

WS  
11-12-02

**CITY COUNCIL WORK SESSION  
WITH  
ALEXANDRIA CONVENTION AND VISITORS ASSOCIATION (ACVA)**

**TUESDAY, NOVEMBER 12, 2002  
6:45 P.M.  
COUNCIL WORKROOM**

**AGENDA**

- |      |                                  |                                    |
|------|----------------------------------|------------------------------------|
| I.   | INTRODUCTION                     | Hudson Riehle, ACVA<br>Chairman    |
| II.  | TOURISM ECONOMIC IMPACT          | Hudson Riehle                      |
| III. | FISCAL YEAR 2002 HIGHLIGHTS      | JoAnne Mitchell, ACVA<br>President |
| IV.  | THREE YEAR STRATEGIC PLAN        | JoAnne Mitchell                    |
| V.   | FISCAL YEAR 2004 BUDGET AND PLAN | JoAnne Mitchell                    |
| VI.  | COUNCIL DISCUSSION               |                                    |

*Individuals with disabilities who require assistance or special arrangements to participate in the City Council Work Session may call the City Clerk and Clerk of Council's Office at 703-838-4500 (TTY/TDD 703-838-5056). We request that you provide a 48-hour notice so that the proper arrangements may be made.*

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# City Council-ACVA Work Session

November 12, 2002

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WS

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# ACVA Board & Staff

## **Board of Governors**

Hudson Riehle  
Bryan Thompson  
Ann Dorman  
Linda Jeffries  
David Speck  
Mark Jinks  
Mary Ruth Coleman  
Cathy Callard  
Mary Anne Russell  
Kathy Callender  
Bruce Earle  
Susan Grandgeorge  
Adam Winer  
Jeff Albert

## **Ex Officio Members**

Ken Moore  
Paula Riley  
Sharon Hodges  
Scott Mitchell  
Jean Federico  
Pat Miller  
Nora Partlow

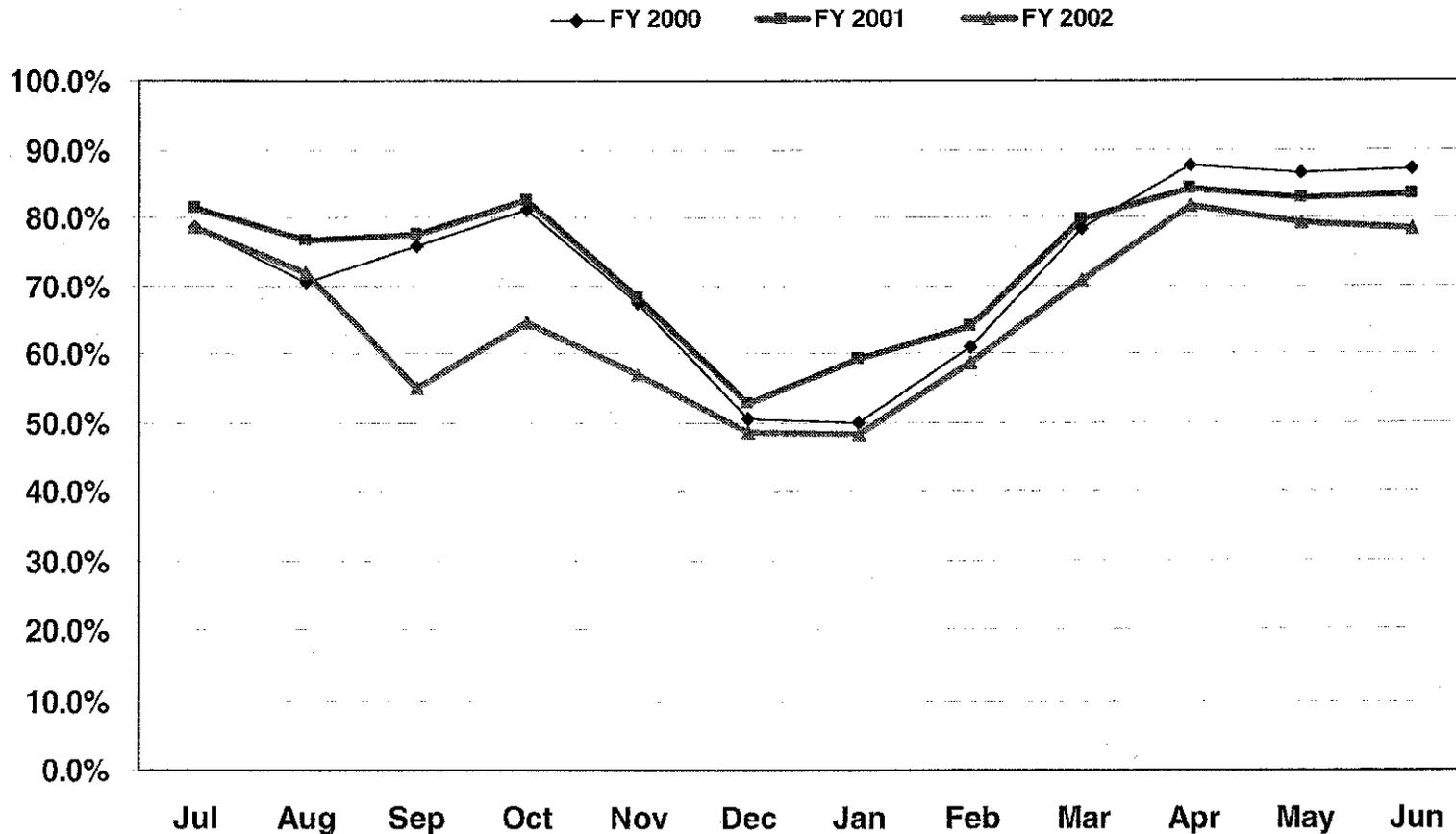
## **Staff Members**

JoAnne Mitchell  
Kathleen Cummings  
Laura Overstreet  
Lorraine Lloyd  
Jeremy Harvey  
Merrie Morris  
Karen Versch  
Sara Chaloupek  
Christy Bruncker

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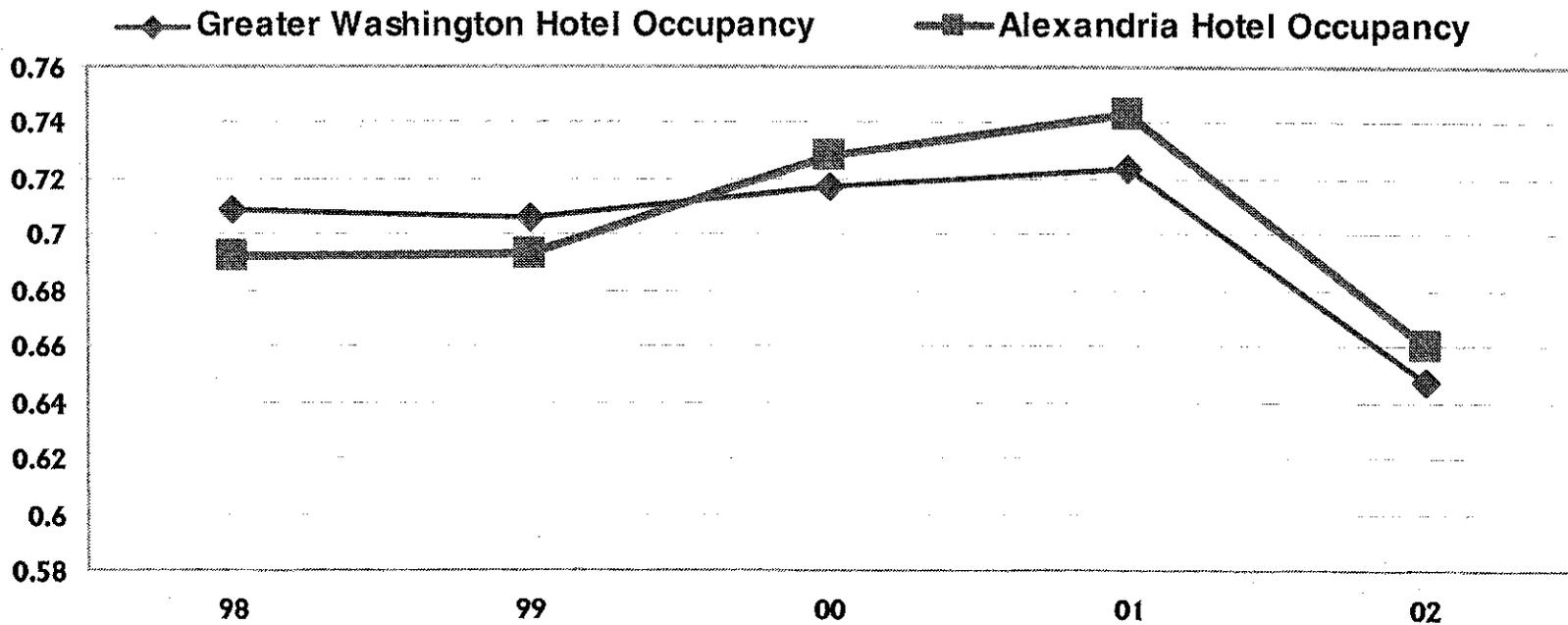
# Occupancy by Fiscal Year

