



Albemarle County

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AGENDA DATE: 7/6/2016

TITLE:

Charlottesville Albemarle Convention and Visitors Bureau Review Committee Report

SUBJECT/PROPOSAL/REQUEST: Report on results of first meeting of the CACVB Joint Review Committee

ITEM TYPE: Regular Information Item

STAFF CONTACT(S): Tom Foley, Lee Catlin

PRESENTER (S): Tom Foley, Lee Catlin

LEGAL REVIEW: Yes

REVIEWED BY: Thomas C. Foley

BACKGROUND: In December 2015, the Board of Supervisors and City Council adopted a Joint Resolution regarding establishment of a Review Committee for the Charlottesville Albemarle Convention and Visitors Bureau (CACVB). The Joint Resolution noted the important economic impact of our local tourism industry and the dedication of City and County revenues to support the CACVB as the designated marketing organization for our area. The Joint Resolution stated that the City and County desire to ensure that these dedicated revenues are managed effectively and are producing the desired results, and that it would be beneficial to have the City and County leadership meet to receive information and provide feedback as to CACVB performance. The Joint Resolution directed the County Executive and the City Manager to establish a Review Committee to perform a bi-annual review, analyze CACVB performance and provide feedback to the CACVB director, the CACVB Management Board and to the respective governing bodies after each review committee meeting as to the efficiency and effectiveness of the jointly created and managed bureau. The Review Committee held its first biennial meeting in May, with results of that meeting being provided in this report to the Board of Supervisors and City Council.

STRATEGIC PLAN: Goal 4 - Economic Prosperity -- Foster an environment that stimulates diversified job creation, capital investments, and tax revenues that support community goals.

DISCUSSION: The County Executive and City Manager formed a Review Committee and identified the following work product to meet the directives of the Joint Resolution:

The CACVB Review Committee will meet bi-annually and will provide a written report regarding the efficiency and effectiveness of the Bureau based on a high level review of financials and performance metrics following each committee meeting.

The Review Committee held its first biennial meeting in May, with results of that meeting being provided in a report to the Board of Supervisors and City Council provided as Attachment A. The report provides background on the CACVB including its mission, governance structure and funding formula. The report also provides an overview of financial data and performance metrics that were discussed during the meeting. The summary section includes the following findings and opportunities:

Findings: The Review Committee finds that the CACVB is managing its dedicated resources effectively and producing the desired results as defined by the established ROI formula and objective industry measures based on the following specific findings:

- The CACVB has achieved an average ROI of 7.2:1 for the past nine years, exceeding the 7:1 ROI target established in the Joint Agreement - this compares to a 5:1 Return On Investment ("ROI") target established for the Virginia Tourism Corporation.
- Independently tracked lodging occupancy percentage and average daily rates both show a continuing upward trend, even as over 72,000 room nights have been added to our region's inventory in the past five years.
- Independently tracked travel economic indicators show healthy growth in all travel related areas including employment, expenditures, payroll, and local tax receipts.
- Growth in new revenues is being dedicated to direct marketing expenditures as evidenced by the growth in that category in the approved FY 17 budget.
- Metrics provided by the CACVB's marketing consultant, local firm Payne Ross Associates, indicate continued growth in media, print and digital circulation and impressions based on implementation of the marketing plan - details provided in Attachment B.

Opportunities:

- The Review Committee feels there is an opportunity to revisit the ROI formula to reflect evolving tourism goals and measures - the existing formula was developed in 2004 and may not accurately reflect the changing tourism environment.
- For the past several years resources and attention have been focused on completing the Albemarle Visitor and Adventure Center as a functioning state certified asset promoting the region's outdoor/active recreation options and on creating a more visible and dynamic tourism presence at the Charlottesville Albemarle Regional Airport. Now that those projects are well underway, the Review Committee feels there is an opportunity to look at other longer term initiatives that will increase visitation mid-week and during the slower season of November - March, with a focus on attracting additional business/conference activity.

BUDGET IMPACT: There is no budget impact associated with this item.

RECOMMENDATION:

There is no action requested from the Board regarding this item.

ATTACHMENTS:

Attachment A - Review Committee Report

Attachment B - Payne Ross Associates Marketing Plan Metrics Report