

Tourism

Photo courtesy Jim Craven Photography: jimcravenphoto.com; from SOREDI's Southern Oregon Edge Campaign



Photo by Sean Bagshaw

“For over 32 years Travel Southern Oregon has participated in showing off our region and encouraging visitors to stay longer and take advantage of our unique towns and natural resources, growing the economy of tourism in southern Oregon. Tourism to Ashland plays an important role in the overall economy of the region. We are proud that Ashland, a founding member of Travel Southern Oregon, is a community we get to promote and represent.”

~ **Brad Niva**
Travel Southern Oregon

Tourism in Oregon is an \$11.3 billion industry that generates over 109,000 jobs and indirectly creates another 56,900 jobs across the state. As the key driver to Oregon’s economy, 2016 earmarked record visitor spending in our state with seven consecutive years of growth. Southern Oregon hit the \$ 1 billion revenue mark in 2016, within its five county region fueling over 11,000 tourism related jobs.

Tourism and travel continue to grow and strengthen not only regionally and statewide but also in Ashland. The Ashland Visitor and Convention Bureau serves as the official Destination Marketing Organization for Ashland promoting Ashland’s culinary, outdoor and cultural experiences through a strategic marketing plan. Ashland welcomes over 350,000 visitors annually. There are many different reasons that draw visitors to enjoy Ashland, as they like it.

Visitor spending helps support the rich and diverse cultural, recreational, retail and dining opportunities. Visitors supplement local demand for goods and services which leads to more and varied kinds of businesses, from specialty boutiques and day spas to sporting goods and river-rafting companies. Visitor spending on lodging and food also contributes financially to key city services that they impact, lightening the load to some degree on locals.

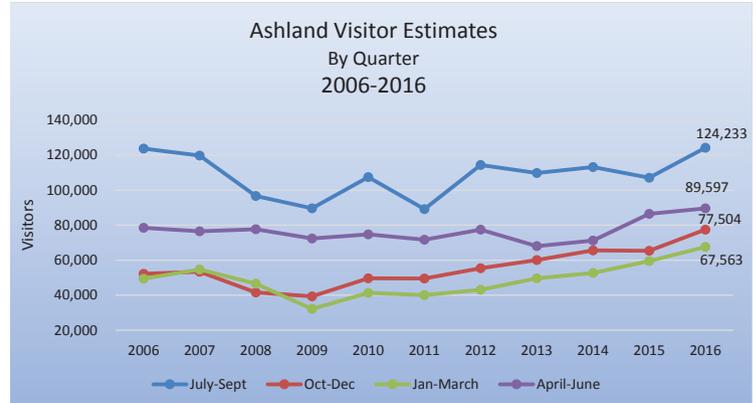
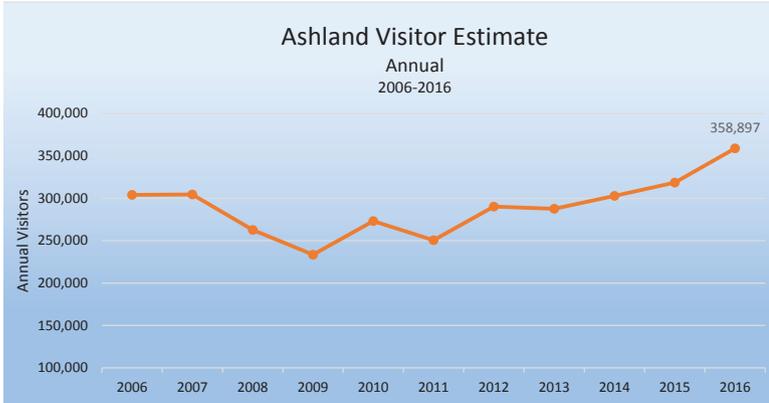
The Arts, Entertainment & Recreation (AE&R) industry represents 35 firms and 747 jobs in Ashland.

Average annual pay is \$32,802 in visitor-related sectors in Ashland. This exceeds industry averages statewide. Source: Oregon Employment Department, 2015.

Ashland’s higher-paying jobs reflect its rich cultural, historical and recreational offerings. In fact, it is likely that worker pay is understated in Ashland’s AE&R industry for several reasons. Similar to the Retail Trade sector, the AE&R sector likely has numerous small businesses whose owners and their pay are not reported here. Additionally, the average wage of Ashland’s AE&R sector is further dampened by the volume of part-time workers hired seasonally.

