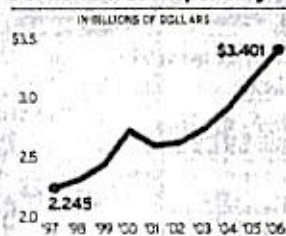


BUSINESS

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IT'S RAINING TOURIST DOLLARS

Portland travel spending



Source: Dean Runyan Associates

BY ERIN MCCARTHY/THE OREGONIAN

Economy | The city's growing reputation for dining and culture helps push travel spending in Portland to \$3.4 billion in 2006

By **JONATHAN BRINCKMAN**
THE OREGONIAN

It rained throughout Nancy Beckus' six-day vacation in Portland this month, pouring the day she arrived from California and continuing through the day she left.

Beckus and her husband didn't care. They came for the food, not the weather.

"We're eating our way through town," said Beckus, whose travel plans included

reservations at five high-end restaurants. "When it rains, we just take more taxis."

Culinary tourists like Beckus and husband Frank Puglisi are part of a growing number of visitors to Portland. Overall travel spending in the Portland area last year was up 7.2 percent from the previous year, to \$3.4 billion, according to a study conducted for the Portland Oregon Visitors Association, the third consecutive year of growth exceeding 7 percent.

More than 7 million people visited Portland last year, according to a draft study by Travel Oregon — 500,000 more than 2004.

"The demand for Portland is clearly taking off," said Brian McCartin, the visitors association's executive vice president of

convention and tourism sales.

Tourist visits are rising as Metro considers construction of a 600-room hotel near the Oregon Convention Center. Hotel boosters say the hotel would bring more large conventions to Portland by providing convenient lodging and convention amenities. Opponents, including economist Joe Cortright, say construction of the hotel would be a waste of public money.

Cortright is not impressed by arguments that visitors boost the area's economy.

"Tourism jobs are not great jobs," he said. "As a matter of economic strategy we should be investing in resources that create well-paying jobs."

Please see **PORTLAND**, Page C3

Portland: Urban scene, no sales tax help tourism

Continued from Page C1

Still, there's no question tourists bring money. The visitors association study reported that Portland-area visitors generated \$136 million in state and local taxes in 2006. Upscale restaurants are among those that welcome visitors.

Kim Paley, co-owner of Paley's Place Bistro and Bar in Northwest Portland, estimates that nearly 30 percent of her restaurant's customers are from out of the region. Without tourists, she said, "not only would we be in trouble, but all of Portland would be hurt."

It didn't hurt Paley's that it was called "one of the best restaurants in the Northwest, if not the country" in a Sept. 26 article in *The New York Times* headlined: "In Portland, a Golden Age of Dining and Drinking."

Oregon's famous for its natural beauty. But tourism experts say Portland's vibrant urban scene is a growing attraction.

"You have culture, you have excellent restaurants, you have a central core — and you don't have a sales tax," said Louie

Richmond, who has a public relations practice in Seattle with many travel/tourism clients. "When people think of Portland, they don't just think of Portland, Maine, anymore. They think of Portland, Oregon."

Doreen Loofburrow, director of travel services for AAA Oregon/Idaho, says she's noticed more interest in Portland bookings.

"There is a general feeling that Portland is a great destination," she said. "Things have changed."

Valerie Brooks, a Eugene-area writer, is spending more of her vacation time in Portland. She stayed at the Hotel deLuxe downtown for three nights just before Labor Day.

"Portland has finally grown up, you have so much going on there," said Brooks, who came for the annual Art in the Pearl festival and had a 31st anniversary dinner at Fenouil, a Pearl District restaurant.

Culinary tourists are just a fraction of visitors to Portland, and most people can't afford such vacations. But their spending makes them attractive to businesses.

Travel Oregon, a state agency, this month launched a \$500,000 two-month campaign called Oregon Bounty targeted mainly at people interested in good food, wine and beer. The campaign seeks to lure people to Oregon during the fall, a time when tourism drops off from its summer peak.

"Culinary travelers are affluent and active," said Todd Davidson, Travel Oregon's executive director. "They tend to stay longer and spend more during their visit."

The rise in tourism in Portland is part of a national increase in tourism driven by a growing economy, said Thomas Hazinski, managing director of HVS International, a Chicago travel-consulting company that produced a report supporting construction of the proposed hotel near the convention center.

Portland also has been helped by an increasing number of international flights — airlines in the past four years have started offering direct flights to Germany, Mexico and Japan. Condé Nast Traveler magazine this month named Portland International Airport the best airport in the country for the second year in a row. Condé Nast is owned by Advance Publications, which also owns *The Oregonian*.

The *New York Times* account of the city's food scene was the most recent example of growing national publicity. Frommers, a publisher of travel guides, this year named Portland one of the world's top travel destinations.

"We got people to take notice," said McCartin of the Portland visitors association. "We're creating a buzz."

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