

TOURISM: BUILT TO LEAD NEW YORK'S ECONOMY

TOURISM INDUSTRY COALITION
Tourism is the *heart* of the Economy

2016

support
**THE I♥NY MATCHING GRANT
PROGRAM**

TOURISM INDUSTRY COALITION
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Authored by **New York State Tourism Industry Coalition**

Executive Summary

Tourism Economic Growth:

Travel & tourism remains a vital and growing component of the New York State economy. In 2015, New York's tourism industry has grown in revenue, job creation, the number of visitors, and hotel occupancy.

Tourism Visitors:

The number of visitors to New York in 2015 is projected to be **227.5 million**, a 12% increase since 2011.

Tourism Revenue:

In 2014, the tourism industry generated **\$7.8 billion** in state and local taxes with direct spending reaching **\$62.45 billion**.

Total economic impact of tourism topped **\$100 billion** for the first time in state history.

Tourism Jobs:

One of New York's biggest employers across the state. Tourism is now the fourth largest employer in New York. 1 in 12 private jobs in the state are sustained by tourism.

In 2015, the Leisure & Hospitality Industry average annual employment is expected to top **867,000 jobs**. An increase of 13% over 2014.

Keep Investing:

The Tourism Industry of New York State recommends that the State budget increase to **\$5 million for the 2016-2017 I♥NY Matching Grant Program**.

I♥NY Matching Grant Program



- The State’s Matching Grant Program is a local assistance program which is used by county and regional tourism entities to work cooperatively for advertising, research, promotion and tourism marketing programs. The Program develops and implements marketing strategies; coordinates domestic and international outreach; works with a variety of public and private sector marketing interests; and reviews the following tourism and economic development marketing and advertising programs.
- Given the Matching Grant Program’s track record as a revenue source for State and local governments, as well as a job generator, tourism is not only a wise investment, but a critical one that yields unmatched and well sustained returns for New York’s economy.
- The industry agrees with the Governor and the Legislature that familiarity of the I♥NY brand is second to none in promotion and marketing. The State’s commitment to tourism in recent years has led New York on the road to economic recovery and served as the nucleus for partnerships and stability for our industry.

What happens if the Program Goes Away (The Concern)?



Absent these funds, county and regional government advertising and digital marketing programs would be difficult to sustain. Smaller destinations would definitely feel the affect without the matching grant program. In many cases, the program supplies the majority of their marketing budget. If matching funds are not appropriated many of the regional programs will not exist and many of the county programs would be reduced.

A diversion of matching fund dollars would create financial pressure, in an industry that is a proven economic and job generator across all of New York

Local Success & Investment



The Tourism Matching Grant program has led to unparalleled local investment and partnerships across New York. The program has created more opportunities for cooperative marketing thus allowing local governments much needed flexibility in their overall budgets.

The State I♥NY program is an important partner as well—setting the tone and overall marketing strategies that helps guide investments at the local and regional level.



To that end, we request that the State’s **Tourism Matching Grant Program** be increased to a new level of

***\$5 million for the
2016-2017 I ♥ NY Matching Grant Program***

so that the industry, along with its State and local partners continue to flourish.



Highlighted here are specific examples of Matching Grant Program successes

I♥NY and Matching Grant Appropriation History



Year	I Love NY	Matching Grant	Combined
1988-1989	\$ 15,823,800	\$ 6,000,000	\$ 21,823,800
1989-1990	\$ 11,903,700	\$ 5,800,000	\$ 17,703,700
1990-1991	\$ 6,788,000	\$ 4,725,000	\$ 11,513,000
1991-1992	\$ 3,300,000	\$ 2,213,000	\$ 5,513,000
1992-1993	\$ 2,415,000	\$ 2,326,600	\$ 4,741,600
1993-1994	\$ 6,415,000	\$ 3,026,600	\$ 9,441,600
1994-1995	\$ 9,415,000	\$ 3,526,600	\$ 12,941,600
1995-1996	\$ 10,015,000	\$ 3,526,600	\$ 13,541,600
1996-1997	\$ 11,015,000	\$ 4,276,600	\$ 15,291,600
1997-1998	\$ 11,015,000	\$ 4,276,600	\$ 15,291,600
1998-1999	\$ 11,015,000	\$ 4,776,600	\$ 15,791,600
1999-2000	\$ 11,015,000	\$ 4,776,600	\$ 15,791,600
2000-2001	\$ 11,015,000	\$ 5,776,600	\$ 16,791,600
2001-2002	\$ 11,015,000	\$ 5,777,000	\$ 16,792,000
2002-2003	\$ 7,700,000	\$ 5,777,000	\$ 13,477,000
2003-2004	\$ 5,400,000	\$ 5,777,000	\$ 11,177,000
2004-2005	\$ 11,015,000	\$ 5,777,000	\$ 16,792,000
2005-2006	\$ 11,015,000	\$ 4,777,000	\$ 15,792,000
2006-2007	\$ 11,015,000	\$ 4,777,000	\$ 15,792,000
2007-2008	\$ 16,015,000	\$ 5,277,000	\$ 21,292,000
2008-2009	\$ 17,015,000	\$ 5,171,000	\$ 22,186,000
2009-2010	\$ 9,015,000	\$ 4,171,000	\$ 13,186,000
2010-2011	\$ 4,000,000	\$ 3,815,000	\$ 7,815,000
2011-2012	\$ 3,600,000	\$ 3,815,000	\$ 7,415,000
2012-2013	\$ 2,830,000	\$ 3,985,000	\$ 6,815,000
2013-2014	\$ 2,500,000	\$ 3,815,000	\$ 6,315,000
2014-2015	\$ 2,500,000	\$ 3,815,000	\$ 6,315,000
2015-2016	\$ 2,500,000	\$ 4,315,000	\$ 6,815,000

