

# DRIVING ECONOMIC GROWTH ACROSS OREGON

## MT. HOOD & THE GORGE



PHOTO: DYLAN VANWEELDEN

## TOURISM SUPPORTS OREGON'S ECONOMY

In 2003, Oregon faced one of its highest unemployment rates in history. As part of a statewide initiative to create new job opportunities for Oregonians, the Oregon Tourism Investment proposal was signed into law. This bill made tourism and hospitality a pillar of Oregon's economy by establishing a 1% state lodging tax, which dedicated the revenue into tourism development and marketing for all of Oregon. In 2016, the legislature increased the state lodging tax to 1.8% through June 2020, when it decreases to 1.5%. In addition, state statute dedicated 30% of the state lodging tax to regional tourism organizations and grant programs across Oregon. This industry investment has delivered results with an increase in visitors which has equated to increased resources for regional programs that support jobs, culture, infrastructure and public services.

## THE INVESTMENT IS PAYING OFF

Through Travel Oregon's Regional Cooperative Tourism Program, the Mt. Hood & The Gorge region is scheduled to receive \$600,000 over the 2019-2021 biennium. The funding is programmed to achieve multiple goals, including the following goals:

- Promote lesser visited communities and visitor-ready sites in the region.
- Increase shoulder season and weekday occupancy.
- Increase and improve messaging and communications about transportation options throughout the region.
- Increase workforce development and marketing training opportunities in the region.
- Increase awareness about natural lands stewardship among visitors and local residents.

## MT. HOOD & COLUMBIA RIVER GORGE:

	IN 2010	IN 2018	CHANGE
<b>Direct Employment</b>			
3,760 jobs		4,970 jobs	+3.5%
<b>Employee Earnings</b>			
\$77 million		\$132 million	+7.0%
<b>Visitor Spending</b>			
\$275 million		\$412 million	+5.2%
<b>Taxes (State/Local)</b>			
\$11 million		\$19 million	+7.8%

## STATEWIDE:

	IN 2003	IN 2018	CHANGE
<b>Direct Employment</b>			
84,500 jobs		115,400	+37%
<b>Employee Earnings</b>			
\$1.7 billion		\$3.6 billion	+112%
<b>Visitor Spending</b>			
\$6.5 billion		\$12.3 billion	+89%
<b>Taxes (State/Local)</b>			
\$246 million		\$560 million	+128%

More than 120 cities and counties across Oregon collect a local transient lodging tax to expend on local programming. A study conducted by ECONorthwest in 2018 found that cities and counties that levied a local transient lodging tax spent the revenue on the following programs that directly benefit Oregonians in those communities:

Program Category	Expenditures	Share
General Services	\$84,194,912	39%
Tourism Facilities	\$58,312,100	29%
Tourism Promotion & Marketing	\$48,965,052	18%
Arts, Culture & Entertainment	\$20,855,625	6%
Events	\$9,184,891	1%
Economic Development	\$4,071,652	5%
Chambers of Commerce	\$4,035,060	2%
Other	\$2,062,897	1%
Administration & Overhead	\$1,170,350	0%
<b>Total</b>	<b>\$232,852,539</b>	<b>100%</b>

These dollars, especially those expended in the tourism facilities and promotion and marketing programs, can be leveraged against the regional destination management organization and state tourism investments.

In 2017, we had *3.1 million* overnight trips to the region, accounting for *10%* of Oregon's total overnights (Longwoods, 2018)

PHOTO: MOUNTAIN LEGACY



"We all think we live in the most beautiful place, and we're eager to show it off. I hope everyone has a chance to see our spectacular Gorge, and to leave it better than they found it."

**PAUL BLACKBURN**  
*Mayor of Hood River*



"Our part of the state has natural wonders that attract visitors from around the globe and some of the best food, drinks and hospitality in Oregon. The communities in my district are thriving in no small part because of the people who come to seek out everything they have to offer."

