

ORDINANCE No. 187792

*Authorize an agreement with Travel Portland for the marketing and promotion of convention business, tourism, and overnight lodging using a sole source procurement and provide for payment (Ordinance)

The City of Portland ordains:

Section 1. The Council Finds:

1. City Charter Section 7-113 provides that a one percent (1%) Transient Lodgings Tax on the gross rents paid for overnight lodging be collected by the City and used exclusively for promotion, solicitation, procurement, and service of convention and tourism in the city.
2. The Charter also directs the City to implement the purposes of Section 7-113 by negotiating a contract with a non-profit corporation, or with non-profit corporations, whose primary purpose during the term of the contract is the promotion, solicitation, procurement, and service of convention and tourism in the city.
3. Portland City Code Chapter 6.05, Tourism Improvement District, provides that certain lodging providers located within the City are assessed a 2% license fee based upon taxable rents as reported to the Revenue Bureau, which fees are to be used for the promotion of overnight tourism and to improve the lodging business environment.
4. Chapter 6.05 requires that TID funds be managed by a "Management Corporation", which is defined as a nonprofit organization that is responsible for the promotion of Portland on a year-round basis, manages tourism-related economic development plans, programs and projects, and represents tourism-related businesses.
5. Convention business, tourism and overnight lodging are substantial contributors to a healthy economy in the City of Portland. Successful efforts to secure convention and tourism business and overnight lodging result in increased revenues for the City through business license taxes and transient lodging taxes and fees.
6. The City has determined that services to convention business, tourism, and overnight tourism and efforts to improve the lodging business environment are in the public interest and will be for a public purpose for the benefit of the City.
7. Travel Portland has a unique position as a promoter of convention business and tourism as demonstrated by the number of local businesses that are members of the organization and has been recommended by persons whose business are subject to the taxes and fees imposed, as the non-profit corporation the City should contract with for the aforesaid purposes.
8. Travel Portland is a non-profit corporation organized for the primary purpose of promotion, solicitation, procurement and service of convention business and tourism for the City of

Portland and is responsible for the promotion of Portland on a year-round basis, manages tourism-related economic development plans, programs and projects, and represents tourism-related businesses, and is, therefore, qualified to contract with the City for the aforesaid purposes.

9. The promotion of convention business, tourism, and overnight tourism and improvement of the lodging business environment are highly specialized services requiring expertise and the confidence of participating local businesses. Travel Portland has demonstrated its expertise in these areas through prior contracts with the City, authorized by Ordinances Nos. 154720, 158721, 162143, 165571, 170317, 173432, 176591, 179383, 181845, 184963, and 185635.
10. Considerable additional time and expenditure of funds would be needed if other firms were required to develop the expertise necessary for this work, which Travel Portland already has by virtue of its many years of effort in the promotion of convention, tourism and overnight lodging.
11. This sole source contract is being acquired as an exception to the competitive selection process identified in PCC 5.68 and the PTE Services Contracting Manual, and the provisions of Chapter 5.68 of the City Code should be waived.

NOW THEREFORE, the Council directs:

- a) The Mayor and the Auditor are hereby authorized to execute an Agreement with Travel Portland substantially in accordance with Exhibit A attached to this Ordinance.
- b) The Mayor and Auditor are authorized to draw and deliver warrants, chargeable to the Convention and Tourism Fund and the Tourism Improvement District sub-fund in the Convention and Tourism Fund, in accordance with the terms of the Agreement.
- c) The provisions of City Code Chapter 5.68 are waived.

Section 2: The Council declares an emergency exists because a delay would disrupt timely payment of transient lodging taxes to Travel Portland and negatively impact Travel Portland's ability to promote and secure convention business and tourism within the City of Portland. Therefore this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council:

JUN 08 2016

Mayor Charlie Hales
Prepared by: Susan Hartnett
Date Prepared: May 23, 2016

Mary Hull Caballero

Auditor of the City of Portland

By

Susan Parsons

Deputy

*Authorize an agreement with Travel Portland for the marketing and promotion of convention business, tourism, and overnight lodging using a sole source procurement and provide for payment (Ordinance)

<p style="text-align: center;">INTRODUCED BY Mayor Charlie Hales</p>	<p>CLERK USE: DATE FILED <u>MAY 31 2016</u></p>
<p style="text-align: center;">COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p>	<p style="text-align: center;">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <u><i>Susan Laurson</i></u> Deputy</p> <p>ACTION TAKEN:</p>
<p style="text-align: center;">BUREAU APPROVAL</p> <p>Bureau: OMF Bureau Head: Fred Miller <i>Fred Miller</i></p> <p>Prepared by: Susan Hartnett Date Prepared: May 23, 2016</p> <p>Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>City Auditor Office Approval:</p> <p>City Attorney Approval: <i>KAM</i></p> <p>Council Meeting Date: Jun 8, 2016</p>	

AGENDA

TIME CERTAIN
Start time: 9:45 *3 of 3 items*

Total amount of time needed: 45 min
 (for presentation, testimony and discussion)

CONSENT

REGULAR

Total amount of time needed: _____
 (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Novick	4. Novick	✓	
Hales	Hales	_____	