



June 22, 2020

Joint Interim Committee on the First Special Session of 2020
Co-Chair Courtney, Co-Chair Kotek, Co-Vice Chair Girod, Co-Vice Chair Drazan
900 Court St., NE
Salem, OR 97301

Re: Governor Brown's HB 4047 Support, State Transient Lodging Tax and lift the sunset

Dear Co-Chair Courtney, Co-Chair Kotek, Co-Vice Chair Girod, Co-Vice Chair Drazan and members of the Joint Interim Committee on the First Special Session:

On behalf of the Albany Visitors Association, a member of the Oregon tourism industry, I am writing to urge your support of Governor Brown's legislative bill which would lift the sunset on the state transient lodging tax (TLT) rate and maintain the current level of investment in Oregon's tourism industry.

Now more than ever Oregon will need every industry dollar available for tourism promotion as an integral part of our overall economic recovery. Oregon's statewide lodging tax is set to sunset to 1.5 percent from the current 1.8 percent rate on July 1 unless the sunset clause is removed. Removing the sunset and utilizing the full 1.8 percent statewide lodging tax for ongoing industry promotion will be critical to recovery efforts.

The TLT was established in 2003 to create a dedicated funding source to promote tourism and economic development through the hospitality industry in Oregon. In 2016 the tax was adjusted to 1.8% with a sunset to 1.5% in July 2020.

As the Executive Director for the Albany Visitors Association (AVA), our local Destination Management Organization (DMO), I urge you to lift the sunset and maintain the statewide TLT at 1.8%. The success of the programs administered by Travel Oregon through revenue generated from this tax have been beneficial to our community helping put people to work in our region and increasing the economic impact of tourism.

Oregon's residents benefit from destination development projects funded by the TLT. The Albany Parks and Recreation Association was able to purchase portable pitching mounds using grant funds from the Willamette Valley Visitors Association (WVVA) the regional destination marketing organization (RDMO) directly funded through the statewide room tax. These pitching mounds were crucial in securing 2 new youth baseball tournaments for 10 years and under (10u) and 12 years and under (12u) in 2019. The estimated economic impact for these 2 weekends was over \$220,000 in new dollars to the community. In 2020, a total of 4 new youth baseball tournaments will be coming to Albany as well as the first Western National Championship to be hosted in Albany. The new tournaments scheduled for 2020 are estimated to bring between \$756,000 and 1.2 million in new economic impact. Additional

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improvements are needed to continue the growth of these tournaments and maintaining the statewide tax would help to provide support for the continued growth of the industry.

The Historic Carousel & Museum in Albany Oregon received a grant to build a museum in the lower level of their building to showcase their world-class historic carousel pieces and add to the destination already making a positive impact in the community. 400,000 visitors have come to the carousel and 11,000 to 12,000 continue to come each month. These numbers will continue to grow as more is offered. The museum space will display the 60 plus pieces currently in the collection while providing visitors an opportunity to learn about carousel history. These grant funds came from the statewide TLT dedicated to the RDMO grant program.

Marketing through existing platforms like Google can be difficult for small businesses and partnerships like the one with Travel Oregon, WVVA, Miles Media and the AVA help local businesses claim their listing and teach them to use Google tools to effectively market their products and services. The Oregon Travel Information System (OTIS) is another partnership with Travel Oregon and the AVA listing our regional assets from waterfalls to restaurants, community events and lodging, and keeping them up to date and easy for visitors to find. More recently Visit Corvallis and the AVA joined efforts with Travel Oregon, WVVA and local providers to create a Mid-Willamette Valley Food Trail. Coming online Spring 2020, the Oregon Food Trails are designed to take visitors off the beaten path to find unique experiences while bringing their dollars to our rural communities and local business owners. These partnership opportunities would not be possible without the statewide TLT and the benefits will continue to grow through dollars to our businesses and their employees not to mention additional taxes generated for our local communities.

Without the current state TLT 1.8% rate, these kinds of grant projects and regional funding will be cut and programs that leverage these state dollars will be scaled back.

These investments have supported Albany and Linn County as a destination for visitors inside and outside the state, providing added value to the quality of life for the residents of our community. These investments would not have been possible without the state support through the TLT.

I would be happy to share more details on how our community benefits directly from the TLT and answer any questions you may have as you consider this important legislation.

Please show your support of the people who work for, and benefit from, the tourism industry by choosing to lift the sunset on the state transient lodging tax (TLT) rate and maintain the current level of investment in Oregon's tourism industry.

Thank you for your consideration.
Sincerely,

Rebecca Bond, Executive Director
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