



Sun Valley REALTORS[®] Use Issues Mobilization Grant To Bring More Flights and Business to Local Resort Market—December 2013

How do you turn \$10,000 in to tens of millions of dollars? It might sound like a trick question, but in Sun Valley, Idaho recently, the 320-member board of REALTORS[®] has managed to do just that.

Ever since the world's first chairlift was installed at the Sun Valley Resort in the 1930s, the local economy of this idyllic resort community has been chiefly dependent on visitors. A number of these tourists will become second home owners at the highest end of the market, points out Bob Crosby, Government Affairs Director of the Sun Valley Board of REALTORS[®] (SVBR,) meaning that tourism also has a major impact on the area's real estate sector. Yet there were only three non-stop flights from major metropolitan areas serving the local airport, from Los Angeles, Seattle, and Salt Lake City. These flights were heavily supported financially by the Sun Valley Resort, itself, which stood behind the required Minimum Revenue Guarantees (MRGs) necessary to maintain the Los Angeles and Seattle service as well as sharing heavily in area marketing expenses along with the Sun Valley Marketing Alliance.

This burden on the resort was neither sustainable nor completely fair, notes Crosby. So, in the past two years, many local real estate professionals have become personally invested in supporting air service to Sun Valley by contributing a percentage of their commission income through a voluntary SVBR program called REALTORS[®] for Air. He is proud to report an 87 percent enrollment rate in the program, which has provided over \$70,000 annually, making the REALTORS[®] the second largest source of air service funding after the resort.

But the real key to securing a more robust and sustainable economy is to attract more non-stop flights to Sun Valley. "It's fairly easy to document," says Crosby. "The addition of just one non-stop flight in to Sun Valley can bring in more than ten thousand people over the course of a year, yielding a value to the local economy in the tens of millions of dollars." This put a very high priority on finding a way to generate more funding to meet the airlines' MRG requirements, as well as for marketing. Because, in Idaho, the only way for a resort community to raise this kind of money is through a ballot initiative in favor of a Local Option Tax, a coalition that included Fly Sun Valley Alliance, the local entity charged with maintaining and expanding air service, the Sun Valley Resort and other stakeholders (REALTORS[®], business community representatives and volunteers) had been working to get an initiative passed that would impose an additional 1 percent sales tax on certain items not related to the daily cost of living from rental cars to lift tickets to drinks-by-the-glass. These incremental tax



collections would in turn be specifically allocated to air service funding and air service marketing needs.

To pass, the initiative needed votes of at least 60 percent in three towns: Sun Valley, Ketchum, and Hailey. Last year, it passed in Sun Valley and lost by only a few dozen votes in the other two jurisdictions. At an SVBR general membership meeting this summer, Crosby and SVBR Association Executive Amanda Ornelas were discussing the situation with Idaho Government Affairs Director John Eaton. He suggested that they contact the NATIONAL ASSOCIATION OF REALTORS®. "They have funds for this," he told us," recalls Crosby, "and, working together with our local board, with John's guidance, and with the expertise of NAR's Issues Mobilization team, we helped to get a campaign off the ground that finally tipped the scales in this fall's election."

The \$10,000 Issues Mobilization Grant from NAR, added to \$3,000 from SVBR and \$1,000 from the state association, funded a major portion of the campaign budget and purchased, among other things, three direct mail pieces, plus radio and newspaper ads. "There is no question that we would not have succeeded without NAR," says Crosby, "nor can I overstate the impact of the campaign on Sun Valley's economy. The "in favor" vote is an economic game-changer, and could have been equally devastating or beneficial, depending on the outcome."

Starting in December, a new non-stop flight from San Francisco will be landing in Sun Valley. "Our members are keenly aware that our local, state, and national organizations worked together to bring about this success," says Crosby. "With each new flight that is secured, we can claim to have parlayed that \$10,000 grant in to tens of millions for the Sun Valley area!"

To learn more about how the REALTORS® of Sun Valley are leading the charge to make their area competitive with other mountain resort communities, contact Robert W. Crosby, Government Affairs Director of the Sun Valley Board of REALTORS®, at sbrgad1@cox.net or 208.721.8353.



On November 5, say Yes to Tourism & Jobs.
Vote In Favor of the 1% LOT!

"Improved air service will help tourism. It will also make it easier for new entrepreneurs to locate here. Vote In Favor to improve our economy."
 - Keith and Paula Perry of Perry's

KETCHUM TOURISM and JOBS INITIATIVE

The 1% LOT will:

- PROTECT JOBS.** Companies like Scott USA have relocated positions because of poor air service. Increasing air service will help us keep our local jobs.
- MARKET & FILL FLIGHTS.** Funds from the LOT will effectively market non-stop flights to Friedman airport and ensure the flights bring new visitors throughout the year.
- KEEP SMALL BUSINESS IN BUSINESS.** Increasing the number of passengers on flights enables our local businesses to thrive and grow. A 20% increase in visiting passengers will result in approximately \$10 million* of annual spending.
- ENCOURAGE NEW BUSINESSES TO CHOOSE OUR VALLEY.** Increased air service makes the Wood River Valley a more attractive place to do business.

The 1% LOT is the best tool available to immediately improve our economy and tourism!

* Source: Friedman Memorial Airport Commercial Air Passenger Profile, p. 25. RBC Associates, January 2012. Available at: www.flysumallejairline.com/documents/SU%20presentation%20found%20air%20pass.pdf

Paid for by Community for Air, Bryan Furlong, Treasurer. No public funds were used to pay for this campaign.

Learn more: www.KetchumTourismAndJobs.com

SVAR's campaign included ads and flyers to help convince voters in the towns of Sun Valley, Ketchum, and Hailey.

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