

Our Mission: The Arlington Convention and Visitors Service (ACVS) is a destination marketing organization that works to attract, inform, and serve Arlington visitors and hospitality partners while supporting an exceptional visitor experience.

CONVENTION AND VISITORS SERVICE

ACVS's success is reflected in continually growing shares of the Washington area's meeting, convention, and leisure markets as well as in increased visitor spending and repeat visitation. ACVS strategically targets meeting/group professionals and domestic/international leisure travelers to build awareness of, and drive bookings to, Arlington hotels – particularly during the off-peak periods of late summer, mid-winter, and weekends year-round. ACVS also partners closely with local hotels, restaurants, stores, attractions, and arts organizations to bring visitors the best and latest information, ensuring they have an excellent local experience that inspires increased spending and repeat visitation. ACVS marketing and client/partner engagement is directly tied to increased Transient Occupancy Tax revenue and Sales and Meals Tax revenues that support County initiatives through the General Fund.

Important Strategic Objectives for ACVS include:

1. **Visitor Attraction:** Aggressively market Arlington as a premier destination for domestic and international leisure travel, meetings, and conventions, and as the best place to stay, shop, dine, and be entertained when visiting the nation's capital. Apply best practices in destination marketing, meetings and conventions sales, and small business/arts promotion to attract business travelers, vacationers, meetings, and groups to Arlington resulting in increased hotel occupancy.
2. **Increased Visitor Spending:** Creatively and proactively provide compelling, high-quality information to Arlington guests, influencing them to dine, shop, and be entertained in our lively, walkable urban villages. Strategically inform local hospitality employees about Arlington stores, restaurants, arts organizations, and transportation options to drive spending and repeat visitation.

Programs and primary activities of ACVS include:

- Destination marketing and promotion
- Meetings and conventions sales
- Visitor and convention services
- Small business and arts promotion
- Tourism infrastructure
- Hospitality community engagement

Arlington County's enabling legislation to levy a Transient Occupancy Tax add-on (0.25 percent) to support this fund was reinstated by the Virginia General Assembly in the FY 2019 budget year with a sunset effective July 1, 2021.

TRAVEL AND TOURISM PROMOTION FUND

ARLINGTON CONVENTION & VISITORS SERVICE

SIGNIFICANT BUDGET CHANGES

The FY 2021 proposed expenditure budget for the Travel and Tourism Promotion Fund is \$1,546,700, no change from the FY 2020 adopted budget. The FY 2021 proposed budget reflects:

- ↓ Personnel decreases due to adjustments to reflect actual salaries and lower retirement contributions based on current actuarial projections, partially offset by an increase in the County’s cost for employee health insurance.
- ↑ Non-personnel increases due to additional funding for trade and promotion (\$34,591), partially offset by a reduction in annual expense for maintenance and replacement of County vehicles (\$1,068).

PROGRAM FINANCIAL SUMMARY

	FY 2019 Actual	FY 2020 Adopted	FY 2021 Proposed	% Change '20 to '21
Personnel	\$739,810	\$838,315	\$804,792	-4%
Non-Personnel	738,480	708,385	741,908	5%
Total Expenditures	1,478,290	1,546,700	1,546,700	-
Transient Occupancy Tax	1,231,590	1,300,000	1,300,000	-
Transfer from the General Fund	246,700	246,700	246,700	-
Total Revenues	\$1,478,290	\$1,546,700	\$1,546,700	-
Change in Fund Balance	-	-	-	-
Permanent FTEs	7.00	7.00	7.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	7.00	7.00	7.00	

**TRAVEL AND TOURISM PROMOTION FUND
FUND STATEMENT**

	FY 2019 ACTUAL	FY 2020 ADOPTED	FY 2020 RE-ESTIMATE	FY 2021 PROPOSED
Beginning Balance, July 1	-	-	-	-
Transient Occupancy Tax Revenue	\$1,231,590	\$1,300,000	\$1,300,000	\$1,300,000
General Fund Transfer In	246,700	246,700	246,700	246,700
Total Revenues	1,478,290	1,546,700	1,546,700	1,546,700
Total Balance, Revenues and Transfers In	1,478,290	1,546,700	1,546,700	1,546,700
Personnel	739,810	838,315	838,315	804,792
Operating	738,480	708,385	708,385	741,908
Total Expenditures	\$1,478,290	\$1,546,700	\$1,546,700	\$1,546,700
Closing Balance, June 30	-	-	-	-

