

IMPACT STATEMENT

Legislation title: *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)

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Purpose of proposed legislation and background information:

This Ordinance approves a five year agreement with Travel Portland for services provided for under City Charter Section 7-113 (1% TLT) and City Code Chapter 6.05 (TID), namely for the marketing and promotion of convention business, tourism, and overnight lodging. The agreement also requires Council approval of a sole source procurement request, which has been reviewed and approved by the CAO and CPO. The current agreement terminates on June 30, 2016. This item will be heard in conjunction with an item approving amendments to City Code Chapter 6.05, Tourism Improvement District (TID).

Financial and budgetary impacts:

City Charter and Code cited above authorize collection of taxes and fees related to rent collected on hotel stays. These provisions also require the City to contract for the specified services with an Oregon non-profit, comprehensive destination marketing organization operating in Portland that is engaged full time in the promotion, solicitation, procurement and service of convention business and tourism in the City. The provisions also allow the City to retain administrative costs associated with the collection, remittance and management of these funds. Under the current contract, \$14,797,669 in tax and fee collections was transmitted to Travel Portland in Fiscal Year 2014-15. General Fund revenue from the Transient Lodging Taxes was \$27,006,075 during the same period.

Community impacts and community involvement:

The 1% TLT and 2% TID are passed through to hotel patrons and are therefore principally paid by individuals and business from outside the City of Portland. The Travel Portland Board and TID Board are principally composed of individuals who represent hotels and travel related businesses. Both of these groups have endorsed Travel Portland as the organization to perform the services provided for in the City Charter and Code.

Budgetary Impact Worksheet**Does this action change appropriations?**☐ **YES:** Please complete the information below.☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount