

Support for Oregon HB 3962: Enhancing Municipal Resilience to Tourism Impacts

Oregon HB 3962 is needed for municipalities like Yachats to effectively manage the challenges posed by tourism and visitor activity. This bill is vital for improving our infrastructure capacity and ensuring our city can serve both visitors and residents sustainably.

Critical Infrastructure Demands: Peak tourist seasons place immense strain on our water and wastewater facilities, with demand often tripling that of our local population. Sizing this essential infrastructure to accommodate maximum load isn't just about convenience; it's fundamental to public health and safety, as well as providing adequate visitor services.

Optimizing Tourism Marketing and Municipal Priorities: Despite substantial investments in our Destination Marketing Organizations (DMO), there's a clear opportunity to optimize these expenditures. As a retired marketing executive, I know that modern digital strategies can be highly effective at a lower cost. Current mandated spending levels for tourism marketing in inherently attractive coastal communities no longer reflect modern marketing effectiveness and results in excess funds in our TRT fund.

Economic Impact on Housing and Workforce: Tourism, particularly through short-term rentals, has driven housing costs beyond the reach of our essential hospitality and small business workforce. This creates a critical imbalance where those who support the visitor industry cannot afford to live in our community. Due to SB 5 and SB 50, our property tax growth is limited to .1717 per mil. Restrictions on spending transient rental taxes complicate finding creative solutions for workforce housing.

Yachats heavily invests in tourism-related initiatives, including restoration of our museum, trail development and maintenance of our visitor center, and event center and generously funding our DMO. Concurrently, we face growing infrastructure costs including deteriorating streets, strained utilities, and a need to invest in workforce housing—costs that cannot be paid from our Transient Rental Account.

Conclusion: While tourism is economically vital for Yachats, the disproportionate burden on local infrastructure and workforce must be addressed. HB 3962 offers an opportunity to recalibrate these priorities, shifting focus from over-investing in marketing to ensuring robust infrastructure. This recalibration will ensure cities like Yachats remain viable and attractive destinations, benefiting both visitors and the local community in the long term.

Craig Berdie
Mayor, City of Yachats