



Tourism Drives Economic Growth Across Oregon

EASTERN OREGON



Christian Heeb

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. As of June 2020, the tax is now 1.5%, with statute dedicating 30% of the state lodging tax to regional tourism organizations and grant programs across Oregon. This industry investment has delivered results. An increase in visitors has equated to increased resources for regional programs that support jobs, culture, infrastructure and public services.

REGIONAL ECONOMIC IMPACT FOR EASTERN OREGON

| | 2003 | 2022 | Avg. Annual Change |
|--|-----------------|-----------------|--------------------|
| Direct Employment | 5,630 | 7,020 | 1.20% |
| Employee Earnings | \$79.5 million | \$181.3 million | 4.40% |
| Visitor Spending | \$274.6 million | \$525.9 million | 3.50% |
| State & Local Taxes Generated | \$9.7 million | \$24.7 million | 5.00% |

TOURISM BOLSTERS OUR COMMUNITIES

Distinct from the statewide tax created in 2003, more than 120 cities and counties across Oregon collect a local transient lodging tax to expend on local programming. A statewide 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% |
| Total | \$232,852,539 | 100% |

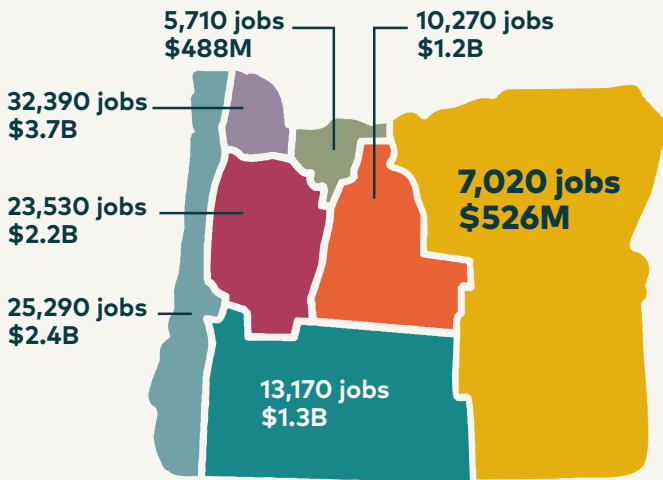
These dollars, especially those expended in the tourism facilities and promotion and marketing programs, can be leveraged against the regional destination management organization and state tourism investments.

\$1 SPENT ON STATE MARKETING = \$157 IN VISITOR SPENDING

TOURISM CREATES CAREERS

- The tourism and hospitality industry is Oregon's largest traded sector employer and a leading contributor to our gross state product. In 2022, travel spending directly generated 7,016 jobs in Eastern Oregon.
- Tourism jobs are often small business jobs connected to the communities they serve across Oregon. Nationally, the travel and tourism industry is the #1 small business employer.
- Tourism jobs can provide a training ground for Oregon's future workforce, enhancing skills like communication and problem solving. Workers who had their first job in the travel industry achieve higher salaries than most other industries.





\$12.2 BILLION IN VISITOR SPENDING AND 117,400 JOBS ACROSS OREGON

TOURISM BENEFITS EASTERN OREGON

- Eastern Oregon transient lodging tax revenues accounted for \$2 million of 2022 state taxes, with millions more being generated at the local and county level.
- In 2022, visitor spend in Eastern Oregon was \$526 million, a 33% increase from \$395 million over 2021.
- Through consistent investments by the tourism industry, efforts are being made to uplift all Eastern Oregon communities by addressing seasonality through encouraging year-round visitation while supporting rural tourism development through visitor dispersion.

TOURISM INVESTS IN EASTERN OREGON

In accordance with statute, Travel Oregon makes 10% of its budget available for a statewide competitive grants program. These grants invest in tourism facilities and tourism promotion around the state. Grant dollars have been awarded to communities across Eastern Oregon:

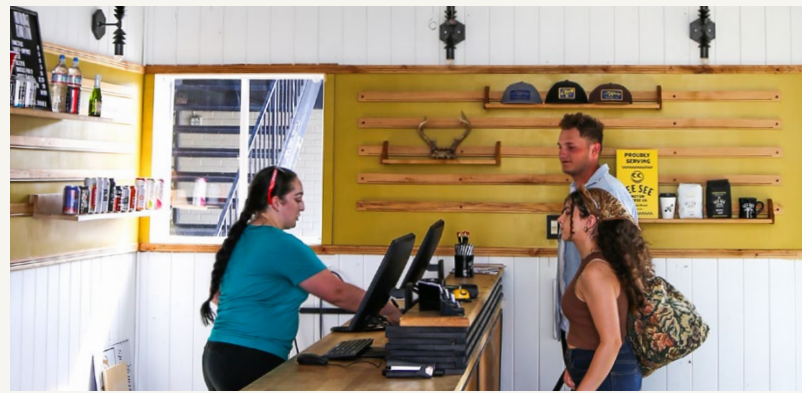
- The 2023 competitive grants program focused on awarding projects that increased accessibility and inclusivity. Eastern Oregon highlights include supporting Four Rivers Cultural Center in making their Japanese Garden wheelchair accessible, and the creation of an accessible trailhead and trail section by the Joseph Branch Trail Consortium.
- The 2021 Travel Oregon grants program centered on supporting communities in recovery from the pandemic. Eastern Oregon awards included funds to ensure that

Happy Canyon could operate safely during the Pendleton Roundup and to create garbage management solutions as the Alvord Desert experienced increased visitation.

- Local destinations have also utilized their own funds to activate grant making in the region. In 2022, the Eastern Oregon Visitors Association awarded \$50,000 to projects that support their mission to promote the Eastern Oregon visitor experience and to enhance and preserve the region's quality of life and economy.

Through Travel Oregon's Regional Cooperative Tourism Program, the Eastern Oregon region received \$1.09 million over the last two biennium. The funding was programmed to support projects like:

- The development of a strategic marketing plan to reach potential visitors, pique curiosity, and inspire visitation through custom content and storytelling that highlights the range of offerings and focuses on a deeper education of the region.
- Leveraging the Americorps Resource Assistance for Rural Environments (RARE) program to hire additional staff to broaden the organization's work around outdoor recreation — developing high quality outdoor recreation assets, while creating a strong foundation of support for the public lands that are critical for these outdoor experiences.



We inspire travel that uplifts Oregon communities. Collaborating with stakeholders to align as stewards of Oregon, we work to optimize economic opportunity, advance equity and respect the ecosystems, cultures and places that make Oregon ... Oregon. Learn more at industry.traveloregon.com



It is our mission to develop, market and promote the Eastern Oregon region as a destination for visitors to enhance the regional economic vitality and quality of life for all residents. Learn more at eova.com