## ALEXANDRIA HOTEL OCCUPANCY BY FISCAL YEAR



# Occupancy

## COMPARISON OF ALEXANDRIA'S HOTEL OCCUPANCY WITH REGION

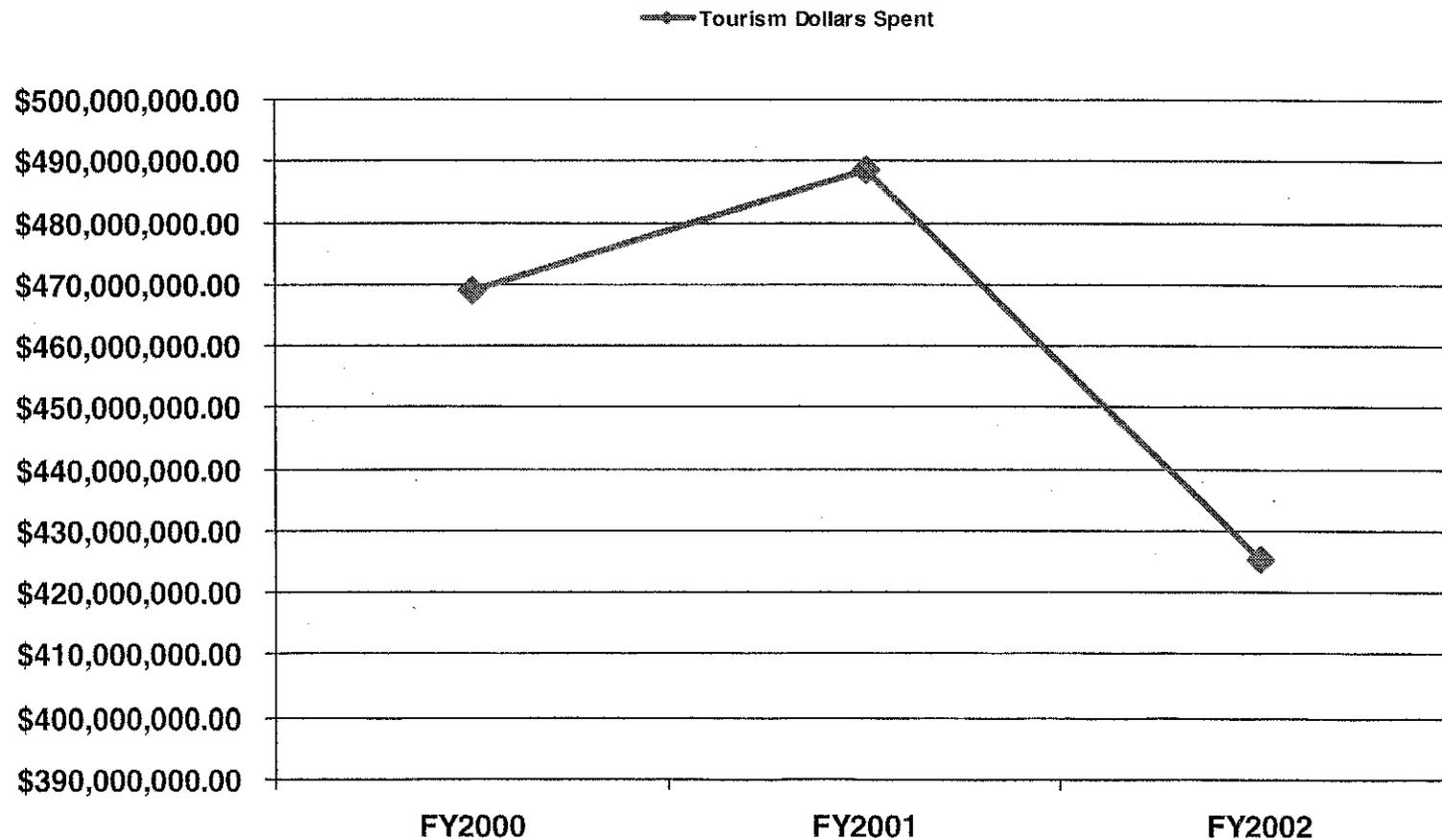


# Economic Impact Figures

<b>SPENDING</b>	<b>DOLLARS</b>	<b>LOCAL TAXES</b>	<b>TAX REC'D</b>
Lodging (20.4%)	\$ 86,745,085.71	5.25%	\$ 4,554,117.00
Meals (28.3%)	\$ 120,337,545.38	3%	\$ 3,610,126.36
Public Transport (17.4%)	\$ 73,988,455.46		
Auto Transport. (16.1%)	\$ 68,460,582.35	1%	\$ 684,605.82
General Retail (9.8%)	\$ 41,671,658.82	1%	\$ 416,716.59
Admission/Recreation (8%)	\$ 34,017,680.67		
<b>Total</b>	<b>\$ 425,221,008.40</b>		<b>\$ 9,265,565.77</b>
<b>\$1 per room night tax</b>			<b>\$ 768,296.00</b>
<b>Total direct taxes collected for overnight visitors.</b>			<b>\$ 10,033,861.77</b>
<p>* These figures are estimates based on the overnight visitors to Alexandria. Does not include government, business, day trippers or those staying with friends and relatives.            % spending is based on Virginia Tourism Corporation figures.</p>			

