring taxpayers to build an expensive new parking garage and to subsidize a new hotel, restaurant and bar adjacent to the theater (all of which already exist around the Keller). The lousy location and its negative impact on downtown should be reason enough for the mayor to withdraw this proposal or City Council to reject it.

There are other reasons as well. Most notably, **this proposal is fiscally reckless for both the city and PSU.**

The resolution before City Council calls for the city to build a Broadway theater as part of a larger performing arts complex, then renovate and downsize the Keller into a smaller theater. The estimated combined capital cost of both approaches nearly \$1 billion, a figure that conveniently appears nowhere in the resolution the council is being asked to approve.

The city has no funding plan, no studies demonstrating the market need or operating viability of a smaller, renovated Keller, and no guarantees that the Keller would ever actually be renovated. All of this comes as a recent Metro study identified upwards of \$300 million in deferred maintenance at existing city-owned theaters, including the Arlene Schnitzer Concert Hall, and as Portlanders remain deeply divided over how to pay for improvements to yet another city-owned asset, the Moda Center.

Given the budget problems facing both the city and PSU, is a \$1 billion partnership to build three new theaters, a parking garage, a hotel and classrooms really a financially responsible decision? Portlanders don't think so. Eighty-one percent say the city should take care of what it already owns instead of building something new, and 69% believe that, with declining enrollment and ongoing budget problems, PSU should focus on protecting existing student programs rather than building a new performing arts complex (DHM Research, May 2024).

In response to PSU's recent demand that the city commit \$44 million to the plan by December 1, with no details about how the money would be used, the Civic Life Committee wisely pushed back and adopted amendments intended to safeguard taxpayers. While well intended, the amendments unfortunately create the illusion that voting for this resolution carries no financial costs or risks, when the opposite is true.

Supporting this resolution allows a bad idea to move forward, commits city staff and resources to advancing it, enables city and PSU lobbyists to tell state lawmakers and others that the project has the city's "support," and puts the wheels in motion for taxing, bonding and spending upwards of \$1 billion, money neither the city nor PSU has or can identify.

The city and PSU rely on four primary arguments to make their case for this resolution. Each deserves closer scrutiny.

- *"The Keller is too old and dangerous to be successful."* Like many buildings in Portland, the Keller is susceptible to earthquake damage. But if the risks are as extreme as some claim, the city should immediately close the Keller, and probably some other city-owned buildings as well. Instead, Metro and the city recently authorized a new seven-year agreement with Broadway Across America to continue presenting shows at the Keller to 2033.

That vote of confidence, combined with the fact that Broadway shows in Portland continue to sell out and the Keller remains financially profitable and popular with Portlanders, provides a strong foundation for the city to build upon. The Keller is aging and certainly in need of repairs, but it is not broken and should not be thrown away.

- *“Portland’s arts ‘ecosystem’ needs the new PSU complex to survive.”* In fact, this proposal creates more risk and will do more harm than good to Portland’s theater economy. Performing arts are indeed a much-needed bright spot in Portland’s economy and vital to downtown’s recovery. But adding more theater capacity in a city that currently can’t fill its existing theaters threatens the stability of the entire system.

Portland’s current P5 theater capacity is 7,152 seats across five theaters. After adding two new theaters at the PSU complex and downsizing the Keller, total capacity would increase by 45% to 10,360 seats. Add in the two private venues opening next year, and Portland will have more than 18,000 seats, 2.5 times the capacity it has today.

Right now, only the Keller makes money and subsidizes the other venues. More theaters will inevitably create the need for more subsidies. A recent survey of people attending performing arts events downtown cited cost as the No. 1 factor limiting attendance, not venue capacity or even quality. Public safety was also a significant concern. Yet under this plan, the city’s own consultant projects a 15% to 20% increase in average ticket prices and a 10% to 15% increase in facility rental costs for the new PSU theater alone.

Bigger is not necessarily better, and more capacity only creates more financial risk. The key to reviving Portland’s theater ecosystem has less to do with building new venues and more to do with better system management, access to national marketing and greater local programming, and holding down rental costs for arts organizations and ticket prices for customers.

- *“Unless the city council proceeds with this plan, PSU will lose access to \$130 million in state bonds.”* This is the tail wagging the dog. Two years ago, the city quietly signed an agreement with PSU allowing PSU lobbyists to seek state funding for the proposed performing arts center. The Legislature approved \$130 million in bonding for a parking garage, classrooms and a smaller PSU academic/community theater, conditioned on PSU securing matching funds from the city and private sources.

Now, with the bonds nearing expiration and no matching funds in hand, PSU officials are demanding \$44 million from the city by December 1 to “unlock” the state funds. This is not a credible financing strategy. It is a PSU-city-state lobbying shell game. The situation underscores the danger of creating the appearance of political momentum for a project when the funding to build it simply does not exist.

- *“A temporary, two-year renovation closure of the Keller will do harm to local arts organizations and workers and must be avoided.”* We agree that the negative economic impacts of a prolonged renovation closure would be real and can and should be mitigated through direct payments to affected workers and a serious evaluation of a temporary performance venue for Broadway shows. Both would cost far less than the current proposal.

We disagree that the only solution is to abandon the Keller, remove 400,000 visitors each year from downtown, spend nearly \$1 billion and increase the city’s theater capacity to risky and unsustainable levels.

There is a better, fiscally responsible approach that the city council could fully implement this year.

Given the city's budget realities, a full-scale Keller renovation should be put on hold, eliminating the need for an extended closure. We encourage the mayor and City Council to reject the current resolution and approve **The Keller Affordable Fix**, a five-year, \$15 million plan to catch up on deferred maintenance and make needed improvements. This will help ensure the continued success of Portland's largest theater, protect downtown businesses, and support the ongoing revitalization of downtown.

Rather than endorsing an unrealistic and unaffordable multi-theater plan with PSU, city officials should strategically invest in what we already own and what we know works.

The Keller Affordable Fix will keep Broadway audiences coming downtown, protect a profitable city asset, and buy Portland time to understand how new private theaters and a planned change in P5 management will impact the landscape of Portland's live performance economy.

Sincerely,

Karen Whitman, Executive Director, Halprin Landscape Conservancy
Bob Naito, Co-Chair and Treasurer, Halprin Landscape Conservancy Board of Directors