ARLINGTON CONVENTION & VISITORS SERVICE

PERFORMANCE MEASURES

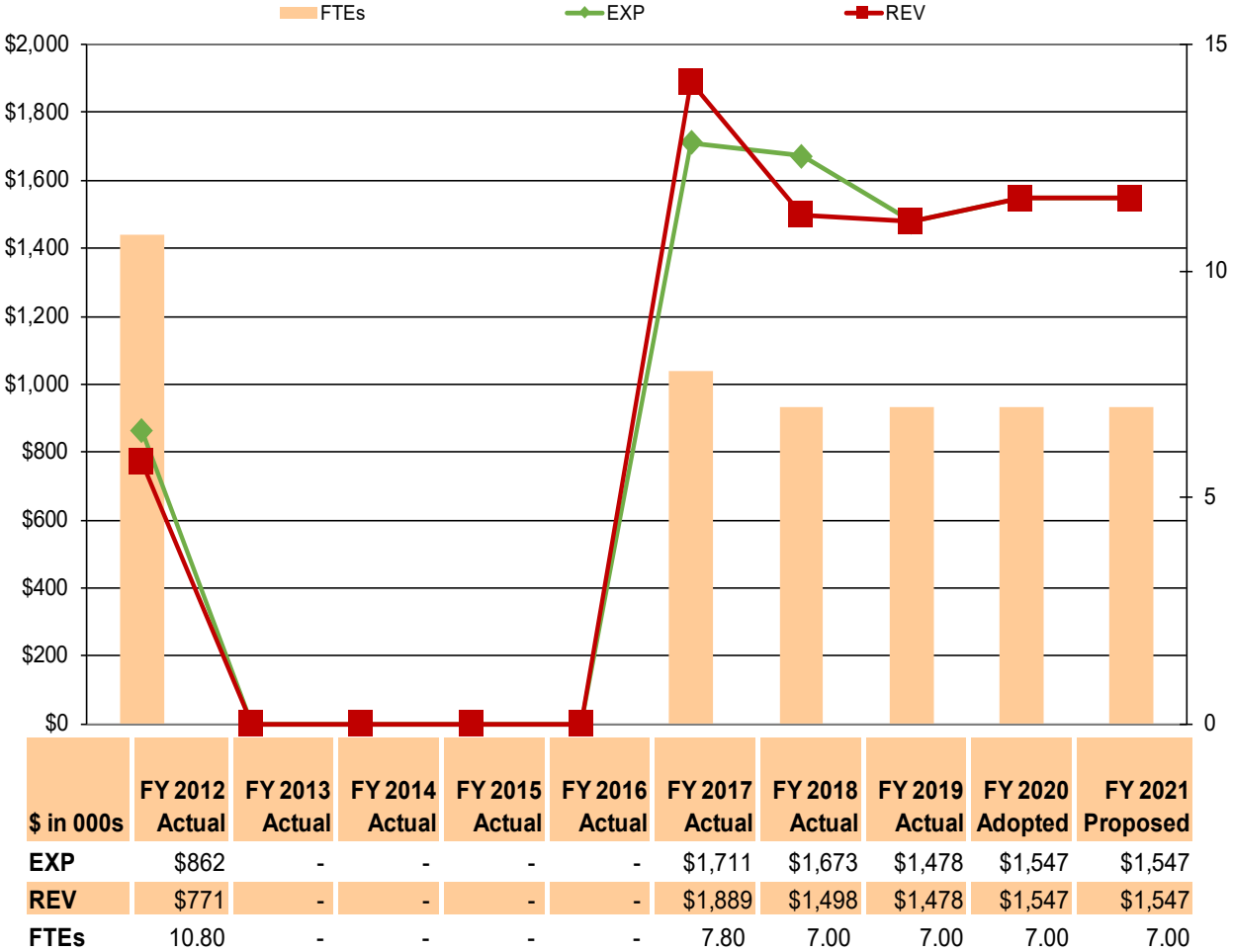
Critical Measures	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Estimate
Average daily rate of hotel rooms in Arlington	\$157.54	\$164.46	\$165.17	\$161.97	\$165.00	\$165.00
Hotel occupancy	77.2%	77.4%	76.7%	74.0%	75.0%	75.0%
Internet visits to ACVS	57,410	149,815	171,460	278,517	250,000	315,000
Leads for the booking of group room nights	48,257	50,575	67,136	67,615	62,000	65,000