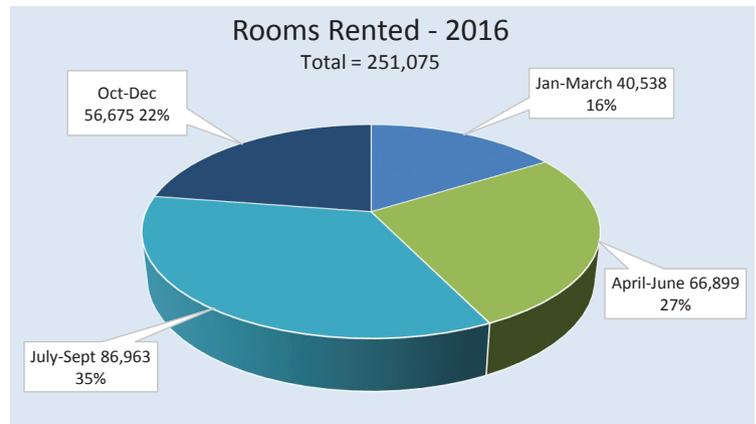
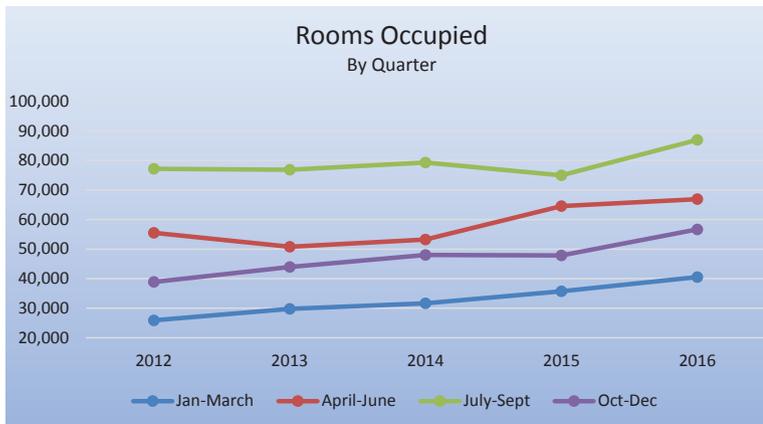
Estimates of Visitors to Ashland

Estimates of visitors to Ashland are based on the number of rooms rented in motels, hotels, bed and breakfast inns and other commercial lodging places that are reported to the City when these businesses pay their quarterly Transient Occupancy Tax. Quarterly room counts combined with estimates of nights stayed and party size yield the quarterly and annual visitor estimates.

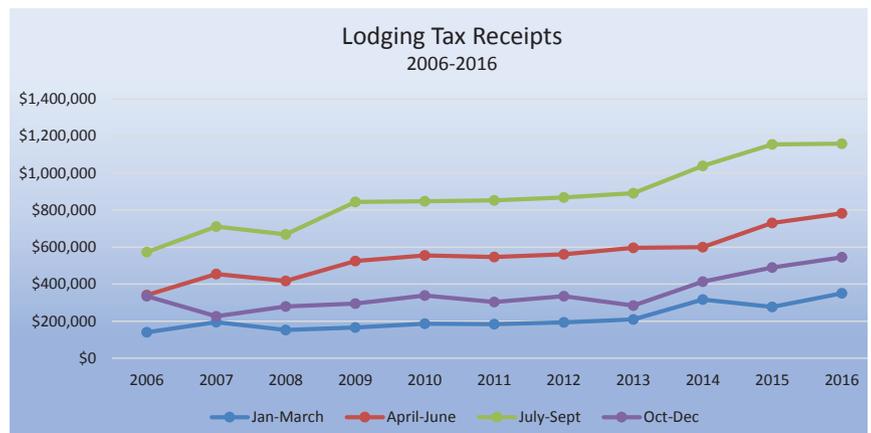


Supply & Demand for Rooms:

Since 1994, the supply of available rooms has generally kept pace with room demand. Annual average occupancy rates have ranged from 45% to 57% over the past ten years. However, rates have fluctuated more in the summer quarters and less in the winter quarters. Overall room demand has steadily increased since 2014, when total rooms rented rose 15%.



Visitor-Related Taxes: In addition to purchases of Ashland's goods and services, visitors also contribute to the City's tax revenues by paying for surcharges on expenditures for accommodations, through Ashland's Transient Room Tax and by paying the prepared Food and Beverage Tax. In the 2016 (calendar year), the City collected over \$5.7 million from the two visitor-oriented taxes. Transient Room Tax receipts average \$143 per resident, which is nearly 4 times greater than statewide average.

