



SENATE MAJORITY OFFICE

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Senate removes roadblock to Oregon Convention Center hotel

SB 927 clarifies the ability of Metro to support construction of accommodations

SALEM – The Senate approved legislation this morning that clarifies the authority of Metro, the Portland area’s regional government agency, to construct a hotel connected to the Oregon Convention Center. Among its responsibilities, Metro owns and operates the Oregon Convention Center in Portland Oregon. National event planners have long cited the lack of a large hotel in proximity to the Convention Center as a deterrent to choosing Portland for national conventions and events.

“The Oregon Convention Center hotel project is a fantastic opportunity to create 3,000 jobs, boost the state’s tourism economy, and leverage private investment in the metropolitan region,” said Senator Chuck Riley (D-Hillsboro), who carried Senate Bill 927 on the floor. “An independent analysis cited by Metro shows that this project will generate \$5.6 million in new state tax revenues and \$4.7 in new local tax revenues annually. These are revenues that will help support our schools, our public safety, and future economic development endeavors.”

The hotel will be located directly north of the Oregon Convention Center in the Lloyd District neighborhood of Portland. A 500-room block is necessary to serve national convention clients, so the hotel is anticipated to contain at least 600 rooms. Amenities will include a full-service restaurant and room service and meeting and banquet rooms. Hotel construction and operations will follow policies that support women and minority-owned contractors and, prior to launching project negotiations, a labor peace agreement was signed between Hyatt and the union representing workers. Construction is planned to begin in fall 2015 and be complete in early 2018.

“Portland ranks as a highly attractive convention and travel destination,” said Senator Rod Monroe (D-Portland), who introduced the legislation as a priority bill this session. “As a former Metro councilor, I’m pleased to see the Metro Council’s leadership on making Oregon more attractive to bigger and more prominent conventions from across the country. These conventions will bring millions of dollars to our state.”

SB 927 aligns existing state law for Metro to have the power to construct and acquire certain facilities if authorized to do so by its own charter. In 2012, Metro embarked on a public-private partnership approach to the construction of a hotel connected with the convention center. The overall project is approximately \$200 million, with over 60 percent from private investment. The largest public contribution will be payment of bonds from transient lodging taxes paid by guests of the hotel itself. The 2013 Legislature approved \$10 million in lottery bonds to complete the finance plan.

SB 927 will now go to the House of Representatives for consideration.

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