Supporting Measures	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimate
Conversion rate of leads to actual bookings for group room nights	49%	52%	44%	53%	50%	50%
Group room nights booked	23,920	26,391	29,261	36,065	31,000	32,500
Visitor services in-person	18,259	13,198	17,210	19,822	17,000	19,000
Visitors guides and other distributions	9,711	118,419	114,569	107,675	125,000	105,000
Visitor maps distributed	43,627	94,725	175,124	183,421	145,000	143,000

- Based on FY 2019 actuals and CY 2019 data, FY 2021 estimates reflect the following:
 - The average daily rate of hotel rooms in Arlington finished strong for CY 2019, although it is expected to remain relatively flat as a result of increased lodging inventory (more available regional hotel rooms) and softening regional demand.
 - Leads for the booking of group room nights and group room nights booked is similarly expected to be slightly lower due to softening regional demand.

TRAVEL AND TOURISM PROMOTION FUND
TEN-YEAR HISTORY

EXPENDITURE, REVENUE AND FULL-TIME EQUIVALENT TRENDS



TRAVEL AND TOURISM PROMOTION FUND
TEN-YEAR HISTORY

Fiscal Year	Description	FTEs
FY 2012	<ul style="list-style-type: none"> ▪ Personnel expenses decreased primarily due to reduction in operations based on lower Transient Occupancy Tax (TOT) which supports this fund. The County Board has directed staff beginning January 1 to focus on other Arlington Economic Development (AED) activities such as promoting and marketing businesses and cultural events within Arlington County, as well as enhancing small business initiatives. ▪ Transient Occupancy Tax (TOT) revenues decreased by 52 percent due to the loss of the TOT for hotel stays beginning January 1, 2012. The state legislation that authorizes Arlington County to assess this additional 0.25 percent transient occupancy tax was not renewed by the State Assembly and expires on December 31, 2011. ▪ Miscellaneous revenues decreased (\$2,500) due to the closure of the Visitor Center at Pentagon Row which sold County merchandise. The new Mobile Visitor Center is purely informational with no merchandise or retail sales. County merchandise can now be purchased at the Plaza Library branch location. 	
FY 2013	<ul style="list-style-type: none"> ▪ The additional Transient Occupancy Tax add-on (0.25 percent) which has supported the fund since January 1, 1991, was not re-established by the State Assembly in the spring of CY 2011. Arlington County's enabling legislation to impose this add-on tax expired on January 1, 2012. ▪ For FY 2013, the Travel and Tourism Promotion Fund did not exist as a Special Revenue fund. The County Board adopted a reduced convention and visitor services program in Arlington Economic Development's General Fund budget. 	
FY 2017	<ul style="list-style-type: none"> ▪ <i>Arlington's enabling legislation to levy the additional Transient Occupancy Tax add-on (0.25%) was re-established by the General Assembly for the FY 2017 budget year. The County Board adopted an ordinance after budget adoption to amend Chapter 40 (Transient Occupancy Tax) of the Code of Arlington County to add an additional 0.25 percent transient occupancy tax levy for the purpose of promoting tourism and business travel in Arlington County. The County Board appropriated \$1.25 million in revenue and expense to the Travel and Tourism Promotion Fund along with 2.0 limited term positions.</i> ▪ <i>After budget adoption, the County Board transferred Arlington Convention and Visitor Services from the General Fund to the Travel and Tourism Fund (\$626,148, 5 FTEs, 0.80 Temporary FTEs).</i> 	2.0 5.8
FY 2018	<ul style="list-style-type: none"> ▪ A 0.80 temporary FTE was transferred to the AED Director's Office line of business in the General Fund. 	(0.8)

TRAVEL AND TOURISM PROMOTION FUND
TEN-YEAR HISTORY

Fiscal Year	Description	FTEs
FY 2019	<ul style="list-style-type: none">▪ Decreased trade and promotion funding (\$159,163) and reallocated a portion of this funding for contracted services related to website maintenance (\$110,000).▪ Revenue increased due to projections of hotel occupancy and rates hotel (\$27,500).▪ Arlington’s enabling legislation to levy the additional Transient Occupancy Tax add-on (0.25%) was re-established by the General Assembly for the FY 2019 budget year with a sunset effective July 1, 2021.	
FY 2020	<ul style="list-style-type: none">▪ No significant changes.	