



SB 110 -1 – Baseball stadium funding needs a new amendment

Senate Finance and Revenue – Jody Wiser – 3.24.2025

Chair Meek and members of the committee, my name is Jody Wiser, and I am speaking for Tax Fairness Oregon.

You have not heard this morning who the owners are who would use this stadium. Why is that a secret? I suspect because either they don't have a billionaire to name, or they are so very rich that you'd think, "If they can pay \$2 billion for a team, let them also pay for the stadium they need."

Of course, the advocate's job is to ask. If they spend \$150,000 lobbying you and get \$1 million, it's a good investment, to say nothing of getting \$800 million.

But \$800 million is just the beginning. The amendment states \$800 million "plus the actual, reasonable financing costs." We all know that a mortgage ends up costing far, far more than the original amount. And if Portland provides municipal bonds, that's at additional cost to the General Fund because the public loses taxes on interest income. No matter the end number you choose, shouldn't you strike "financing costs" so you know the actual commitment being made?

But what is your job? We believe it is to ask yourselves and your colleagues if the 2003 law is one to keep, eject or modify.

It returns 100% of the income taxes of the team, its opponents and their staffs to the team owners for their stadium. Intel has created a whole ecosystem of suppliers and servicers. Under the Gain Share law designed by legislators more recently than 2003, you return only 50% not 100% of Intel employees' tax dollars. And the money goes to Washington County for general services not to a stadium's owners.

The 2003 law sets a terrible precedent since, if used, it would be a first time you are returning to sports team owners the taxes of their employees and competition. If you do this for major league baseball, how would you justify not doing the same for the Trailblazers, who will soon want a third replacement for their stadium? Or for any other sports team?

Just last year you voted \$15 million each for the minor league Hops' and Emeralds' stadiums. \$150 million is 10 times larger, but the planned stadium's capacity is not.

Perhaps supporting any stadium project with this mechanism is a wrong move and the provision should be removed from our statute with a -2 amendment. Perhaps the state has bigger responsibilities.

Most professional stadiums using public money use local funds, not state funds. Why follow Utah's example? Shouldn't the citizens of the metro area be the ones deciding whether they want to provide public support to the Diamond Project with local tax revenue?

A commitment of \$800 million – without interest - would be an average of \$53 million a biennium for 30 years.

There is no other cultural facility in this state to which the legislature provides that kind of biennial revenue.

And you must be seeing this as a cultural subsidy, not an economic development move as academic research continues to say stadium subsidy is good for owners, not communities.

"Studies consistently find no discernible positive relationship between sports facility construction and local economic development, income growth, or job creation," said Brookings Institution senior fellow Ted Gayer, co-author of a extensive and detailed analysis of this issue. "The promised influx of jobs mostly amounts to temporary construction work and low-paid, part-time positions for stadium vendors and ushers."

Additional examples from the literature will be submitted to the testimony portal.

The city will get parking revenue, TriMet will sell tickets. The transportation system will get traffic. But beyond that, there's not much income for the local community once the facility is built. Most game attendees eat inside the stadium, that's part of the experience itself. That's why there aren't scores of successful restaurants surrounding our current stadiums, Henry's failed and has remained vacant, despite its proximity to Providence Park, and the restaurant facilities built in the Moda Center area have failed.

Portland wants dollars for a new Keller Auditorium, the James Beard Market, revitalizing both the Lloyd Center district and the OMSI district, extending the streetcar to Montgomery Park, and likely soon a re-do of the 30-year-old Moda Center. If the state helps fund an MLB stadium, will these other projects lose out?

It's time question both Portland's priorities and the numbers. Perhaps \$150 million could be indexed to \$250 million or reduced to \$50 million. Perhaps the 100% should be 50% of taxes. Perhaps interest should be excluded entirely.

You and your fellow legislators have a lot to consider. Wednesday is too soon for a work session on this bill. We believe you, not the Diamond Project team, should design any amendment to current law.

Thank you for your deepening consideration of this issue.

We read the bills and follow the money