**ANNA WILLIAMS**  
*State Representative*



"Local and regional economies are healthy and resilient when the industries and firms that drive them are diverse in type and size. Oregon communities that neglect tourism as a key component of their development strategy miss an opportunity to grow and strengthen their economies, utilizing assets that already exist all around them. Like many other Oregon towns, Estacada's economy used to depend on timber, but the city is welcoming a new era of economic vibrancy and growth by embracing and marketing a new identity as a quaint yet quirky recreation hub with direct access to the wild and scenic Clackamas River and the Mount Hood National Forest."

**MATT LORENZEN**  
*Economic Development Manager, City of Estacada*





PHOTO: MODOC STORIES, HOOD-GORGE.COM

*Touring and the Outdoors are the two top reasons visitors come to our region, accounting for 67% of the main purpose of visitors in 2017. (Longwoods, 2018)*

- Tourism is a crucial industry for the Mt. Hood/Gorge region of Oregon. Direct tourism spending was estimated at \$383 million in 2016, of which 34% is accounted for from day visitors, the remaining 66% from overnight visitors. (2016, Dean Runyan)
- Year over year, the industry continues to bring more tax revenue to state and local taxes, while now supporting over 4,800 jobs, a 6% increase from 2015. The most current estimates report 3.4 million overnight person-visits to the region in 2016.
- Top international source markets, in terms of spend are Canada, China, the UK, Germany, Australia, and Scandinavia. (2017, Oregon Dashboard)

### EMPLOYMENT & REVENUE ACROSS OREGON

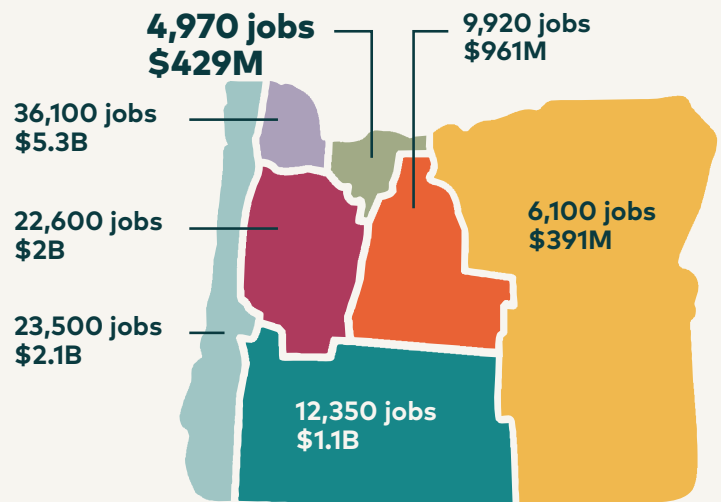


PHOTO: HOOD-GORGE, MODOC STORIES



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## TRAVEL OREGON'S COMPETITIVE GRANTS:

In the past year, more than \$40,000 in Travel Oregon Competitive Grant funding helped to expand tourism efforts in the Mt. Hood/Gorge region. A few of the recipients are listed below:

- Cascade Locks Gorge Hubs project created a rest stop for hikers, cyclists and recreationalists.
- Hood River Soaring to develop a strategic communications and marketing plan to increase the number of glider tours and to increase overnight stays to Hood River.
- Trailkeepers of Oregon to develop a "\$1 for Gorge Trails" program that collects money, one dollar at a time, at participating Columbia River Gorge businesses through online reservations, resort fees and point of sales expenditures. Funds will directly support trail work projects in the region.

## TRAVEL OREGON'S REGIONAL COOPERATIVE TOURISM PROGRAM:

The Mt. Hood & Gorge regional program received \$600,000 over the 17-19 biennium and completed a variety of projects, a few of which are highlighted below:

- Development of the Trailhead Ambassadors program in partnership with the Friends of the Columbia Gorge, Oregon State Parks and U.S. Forest Service. Additional support was leveraged from local destination management organizations and donations from Columbia Sportswear and REI. In 2018, more than 94 volunteers were trained and provided 1,900 hours of volunteer service at 12 trailheads to 23,700 visitors.
- "Meet the Neighbors" created unique video content to introduce visitors to six communities, including local business, that are less known to visitors. These included: Estacada, Cascade Locks, Troutdale, Mosier, Government Camp and The Dalles. Nearly 500,000 video views were gained in the first year, the videos played at the Hollywood Theater at PDX airport for early a year with approximately 500 theater viewers a day.



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