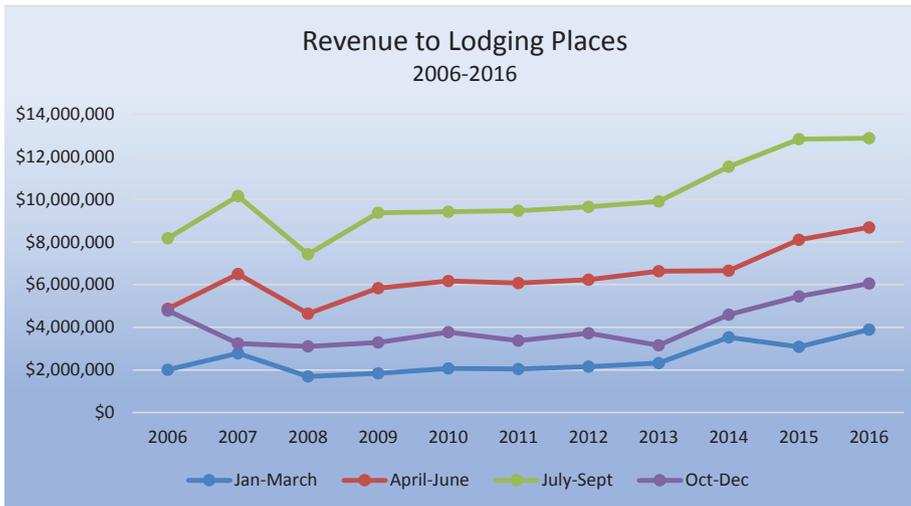
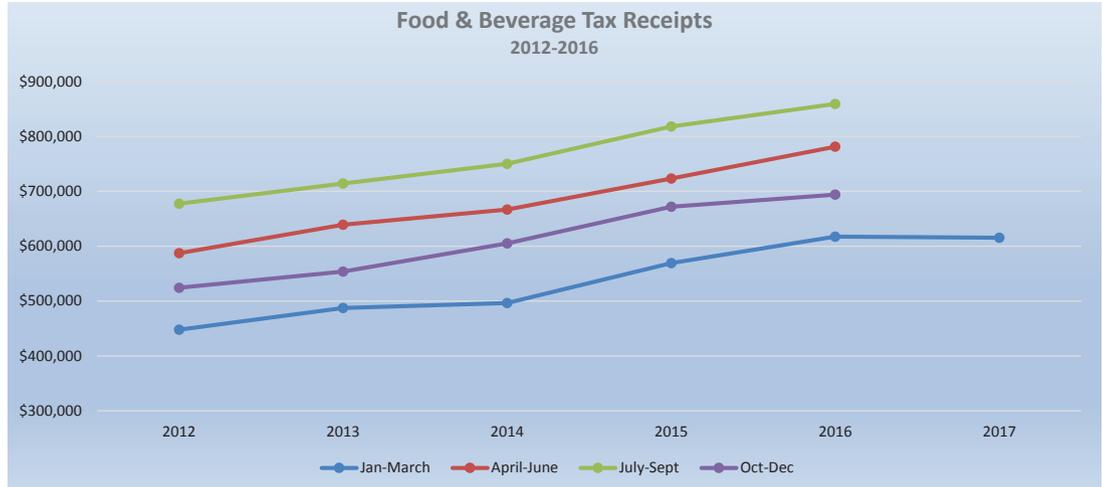


Food and Beverage Tax Receipts and Revenues:

Ashland has levied a 5% tax on all prepared food and served beverages sold (excluding alcohol) within the City’s boundaries since July 1994. The tax receipts have historically been dedicated to the purchase and development of Open Space Parkland and to offset the costs of the municipal wastewater treatment plant that serves Ashland. In future years, the tax will continue to fund Park acquisition, development and maintenance, but will also fund a comprehensive streets re-construction program throughout the community.

While principally, visitors and business travelers pay the City’s lodging tax, both local and out-of-town customers of restaurants, bars and grocery stores contribute to its prepared Food and Beverage Tax.

Growth in Food and Beverage Tax receipts mirrors the growth in sales of prepared food and beverages in Ashland over a time frame in which the City’s population grew by 13%. While Ashland residents may have been spending more on prepared food, it is more likely that much of the increase relates to increased consumption of locally-prepared food by out-of-towners. This likelihood is consistent with the decisive increase in lodging tax receipts, which were up significantly since 1995.



Trends in Revenues to Lodging Places:

Over the last 20 years, revenue to lodging places has increased steadily except during the recession from 2007 to 2012, but regained and surpassed all the losses by 2013. Since that time, it has continued to increase

Source: City of Ashland Source Data
City & Chamber Staff Analysis and Display

Ashland Employment & Payroll, 2015

	Ave. Payroll	As of % of state ave.	Jobs	% Ashland Jobs	Total payroll
<i>Average Ashland payroll</i>	\$35,047	73% of state average	10,611		\$371,890,435
<i>Arts, Ent, Rec</i>	\$32,802	127% of state average	747	7%	\$24,511,652
<i>Accomm/Food sector</i>	\$18,374	98% of state average	2,234	21%	\$41,040,871
<i>Retail</i>	\$30,591	106% of state average	1,493	14%	\$45,662,461

Source: Oregon Employment Department