

Program #10025 - Convention Center Fund
FY 2026 Adopted
Department: Nondepartmental

Program Contact: Eric Arellano

Program Offer Type: Operating

Program Offer Stage: Adopted

Related Programs:
Program Characteristics:
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 1% 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 in April, 2000. This 2.5% increment is entirely dedicated to support the activities noted above.

This program 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. It is estimated that Oregon Convention Center Visitors generated an economic impact exceeding \$700 million in fiscal year 2024.

The Visitors Facilities Intergovernmental Agreement (VFIGA) was amended in FY 2020. The VFIGA supports regional visitor facilities and visitor industry development in the Portland-Multnomah County area. The agreement is between the City of Portland, Multnomah County, and Metro. The amended agreement established the Multnomah County "Livability and Safety Support Services" allocation. The funding supports services and programs for people experiencing homelessness, or who are at risk of becoming homeless, and services and programs addressing the community livability and safety concerns associated with homelessness.

Performance Measures

| Measure Type | Performance Measure | FY24 Actual | FY25 Budgeted | FY25 Estimate | FY26 Target |
|--------------|---|-------------|---------------|---------------|-------------|
| Output | Impact (\$ in millions) of Convention Center Visitors to Multnomah County Economy | 709 | 726 | 706 | 722 |
| Outcome | Number of Employees in Travel/Tourism Industry (Est.) | 7,546 | 6,279 | 7,817 | 8,013 |

Performance Measures Descriptions

The Oregon Convention Center (OCC) generates significant economic activity to metropolitan Portland and the State. Multnomah County accounts for more than 2/3rds of tourism related activity. Due to the COVID-19 pandemic, the Convention Center saw a reduction in event (cancelled or delayed) activity but has steadily recovered from fiscal year 2022-24

Legal / Contractual Obligation

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 per County Code and pursuant to terms specified in the IGAs.

Revenue/Expense Detail

| | Adopted General Fund | Adopted Other Funds | Adopted General Fund | Adopted Other Funds |
|------------------------|-------------------------|------------------------|-------------------------|------------------------|
| Program Expenses | 2025 | 2025 | 2026 | 2026 |
| Contractual Services | \$0 | \$42,811,008 | \$0 | \$44,421,215 |
| Total GF/non-GF | \$0 | \$42,811,008 | \$0 | \$44,421,215 |
| Program Total: | \$42,811,008 | | \$44,421,215 | |
| Program FTE | 0.00 | 0.00 | 0.00 | 0.00 |

| Program Revenues | | | | |
|---------------------------|------------|---------------------|------------|---------------------|
| Taxes | \$0 | \$42,669,684 | \$0 | \$44,276,340 |
| Interest | \$0 | \$10,000 | \$0 | \$10,000 |
| Beginning Working Capital | \$0 | \$131,324 | \$0 | \$134,875 |
| Total Revenue | \$0 | \$42,811,008 | \$0 | \$44,421,215 |

Explanation of Revenues

The Transient Lodging Tax was originally established in 1972. A supplemental countywide tax of 3% was adopted in February 1986 and is dedicated primarily to operations of the Oregon Convention Center. The County adopted an additional tax of 2.5% that is dedicated to the Visitors Development Initiative.

The Motor Vehicle Rental Tax was originally established in 1976. The tax was increased to 12.5% in April 2000, with the additional 2.5% dedicated to the Visitors Development Initiative.

Significant Program Changes

Last Year this program was: FY 2025: 10025 Convention Center Fund