

Priority: Thriving Economy

Lead Agency: Non-Departmental - All

Program Offer Type: Existing Operating

Program Contact: Mark Campbell

Related Programs:

Frameworks:

Executive Summary

This program offer budgets the revenue and expenditures associated with the County's commitment to funding the Oregon Convention Center. This program operates under intergovernmental agreements (IGAs) with various jurisdictions and the Visitors Development Board. The program accounts for proceeds of the Transient Lodging Tax and Motor Vehicle Rental Tax that are passed through to METRO, the lead agency for the Convention Center.

Program Description

This program accounts for a portion of taxes collected from area hotels, motels, and vehicle rental agencies. The Transient Lodging Tax has supported the Oregon Convention Center since 1986. The tax is set at 11.5% on all hotel and motel room rentals in Multnomah County. Cities retain 5% of the tax generated within their boundaries. Another one percent supports regional tourism promotion. The remaining 5.5% supports programs associated with the Oregon Convention Center, the Regional Arts & Culture Council (RACC), and the Visitors Development Board. The Motor Vehicle Rental Tax was increased by the Board of County Commissioners (BCC) in April, 2000. This 2.5% increment is entirely dedicated to support of the activities noted above.

Program Justification

This program links to the Thriving Economy priority. It supports the Oregon Convention Center which hosts programs, conferences, and events that bring visitors and business groups to Portland. The tourism and travel industry is among the leading private sector employers in Oregon. Large conventions generate significant activity for local hotels, restaurants, and retail establishments. The Portland Oregon Visitor's Association (POVA) has estimated that a typical out-of-town convention delegate will spend between \$600-700 during a three day stay in the region. A report released by Dean Runyan and Associates documents the dollar impact of all visitors to the Portland metropolitan area. That report indicates that visitors to Portland contribute more than \$1.2 billion to the local economy.

Performance Measures

Measures have not been developed for this program. A possible performance measure for this program could relate to the number of delegates attending conventions and trade shows at the Oregon Convention Center. Another measure that might be more germane to the Thriving Economy priority could relate to the change in employment in the leisure and hospitality sector.

Summary of last year's program results and this year's expected results

Program Mandate: 1 Mandated Program & Funding Level

This program is mandated by IGAs that dictate how the revenues received in the Special Excise Tax Fund are allocated. There is no discretion in allocating the revenue - all receipts are turned over to METRO pursuant to terms specified in the IGAs.

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2005	2005	2006	2006
Contracts	\$0	\$15,751,000	\$0	\$16,393,000
Internal Services	\$0	\$62,000	\$0	\$70,000
Subtotal: Direct Exps:	\$0	\$15,813,000	\$0	\$16,463,000
Administration	\$0	\$0	\$0	\$0
Program Support	\$0	\$0	\$0	\$0
Subtotal: Other Exps:	\$0	\$0	\$0	\$0
Total GF/non-GF:	\$0	\$15,813,000	\$0	\$16,463,000
Program Total:	\$15,813,000		\$16,463,000	
Program FTE	0.00	0.00	0.00	0.00
Program Revenues				
Taxes	\$0	\$15,500,000	\$0	\$16,125,000
Other / Miscellaneous	\$0	\$313,000	\$0	\$338,000
Program Revenue for Admin	\$0	\$0	\$0	\$0
Total Revenue:	\$0	\$15,813,000	\$0	\$16,463,000

Explanation of Revenues

The Transient Lodging Tax was originally established in 1972. It was established at a rate of 5% of the room rent collected by hotels/motels in unincorporated Multnomah County. In January 1979 a voter approved increase of 1% in unincorporated Multnomah County was established to be used exclusively for the promotion of tourism. A supplemental Countywide tax of 3% was adopted in February 1986 and is dedicated to the Oregon Convention Center. Effective April 1, 2000, an additional tax of 2.5% was adopted by the BCC and is dedicated to a Visitor Development Fund. The Motor Vehicle Rental Tax was originally established for a three year period in 1976 and was extended indefinitely in 1979. A tax rate of 10% is imposed on motor vehicles rented in Multnomah County. The tax was increased by 2.5% in April 2000 and this increment is dedicated to a Visitor Development Fund.

Significant Program Changes