

February 3, 2020

Representative Nathanson, Chair House Committee on Revenue 900 Court St., NE Salem, OR 97301

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

Dear Chair Nathanson and members of the House Revenue Committee:

As the executive director of Visit Corvallis, a member of the Oregon tourism industry, I am writing to urge you to support Governor Brown's legislative bill that would lift the sunset clause on the state transient lodging tax (TLT) and maintain the current level of investment in Oregon's tourism industry.

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

As a leader of a local Destination Management Organization (DMO), I urge you to lift the sunset clause and maintain the statewide TLT at 1.8%. All of Oregon's residents benefit from the TLT in both tax relief and building stronger economies.

The programs administered by Travel Oregon through revenue generated from this tax have been critical to our area's success in growing jobs and increasing economic activity for our community.

In the past year, just over \$50,000 of state TLT has been reinvested in Corvallis and Benton County communities to help create jobs, generate revenue and enhance livability for our citizens.

Our Downtown Corvallis Association received a Willamette Valley Visitors Association (WVVA) grant for \$5,000 in January. This grant allows them to host a workshop for retail merchants not only in Corvallis, but for any Oregon community that is interested in attending, on how to get visitors to stop and shop. This workshop will cover merchandising, sensitivity to different cultures and how to create better guest experiences. This funding came from the statewide TLT dedicated to regional grant programs.

The Corvallis to the Sea Trail (C2C) also received a WVVA grant of over \$9,000 to complete signage on the final part of the 60-mile trail connecting Corvallis to Ona Beach. The C2C trail has generated a great deal of press and has the potential to generate additional revenue for rural communities along the trail.



Fifteen hundred dollars of WVVA funds also allowed Visit Corvallis to create a mural scavenger hunt project to showcase 30 outdoor murals that have been completed in the past several years. Our goal in creating this hunt was to encourage locals and visitors to visit different parts of our downtown and to help generate additional foot traffic for small businesses. The scavenger hunt has been popular with both locals and visitors and is promoted through our Downtown Corvallis Association as well.

This spring Visit Corvallis, along with Albany Visitors Association, WVVA and Travel Oregon, will be launching a Mid-Willamette Valley Food Trail. This project supports our Corvallis-Benton County Economic Development Office initiative of growing our food, beverage and agritourism sectors. This project would not be possible if not for the financial assistance from Travel Oregon and WVVA, totaling just over \$10,000 for the project. We have over 50 businesses that will be listed on the trail and will receive marketing and media training at our business engagement meeting on February 4.

A Travel Oregon sales grant for over \$4,000 allowed Visit Corvallis to attend TEAMS Conference & Expo, a national trade show for sport-events planners, in November 2019. We wouldn't have been able to attend this year without this financial assistance, and attending this show helped us create new relationships and book the Oregon AAU Middle School Basketball State Championships in March 2020.

As a community, with its two largest employers being non-profits, being able to generate revenue from other sources to ensure livability and continued services is of the upmost importance. Visit Corvallis received a Travel Oregon grant of \$20,000 to leverage our funds to conduct an in-depth visitor profile research study. Corvallis has a proposed new hotel that may open in 2021. Without creating new reasons and finding new visitor markets, this new hotel might cannibalize our rates, and the 70% of the local TLT that goes to our city's general fund may contract. This project is important to help maintain our community's livability and vitality.

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 not only support and create a better destination for visitors but improve the quality of the life of residents across the state.

Please feel free to contact me at 541.757.1544 or christina@visitcorvallis.com, if you have any questions about how our community benefits directly from the TLT.

Thank you for your consideration.

Sincerely,

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Christina Rehklau Executive Director, Visit Corvallis