

STAFF MEASURE SUMMARY

House Committee On Rules

Fiscal: No Fiscal Impact

Revenue: No Revenue Impact

Action Date: 04/08/15

Action: Do Pass.

Meeting Dates: 04/08

Vote:

Yeas: 5 - Barnhart, Hoyle, Nosse, Rayfield, Smith Warner

Nays: 3 - Kennemer, McLane, Wilson

Exc: 1 - Gilliam

Prepared By: Erin Seiler, Committee Administrator

WHAT THE MEASURE DOES:

Modifies authority of metropolitan service district (METRO) to acquire or construct visitor-oriented facilities. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Public-private partnership
- Clarifying METRO's charter authority
- Court cases
- Regional economic impact
- Public interest in investing in convention center hotel
- Business lost in region because of lack of convention center hotel

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

Metropolitan service district (METRO) is currently the only existing district of this type in Oregon and it has a voter-approved district charter. This measure aligns existing law for a metropolitan service district with a charter 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 of private investment; the largest public contribution will be payment of bonds from transient lodging taxes paid by guests of the hotel itself. The 2013 Legislative Assembly approved \$10 million in lottery bonds to complete the finance plan.