

TRAVEL



OREGON

**OREGON TOURISM COMMISSION
2021-2023 STRATEGIC
REBUILD PLAN & BUDGET**

6.15.21

WHO WE ARE AND WHAT WE DO

EQUITY STATEMENT

Travel Oregon is committed to ensuring that our work helps Oregon become a more equitable destination, so all who travel the state can enjoy their journey and feel welcome.

Our work aligns with how we value Oregon and all of its communities, our staff and our industry partners. We define equity as: when all people have equal access to resources to potentially reach the same outcomes. To that end, we want all people to have access to enjoyable travels throughout Oregon.

We are committed to the following shared values:

- Understanding what equity is and acknowledging that not all people have the same starting point.
- Being life-long learners regarding equity and committing to the necessary repair work when we misstep.
- Working to ensure our intent aligns with our impact.

Travel Oregon is growing in our understanding of the myriad intersecting identities people hold and how some identities are rooted in systems of oppression. We aim to remove barriers from all travelers. Addressing equity through an exploration of people's held identities helps us to build a stronger more unified community—a community where we see race, age, ethnicity, sexual orientation, gender, gender identity, gender expression, religion, visible and invisible disabilities, socio-economic status, and all the intersecting identities therein, and we know that in these differences lies our strength.

WHERE WE ARE AND WHERE WE ARE GOING



WHERE WE ARE NOW REBUILD

THE PURPOSE OF TRAVEL OREGON'S 2021-2023 STRATEGIC REBUILD PLAN AND BUDGET

To lead and support the rebuilding of Oregon's tourism industry and economic recovery, while balancing priorities in a way that benefits both residents and visitors while laying the foundation for the Transformational Plan.



WHERE WE ARE GOING TRANSFORM

- This two-year Rebuild Plan will be revised after six months based on a much-needed transformational strategy that makes Travel Oregon futureproof.
- An updated version will result in a Transformational Plan, which will be presented for consideration and adoption to the Commission early in 2022. The Transformational Plan will extend until 2025.



WHY

BECAUSE THE WORLD HAS CHANGED

- The ever-shifting tourism landscape (demand, supply chain, access) requires the highest flexibility.
- Time and resources are limited, especially following multiple crises.
- Social justice and racial equity is at the forefront of our decisions.



THE REBUILD PLAN

OBJECTIVES

- Continue to support the industry's rebuild from COVID-19
- Build a Transformational Strategic Plan for the future



IMPERATIVES



1. Lead with a racial equity lens
2. Rebuild statewide economic impact
3. Support and empower Oregon's tourism industry
4. Champion the value of tourism
5. Run as an effective business



SUPPORT & EMPOWER OREGON'S TOURISM INDUSTRY

KEY ACTIONS

1. Support local communities and businesses in their reopening and enabling safe travel.
2. Focus on visitor management initiatives that address visitor management pressures.
3. Provide development and training opportunities for the industry.
4. Partner and support public natural resource management agencies (local, state, federal, tribal) with an emphasis on outdoor recreation and wildfire prevention.
5. Manage the industry visitor information network.
6. Establish and foster relationships and trust with Oregon's Confederated Tribes.

Our baseline model forecasts TLT revenues to reach \$30 million in FY2022

We created a baseline model along with two other scenarios to create a range of potential outcomes.

In FY2021, TLT revenue was 54% of pre-crisis levels. By FY2023, revenues will recover to 73%-85% of pre-crisis levels.

Note: FY2019 and FY2020 data is final. FY2021-2023 estimates are forecasts.

Additionally, these numbers are based on when Travel Oregon will receive TLT revenue from the DoR. These revenues are collected by lodging operators from April to March, but are presented on Travel Oregon's July-June fiscal year.

Finally, the decrease in TLT rate (to 1.5% in July 2020 from 1.8% previously) is factored into these estimates.

