

Submitter: Kelsie Evans

On Behalf Of:

Committee: Senate Committee On Rules

Measure, Appointment or Topic: SB1501

I support keeping the Trail Blazers in Portland and renovating the Moda Center. However, I am asking that SB 1501 be amended to include a Public Investment Return Agreement before any public money flows.

Portland already owns the Moda Center, having purchased it for \$1 in 2024. The city is financing a \$600 million renovation of its own building. Any rational investor or landlord would demand a return on that investment. The current proposal offers none. The Public Investment Return Agreement fixes that with five specific mechanisms:

1. Revenue participation: 4% of gross arena revenue, returning approximately \$3.2-4.8 million per year. This is a lease term on a city-owned building — no NBA approval required.
2. Franchise appreciation right: 8% of franchise value appreciation above the \$4.25 billion purchase price, triggered on sale. This is a contractual covenant, not an ownership stake.
3. Naming rights capture: A 50/50 split of naming rights revenue, yielding \$2.5-4 million per year. The city owns the building and controls the naming rights.
4. PILOT payments: \$1.2 million per year in payments in lieu of property taxes, standard in every major city with a publicly owned arena.
5. Relocation penalty: Full repayment of all public investment plus a 50% premium if the team relocates within 30 years, secured by a lien on the franchise.

These mechanisms generate \$6.7-10.2 million per year — enough to cover the \$7.5-8 million in annual debt service on the renovation bonds. The deal pays for itself from day one. The appreciation right delivers an additional \$150-400 million to the public when the franchise is eventually sold.

I love the Blazers, and I love Portland. There's no reason why both shouldn't benefit.

This is not punitive. This is how the deal works for everyone. Please amend SB 1501 to include these protections.