

Tourism Drives Economic Growth Across Oregon

SOUTHERN OREGON



Kamrin Nielsen

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 SOUTHERN OREGON

	2003	2022	Avg. Annual Change
Direct Employment	10,850	13,170	1.00%
Employee Earnings	\$186.6 million	\$417.5 million	4.30%
Visitor Spending	\$662.6 million	\$1.28 billion	3.50%
State & Local Taxes Generated	\$25.2 million	\$60 million	4.70%

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.

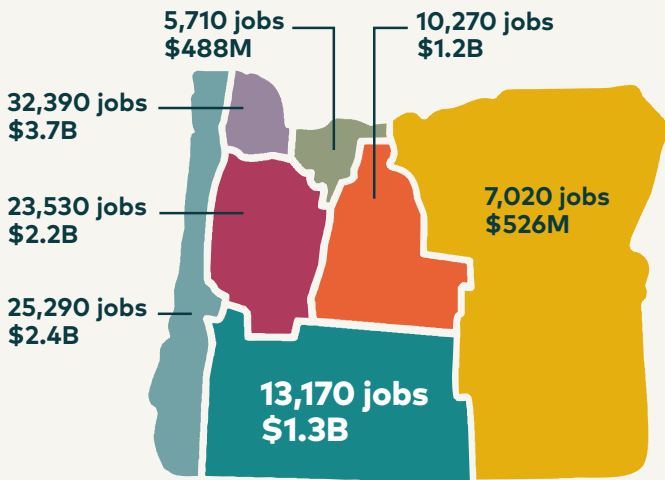
\$1 SPENT ON STATE MARKETING = \$157 IN VISITOR SPENDING

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 13,167 jobs in Southern 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.



Alli Judd



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

TOURISM BENEFITS THE SOUTHERN OREGON

- Southern Oregon transient lodging tax revenues accounted for \$3.6 million in 2022 state taxes, with millions more being generated at the local and county level.
- In 2022, visitor spend in Southern Oregon was \$1.3 billion, a 14% increase from \$1.1 billion over 2021.
- Through the tourism industry's consistent investments, efforts are being made to uplift all Southern Oregon communities by addressing seasonality through encouraging year-round visitation while also supporting rural tourism development through visitor dispersion.

TOURISM INVESTS IN SOUTHERN OREGON

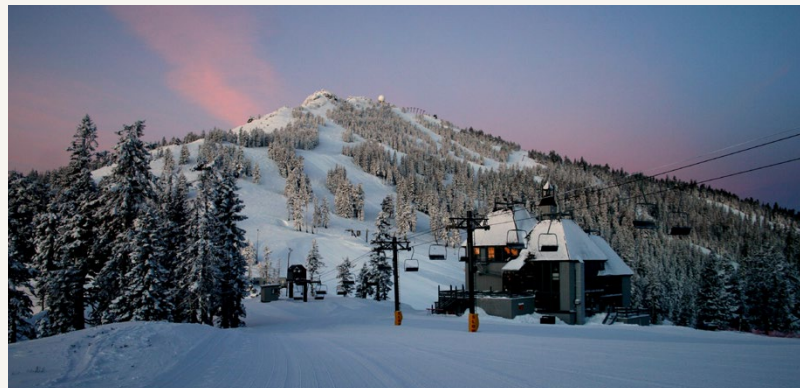
In accordance with statute, Travel Oregon makes 10% of its budget available for a statewide competitive grants program. These grants invest in tourism facilities and tourism promotion around the state. Grant dollars have been awarded to communities across Southern Oregon:

- The 2023 competitive grants program focused on awarding projects that increased accessibility and inclusivity. Highlights include supporting Mt. Ashland in creating a shuttle service and funding efforts at the Elkton Community Education Center to enhance the hosting of Native American cultural programming.

- The 2021 Travel Oregon grants program centered on supporting communities in recovery from the pandemic. Southern Oregon award highlights include funds to ensure the Ashland Film Festival could operate safely and to create an alternative trail system near Grants Pass.
- Local destinations have also utilized their own funds to activate grant making in the region. Last year Travel Southern Oregon directed a series of strategic investments to organizations and projects across the region, including the creation of an ADA-compliant fishing pier at Lake of the Woods and a wheelchair accessible path in Illinois Valley.

Through Travel Oregon's Regional Cooperative Tourism Program, the Southern Oregon region received \$2.03 million over the last two biennium. The funding was programmed to support projects like:

- The funding of the Rogue Valley Food Trail, to help drive visitation to agricultural and culinary businesses while also developing an experience that can be enjoyed year-round and encourages visitors to stay and enjoy the region for longer.
- The creation of a regional online dashboard that would aggregate existing air quality sites with new Travel Southern Oregon funded smoke monitors at key attractions across the region to help give visitors an accurate, real-time snapshot of wildfire smoke conditions.



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



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