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PORTLAND CITY COUNCIL APPROVES TOURISM IMPROVEMENT DISTRICT

Added tourism funding designed to increase city's hotel occupancy and visitor spending by supporting Portland's sales, marketing and promotional efforts

PORTLAND, Ore. (June 20, 2012) – Today, the Portland City Council approved the Tourism Improvement District (TID) proposed by Portland hoteliers. Funds gathered by the two percent assessment on guest room nights will be allocated to Travel Portland, the official destination marketing organization for the city of Portland, Ore., to build on its existing plan of work.

"Portland's visibility in the national and international travel landscape has grown in recent years with the city receiving accolades for our tremendous culinary scene, arts programs and outdoor activities," said Steve Jung, general manager of the Embassy Suites Portland Downtown and chair of the Travel Portland executive committee. "With the TID, we have the opportunity to generate even more travel to our wonderful city."

With wide support from impacted hotels, the TID will place a city-approved assessment of two percent per night on guest room revenues for all city of Portland hotels with more than 50 rooms (91 hotels with a total of more than 13,000 rooms). The TID will provide a stable source of tourism funding to support sales, marketing and promotional efforts, with an ultimate goal of increasing hotel occupancy and visitor spending. The ordinance was carried forward by Commissioner Dan Saltzman, who serves as the City of Portland representative on the Travel Portland Board and understands the economic impact of tourism has on our local community.

"The Tourism Improvement District will allow us to build on our current marketing momentum, further strengthening Portland's position as a first-choice destination," said Jeff Miller, president and CEO of Travel Portland. "Many other cities are turning to TIDs as a funding mechanism, and instituting this program in Portland will ensure we are keeping pace with competing destinations."

Numerous cities around the country have developed TIDs during the past several years, including West Coast destinations like Seattle, San Francisco and Los Angeles. The programs have been greatly successful, with funding increases ranging from \$6 million to more than \$14 million.

With the TID assessment, Portland's per-night hotel assessments will still be at least 0.5 percent lower than the average for the West Coast and like-sized U.S. cities, and having no sales tax is an extra draw to convention and leisure visitors. Current lodging assessments in destinations of similar size:

• Austin: 15 percent

• Nashville: 15.25 percent

• Denver: 14.85 percent

• Seattle: 15.6 percent

The TID enables incremental support of all of Travel Portland's efforts, with funding to increase an estimated \$6.6 million. Within the first few years of TID implementation, Travel Portland expects to see tourism-related job growth and an increase of hundreds of millions of dollars in annual visitor spending.

TID fund collections will begin Oct. 1, 2012, with TID funding realized in Feb. 2013.

For additional information on the Tourism Improvement District, including the full ordinance, please visit <u>http://www.travelportland.com/about-us/tourism-improvement-district</u> as of Thursday, June 21, 2012.

About Travel Portland

Travel Portland is the official destination marketing organization for the city of Portland, Ore. Its mission is to strengthen the local economy by marketing the Greater Portland region as a preferred destination for meetings, conventions and leisure travel. For more information on Travel Portland, visit <u>www.travelportland.com</u>.

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