February 10, 2026

Re: Opposition to Public Funding for Moda Center Renovation

I write to express my strong opposition to Senate Bill 1501 and related proposals to commit $600 million in public funds toward renovating the Moda Center. While I understand the cultural significance of the Trail Blazers to Portland, decades of rigorous economic research demonstrate that public subsidies for sports facilities consistently fail to deliver promised economic benefits and impose significant opportunity costs on taxpayers.

The economic case against stadium subsidies is overwhelming. A comprehensive 2022 review of over 130 studies published in the *Journal of Economic Surveys* concluded that sports venues generate little to no measurable economic activity and that "the level of venue subsidies typically provided far exceeds any observed economic benefits." Research consistently finds no significant increases in employment, personal income, tax revenues, or tourist spending attributable to sports facilities.

A 2023 analysis in the *Journal of Policy Analysis and Management* examined studies attempting to quantify intangible benefits like civic pride. Using contingent valuation surveys, researchers found that such "non-use values" amount to merely 13% of construction costs and 16% of public contributions—far below levels needed to justify typical subsidies. Even accounting for intangible benefits, the public investment cannot be justified economically.

The proposal to divert up to $75 million from Portland's Clean Energy Community Benefits Fund is particularly troubling. This voter-approved fund was created to reduce carbon emissions and support vulnerable communities facing climate impacts—not to finance arena renovations for wealthy team owners. Councilor Steve Novick correctly noted that the fund "is supposed to reduce carbon emissions, not fix basketball stadiums."

Beyond direct costs to state and local budgets, stadium financing through tax-exempt municipal bonds imposes costs on all federal taxpayers. A 2020 analysis in *National Tax Journal* estimated that such bonds for stadium financing have cost federal taxpayers $4.3 billion in lost revenue since 2000, representing a hidden subsidy from taxpayers nationwide to local sports franchises.

Most fundamentally, this proposal represents a transfer of wealth from Oregon taxpayers to private interests during a time when the state faces a $650 million budget deficit and is planning cuts to essential services. The $600 million committed to arena renovation could instead fund infrastructure, education, healthcare, or other public services with demonstrable returns to communities. At a time when Portland struggles with homelessness, public safety concerns, and crumbling infrastructure, subsidizing a profitable private entertainment venue is an indefensible misallocation of scarce public resources.

If public investment is nonetheless pursued, it must include strong contractual protections for taxpayers. Any public subsidy should require a binding 20-year commitment from the Trail Blazers to remain in Portland, with this obligation transferring to any subsequent owners should the team be sold during that period. Additionally, the public entities providing subsidies should receive profit-sharing rights on any sale of the franchise within the 20-year period, ensuring that taxpayers who assumed the risk of this investment share in any financial upside. Without such protections, public subsidies simply transfer wealth to private owners with no guarantee of long-term community benefit.

I urge you to reject SB 1501 and related public funding proposals for the Moda Center renovation. If the facility requires upgrades, the team’s ownership should finance them privately, as they stand to reap the financial benefits. Our limited public dollars must be invested where they will truly benefit Oregon communities.

Respectfully,

Thomas G. Cooney