



City of Coos Bay

Office of the Mayor

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September 30, 2024

League of Oregon Cities
1201 Court St. NE, Suite 200
Salem, OR 97301

Subject: Opposition to LOC Legislative Priority on Lodging Tax Revenue Flexibility

Dear League of Oregon Cities Leadership,

On behalf of the City of Coos Bay, I write to express our opposition to the League of Oregon Cities' (LOC) legislative priority advocating for increased flexibility in the use of locally administered and collected lodging tax revenue to support tourism-impacted services.

For over 20 years, the current structure of lodging tax revenue allocation has proven successful in fostering a strong and sustainable tourism economy in our region and across the state. This framework has allowed communities like ours to invest directly in tourism marketing, infrastructure, and development, which in turn, attracts visitors and boosts local businesses. Any shift away from this established approach could undermine these successes and threaten the positive economic impact tourism brings.

In 2023 alone, visitor spending across Oregon reached an impressive \$14 billion, supporting approximately 120,000 jobs. Locally, in Coos Bay, tourism-related activities accounted for approximately 4,100 jobs and contributed about \$329 million in visitor spending. These figures underscore the critical role tourism plays in driving economic growth and providing essential employment opportunities in our community.

We believe that diverting lodging tax revenue toward non-tourism services would disrupt the balance that has been carefully maintained over the past two decades. Instead of supporting the flexibility advocated by the LOC, we advocate for a continued focus on reinvesting lodging tax revenue into tourism-related activities, which has consistently proven to yield positive outcomes.

For these reasons, the City of Coos Bay cannot support any legislative proposals that would dilute the targeted use of lodging tax revenue. We urge the LOC to reconsider its advocacy for increased flexibility in this area and instead focus on initiatives that further strengthen Oregon's tourism economy.

Thank you for considering our concerns. We look forward to continued collaboration with the League of Oregon Cities on matters that benefit Oregon's communities and economies.

Sincerely,



Joe Benetti
Mayor, City of Coos Bay