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December 19th, 2013 By NIGEL JAQUISS | News | Posted In: Metro, Multnomah County, City Hall, Politics

Critics of Subsidized Convention Center Hotel Will Seek Referral



Oregon Convention Center

Opponents of the proposed **\$200 million Hyatt** hotel adjacent to the Oregon Convention Center said today **they will refer the question** of whether the hotel will be built with an **\$80 million public subsidy** to county voters next year.

The news comes after a vote today by the **Multnomah County commission** to make technical changes to the way visitor taxes are allocated. Metro, which operates the Oregon Convention Center, is the primary proponent of

the hotel but the City of Portland and Multnomah County both need to approve the transaction because all three governments share in the proceeds of visitor taxes. The public money slated for the deal comes from a form of financing new to Portland: rather than going into government coffers, the visitor taxes generated at the hotel will go to repay money Metro will borrow to help finance construction.

Here's the statement released by the opponents the **Coalition for Fair Budget Priorities**. **The coalition consists** primarily of **downtown hoteliers** who object to subsidized competition,

“The Multnomah County Council’s action today on this deeply flawed proposal is not the final word. The voters of Multnomah County will soon have the opportunity to weigh in on this risky deal, and we are confident that they, unlike the politicians, will ask the tough questions and reject this bad idea.

“In the next few days we intend to begin collecting the more than 11,000 required signatures to refer this measure to the ballot. We do not take this action lightly. Contrary to the hype coming from Metro and County politicians and other boosters, this deal is a major misuse of public funds, which will be used to

subsidize a massive Convention Center hotel owned by a highly profitable out-of-state corporation. If the hotel is such a guaranteed success, why isn't Hyatt building it on their own?

"Instead, this scheme places the bulk of the risk on the backs of taxpayers; if the hotel succeeds Hyatt will reap the benefits, but if it fails the public will foot the bill. That makes no sense. "Moreover, this deal is manifestly unfair to other local hoteliers, since the taxes generated by their hotels will be used to subsidize a competitor. We are confident that when the voters learn more about this misguided deal, they will vote overwhelmingly to reject this corporate welfare subsidy."