TLT revenue growth in three scenarios

	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue (millions)					
Upside	\$40.6	\$39.7	\$22.3	\$32.3	\$34.6
Baseline	\$40.6	\$39.7	\$22.1	\$29.8	\$32.8
Downside	\$40.6	\$39.7	\$21.8	\$26.6	\$29.7
Percent of FY2019					
Upside	--	97.9%	54.9%	79.7%	85.3%
Baseline	--	97.9%	54.3%	73.4%	80.8%
Downside	--	97.9%	53.7%	65.6%	73.2%

Sources: Tourism Economics; STR; Oregon DoR

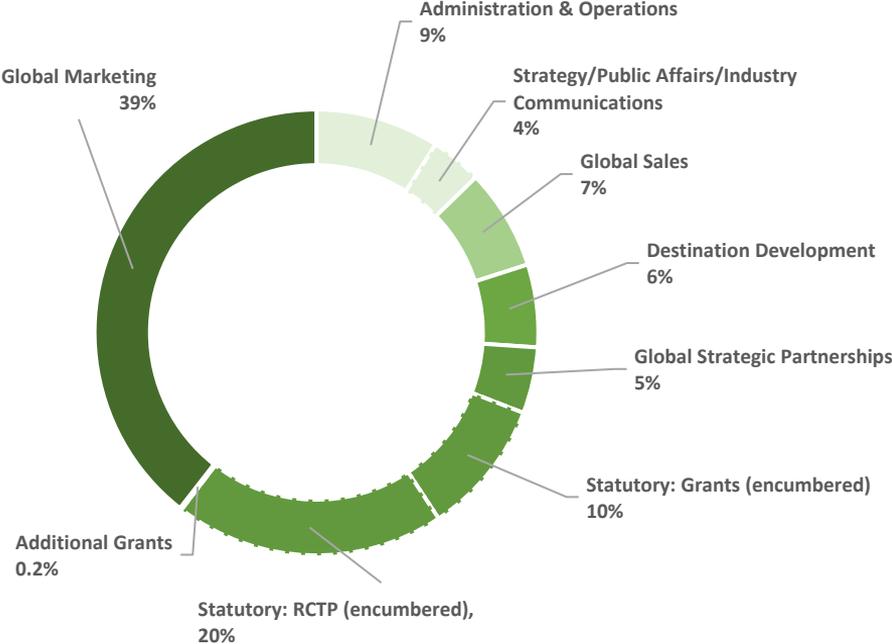
2021-2023 BUDGET

TLT REVENUE

2019-20 (Actual)	\$39,714,125 (-2%)
2020-21 (Forecast)	\$22,100,000 (-44%)
Total TLT 2019-21	\$61,814,125 (-21%)
2021-22 (Budget)	\$30,700,000 (+39%)
2022-23 (Budget)	\$33,500,000 (+9%)
Total TLT 2021-23	\$64,200,000 (+4%)

TLT rate from 1.8% to 1.5% effective July 1, 2020

2021-2023 BIENNIAL BUDGET



State Lodging Tax Revenue	64,200,000
Other Sources	573,100
Transfer from Operating Reserve	470,000
TOTAL	65,243,100

Destination Development	3,915,550
Global Strategic Partnerships	3,133,000
Additional Grants	100,000
Statutory: Grants (encumbered)	6,420,000
Statutory: RCTP (encumbered)	12,840,000
Global Marketing	25,738,600
Global Sales	4,774,250
Administration & Operations	5,886,050
Strategy/ Public Affairs/ Industry Communications	2,435,650
TOTAL	65,243,100

2021-23 BIENNIAL BUDGET

(LFO) ORS 284.126

	<u>2021-2023</u>
Income:	
Transient Lodging Tax	64,200,000
Other	573,100
	<u>64,773,100</u>
Expenses:	
Personnel	15,936,750
Services, Supplies, and Equipment	31,936,350
Special payments	17,370,000
	<u>65,243,100</u>

Notes:

- “Special payments” are Grants and RCTP, net of Administrative expenses; the Administrative expenses are split between Personnel and SSE.
- Budget deficit will be funded from Operating Reserve, \$470,000

THANK YOU
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