

Dear senators,

I am writing to voice my opposition to Senate Bill 1501:

- 1. There is no such thing as a free arena.** There's no getting around the fact that this legislation would – at a time when the state is facing a budget deficit and a variety of economic headwinds – divert millions of dollars from the state's general fund, primarily for the benefit of a \$4 billion, privately-owned, for-profit business (i.e., the TrailBlazers). This is Robin Hood economics, but in reverse.
- 2. Professional sports arenas are not efficient drivers of economic development.** Sports arenas and stadiums (even multipurpose arenas like the Moda Center) are in use sporadically throughout the year: enough to generate activity during gameday or a popular concert, but not enough to develop their own economic ecosystem. Other than well-compensated professional athletes, employment tends to be low-paid and seasonal. Indeed, the current state of the Rose Quarter is a perfect example of how sports facilities do not drive economic development.
- 3. Even if a Moda Center renovation did generate economic development, the proposed financing mechanism precludes any public benefit.** Capturing personal income taxes associated with the Moda Center and diverting them to pay debt service on proposed bonds creates a closed loop, benefitting only Moda Center tenants and (possibly) patrons¹, rather than Oregonians in general.
- 4. This continues the dangerous precedent set by SB 110 in 2025.** Diverting imaginary personal income taxes from an imaginary MLB team is one thing, but diverting existing personal income taxes to benefit private-sector employers sets a concerning example. The entire point of personal income taxes is to fund public goods, not as a kickback to benefit for-profit business. What's to stop, say, Nike or Daimler from asking for similar treatment in 2027?
- 5. There is no reason to pass this legislation during a short legislative session, much less on an emergency basis.** The public has a substantial amount of leverage here: the TrailBlazers' current lease with the city of Portland runs through 2030, team ownership hasn't formally transitioned yet, and there are no serious relocation threats at this time.² Why are we acting like this is a crisis?

¹ Assuming ticket and concession prices aren't raised in the immediate aftermath of a renovation, as is often the case.

² The two examples often cited by the media – Seattle and Las Vegas – are generally considered to be prime candidates for NBA *expansion*, rather than relocation of an existing team. Every other example tends to be just a mid-sized North American city without an NBA team. Indeed, the TrailBlazers have not even threatened to leave Portland (at least not publicly), as there is no shortage of sports media and legislators willing to do so on their behalf.

I urge you to table this legislation and spend the legislative “offseason” asking tough questions of TrailBlazers. At a minimum, the team should answer what specific renovations to Moda Center are needed, why those renovations justify the use of public funds, and what the team will bring to the table (beyond a simple lease extension). Then come back in the 2027 long legislative session with something more equitable to Oregon taxpayers. As currently drafted, SB 1501 is the legislative equivalent of a flop.

Thank you for your consideration.

Duncan Brown

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