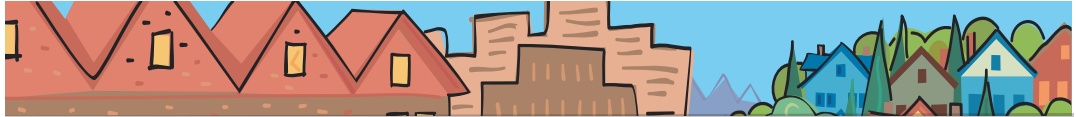


Robert Liberty

METRO COUNCIL DISTRICT 6 NEWS



METRO

PEOPLE PLACES
OPEN SPACES

Robert Liberty
represents
District 6, which
includes portions of
Northeast, Southeast
and Southwest
Portland.



Headquarters Hotel

On September 27, the Metro Council considered a resolution giving staff a month to determine whether there are partners willing to share the risk of investing in a headquarters hotel across the street from the Oregon Convention Center. The hotel would be publicly owned but privately operated.

At the meeting, I proposed an amendment to require at least one of the financing plans to be structured to protect Metro's general taxpayers from any and all risk associated with building the hotel. The amendment passed unanimously, and that in turn allowed me to vote for the resolution, which also passed unanimously.

Studies supported by the headquarters hotel's advocates have insisted that with the benefit of lower interest rates provided through Metro's bonding authority, such a hotel could come close to paying for its own costs (both daily operations and construction costs) because of a strong hotel market in Portland today.

More importantly, research—challenged by knowledgeable analysts—projects that the hotel would result in an additional eight new national conventions coming to Portland with the attendant economic benefits. Without the hotel, proponents argue, our region will gradually lose convention business. It is those additional eight conventions that are the justification for the hotel.

But there are risks involved.

A new 600-room hotel will be very expensive to build; more than \$160 million in construction and related costs, plus another \$60 million cushion for various contingencies, including unanticipated construction costs and to cover possible operating losses during the start-up period.

If the hotel doesn't cover its construction costs, then someone must ultimately be responsible. I don't want the risk-takers to be Metro's taxpayers, because I don't want to risk sacrificing other important programs that we offer the public—from recycling and open spaces to planning—in order to pay for a money-losing hotel.

I believe the bond holders, or the visitors who pay local hotel and car rental taxes, or other investors must be ultimately responsible for paying the debt, not the taxpayers. If the hotel's proponents are so confident of its success, then Metro should have no difficulty finding other persons, businesses and governments willing to make their own investment in the project.

Another risk is that even if the hotel covers its own expenses, it still might not be enough to attract an additional eight national conventions a year. That risk is related to the escalating competition we have with other cities and their convention centers around the country. They are also expanding convention centers, building hotels, and offering other inducements to attract conventions, all of this to gain a share in a business activity that grows only about 2% per year. (*Trade Show Executive* reports that 61 convention center projects are in progress in 2007 and "another 13 convention centers or cities are considering either expansions or new builds, up from 8 last year.")

continued

Headquarters Hotel

continued from page 1

Is this region prepared to compete in this convention arms race indefinitely? If so, is the headquarters hotel the only way to compete?

For example, could we market ourselves as the pre-eminent location for conventions related to sustainable industries, development, services and professional associations? Conventions on these topics will be booming in coming years. This strategy would build on our region's green brand, the Convention Center's "gold" level certification for Leadership in Environmental and Energy-efficient Design, and perhaps be a way of attracting new sustainable businesses to our region.

Now that the Council has given the staff another month to see if other partners are willing to step forward to help cover costs and reduce risks for the project, I will have additional time to gather evidence on whether the risks can be reduced and more assurance be provided regarding rewards.

But everyone involved with this effort agrees that soon, very soon, we need to make a final decision on the headquarters hotel.

— Robert Liberty

Metro Council launches new Nature in Neighborhoods Capital Grant program

Do you have an idea that increases the presence of natural features, improves the appearance of neighborhoods, enriches peoples' experience of nature and helps strengthen a physical connection to the region's ecology? If so a new capital grants program offered by Metro can help you make it happen.

The Metro Council's 2006 Natural Areas bond measure included \$15 million for grants that inspire innovative capital projects on public lands. Projects are encouraged that create or restore ecological processes to protect water quality and wildlife habitat.

Visit www.metro-region.org/naturalareas to find more information, including the application instructions and materials. There is no application deadline. Interested groups are strongly encouraged to contact Mary Rose Navarro, Natural Areas Grants Coordinator, at (503) 797-1781, or e-mail navarrom@metro.dst.or.us.

Citizens invited to help plan for new light rail stations in Southeast Portland

Metro is in the process of completing an updated study of the Portland-Milwaukie Light Rail project that would add an estimated 20,000 daily riders to the existing MAX system, running from Milwaukie through Southeast Portland to the new South Waterfront neighborhood. The new MAX line will have 10 to 12 new light rail stations, including five or six in Southeast Portland.

Two community workshops in southeast Portland are scheduled for residents to learn about the light rail project and offer their ideas and advice about how to make the new stations a community asset for the residents who use them and for other people and businesses as well. Residents are encouraged to bring illustrations including photographs or written suggestions to the following community workshops:

Tuesday Oct. 2

6 to 8 p.m.

Cleveland High School cafeteria

3400 SE 26th Ave.

Focus: areas near SE Clinton St./SE 12th Ave., SE Rhine St. and SE Holgate off SE 17th

Thursday Oct. 11

6 to 8 p.m.

Sellwood Middle School cafeteria

8300 SE 15th Ave.

Focus: areas near SE Harold St. and SE Bybee

For more information or to submit comments, call (503) 797-1756 or e-mail trans@metro-region.org. Information on the stations and a map of the alignment can be found online at www.metro-region.org/southcorridor.

Councilor Robert Liberty contact information

Address	600 NE Grand Ave. Portland, OR 97232
Phone	(503) 797-1552
Fax	(503) 797-1793
E-mail	libertyr@metro.dst.or.us
Assistant	Emma Stocker
Phone	(503) 797-1543
E-mail	stockere@metro.dst.or.us
Web	www.metro-region.org

About Metro

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy and good transportation choices for people and businesses in our region. Voters have asked Metro to help with the challenges that cross those lines and affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to protecting open space, caring for parks, planning for the best use of land, managing garbage disposal and increasing recycling. Metro oversees world-class facilities such as the Oregon Zoo, which contributes to conservation and education, and the Oregon Convention Center, which benefits the region's economy.

Your Metro representatives

Metro Council President
David Bragdon

Metro Councilors
Rod Park, District 1
Brian Newman, District 2
Carl Hosticka, District 3
Kathryn Harrington, District 4
Rex Burkholder, District 5
Robert Liberty, District 6

Auditor
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