# Tourism Economic Impact by Fiscal Year

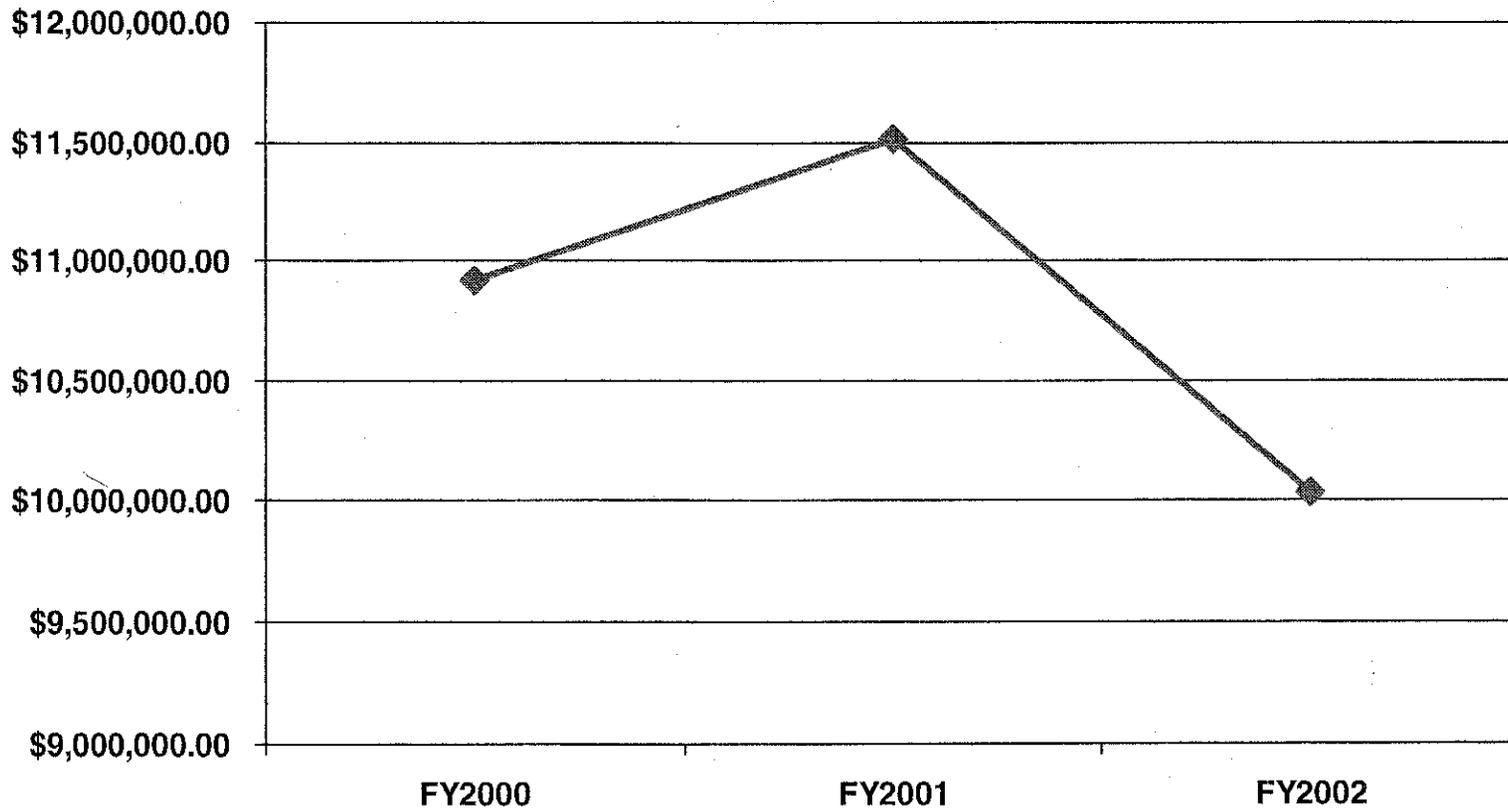
## TOURISM ECONOMIC IMPACT BY FISCAL YEAR



# Direct Tourism Taxes to City

## DIRECT TOURISM TAXES TO CITY OF ALEXANDRIA

◆ Taxes Collected by City



# Performance Measures

	FY 2002	FY 2001	% +/-	FY 2002 Greater Washington	% +/-	2001 National (calendar)	% +/-	GDP
<b>Revenue Generation</b>								1.2%
Room Tax Collected	\$ 4,554,117	\$ 5,230,863	-13%					
\$1 per room night	\$ 768,296	\$ 871,587	-12%					
Food Tax Collected	\$ 8,476,556	\$ 8,285,486	2%					
Gross Retail Sales	\$ 20,316,345	\$ 20,730,806	-2%					
<b>Hard Measurements</b>								
Hotel Occupancy	66%	74%	-11%	65%	-11%	60%	-6%	
Hotel ADR	\$ 99.10	\$ 101.33	-2%	\$ 111.80	-7%	\$ 84.85	-1%	
Hotel Rev Par	\$ 65.93	\$ 75.64	-13%	\$ 72.94	-16%	\$ 54.81	-7%	

# Challenges for FY04

## Travel Industry Association (TIA)

+1.9% person-trips projected in 2002  
-6% travel spending projected for 2002  
Room demand -3.8%, room rates -4.7% and rev par -10% (Aug 02/Aug01)

## Smith Travel

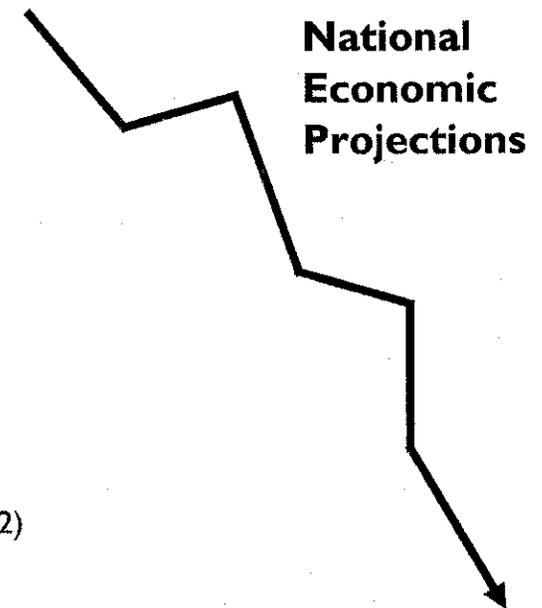
Projects 1.4% increase in room rates 2002 over previous year  
Projects 3.5% increase in room rates 2003 over previous year  
Projects 4.4% increase in rev par 2003 over previous year  
Full recover in rev par not expected until 2004

## Hotel Online

6.2% decrease in rev par for YTD August 2002  
Convention & meetings drawing smaller crowds  
NYC & DC hit hardest: rev par between 27-37% decrease (First half 2002)  
International visitors and corporate demand are taking longer to recover  
Proximity to defense did not prevent decline  
Business travel begins to recover mid 2003

## PricewaterhouseCoopers

-91,000 rooms in 4th qtr 2001  
-44,100 rooms in 1st qtr 2002  
-31,300 rooms in 2nd qtr 2002  
-54,000 rooms in 3rd qtr 2002\* projected  
-61,800 rooms in 4th qtr 2002\* projected  
Concern over war with Iraq will keep lodging demand down through December 2003



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# ACVA Initiatives

## New products

Civil War Guide, ASO/Torpedo Factory, Art Festival

## New market

CA, OH, TX, FL, NC

## New advertising placement & design

conformity and message

## Lead regional collaboration

pooling resources to gain exposure

## Not funded:

- Seaport Summer Sounds – looking for sponsorship
- City Mall Map – looking for company to develop and sell

