Anthony Muirhead The Adobe Resort 1555 HWY 101 N Yachats, OR 97498 541-347-3141 amuirhead@adoberesort.com

## Dear Yachats City Council:

I am writing in concern to the matter of raising our TRT tax for the city of Yachats from 7% to 9%. The Yachats lodging industry is currently experiencing a recover which is resulting in already higher revenues flowing into the general fund. The proposal to raise the lodging tax could seriously hinder that growth and cause further damage to our ability to attract guests.

- This increase would result in our ranking dropping on the OTA websites. Yachats is unique in that we have no branded properties and we rely on these websites to open us up to new guests.
- The increase would make us higher than towns on the Oregon coast such as Seaside 8% and Cannon Beach 7%. I'm sure the council is comparing us to our sister cities of Florence and Newport who are at 9% for their TRT. They are a different geographical market with different attractions and branded properties and the marketing network associated with that. Couple the increase and the 5% food tax and we are far and above the most expensive place to stay and eat on the Oregon Coast.
- The price tag for bringing a group to Yachats will be too high with much more affordable options by our competitors. This will result in fewer guests in our offseason a time that is already hard for our local businesses and restaurants to survive. We need to look no further than the decrease in group booking since the Food tax was instated to see the loss of bus tours and other groups to Yachats.
- The TRT Revenue is already increasing by pure volume of business. Yachats is competing with our neighbor cities and doing so at a level that hasn't been enjoyed since 2006. This next quarter alone the amount we will be paying is 35% above last year.

I would hope that the city council would find ways to help support local businesses. This proposal hurts everyone involved and in the long run the city.

Sincerely,

The Adobe Resort