We request that the State's **Tourism Matching Grant Program** be increased to at least the **level of 2008!**



\$5 million for the 2016-2017 I♥NY Matching Grant Program

By the Number\$...

- The number of visitors to New York in 2015 is projected to be **227.5 million**, a 12% increase since 2011.
- In 2014, the tourism industry generated **\$7.8 billion** in state and local taxes with direct spending reaching **\$62.45 billion**.

Tourism Tax Generation State vs. Local

Travel-Generated Taxes					
(US\$ Million)					
Tax Type	2010	2011	2012	2013	2014
State Tax Subtotal	<u>2,784.3</u>	<u>2,974.8</u>	<u>3,142.3</u>	<u>3,247.5</u>	<u>3,399.9</u>
Corporate	535.2	574.3	609.0	630.1	661.8
Personal Income	857.38	908.6	950.7	980.2	1,019.8
Sales	1,143.09	1,226.5	1,300.6	1,345.7	1,413.3
Property	0.0	0.0	0.0	0.0	0.0
Excise and Fees	150.83	161.8	173.6	179.7	188.7
State Unemployment	97.8	103.6	108.4	111.8	116.3
Local Tax Subtotal	<u>3,710.9</u>	<u>3,905.1</u>	<u>4,095.6</u>	<u>4,222.4</u>	<u>4,417.4</u>
Corporate	711.6	763.5	809.6	837.7	879.8
Personal Income	191.0	202.4	211.8	218.4	227.2
Sales	762.1	817.6	867.0	897.1	942.2
Property	1,949.2	2,017.5	2,095.5	2,153.6	2,246.8
Excise and Fees	97.0	104.1	111.7	115.6	121.4
State Unemployment	0.0	0.0	0.0	0.0	0.0

- Tourism generated \$3.4 billion in state taxes in 2014.
- Tourism generated \$4.4 billion in local taxes in 2014.

I♥NY DIRECT SUPPORT OF LOCAL TOURISM ACROSS NY STATE:

New York State goes beyond engaging in tourism activities itself; state government also works to support local and regional partners across New York in their tourism efforts. For example, the Division of Tourism purchases tourism research on an annual basis, not only to stay informed about the latest trends in travel and measure the impact of its marketing and promotional programs, but also to provide a powerful tool to local tourism partners like **Tourism Promotion Agents (TPAs)** for use in their planning and reporting.

The Economic Impact of Tourism in New York State report provides detailed information down to the county level, including data on direct spending, wages, employment and local, state and federal taxes generated as a result of visitor spending in the tourism industry.

In addition, a Visitor Profile Report provides detail about the demographic profiles, state of origin, activity participation, length of stay and spending of visitors. New York State's greatest support of local and regional tourism efforts, however, probably comes in the form of tens of millions of dollars of funding that is provided to TPAs, municipalities, non-profit organizations, public benefit corporations and others to promote tourism destinations, support tourism related special events and improve tourist attractions.

The Division of Tourism administers a **Tourism Matching Funds Program** to provide funds to local TPAs for the planning and promotion of marketing programs. The aim of the funding is to allow local regions to reach new market areas and expand programs that will create new or sustain current numbers of overnight visitation. TPAs are encouraged to consider the most effective and efficient marketing program and media mix to stimulate tourism in the local and regional economy.

County-by-County Economic Impact of Tourism: Jobs and Tax Revenue

Data is from 2014 Tourism Economics Study of NYS for Division of Tourism and US Census Bureau

Includes Tourism Tax Benefit / Household / Wages / Jobs

Chautauqua-Allegheny

Total Tourism Impact, 2014	Traveler Spend '000	Local Taxes	State Taxes	Tax Savings per Household	Labor Income, '000	Employment
Allegheny	\$61,296	\$4,078,659	\$3,346,060	\$392	\$20,541	1,011
Cattaraugus	\$223,324	\$14,740,160	\$12,190,885	\$830	\$100,853	5,040
Chautauqua	\$263,026	\$19,120,894	\$14,358,109	\$603	\$117,453	5,683
TOTAL	\$547,646	\$37,939,714	\$29,895,054	\$635	\$238,847	11,734

Greater Niagara

Total Tourism Impact, 2014	Traveler Spend '000	Local Taxes	State Taxes	Tax Savings per Household	Labor Income, '000	Employment
Erie	\$1,639,506	\$111,552,315	\$89,497,797	\$530	\$864,891	29,888
Genesee	\$92,394	\$6,496,038	\$5,043,602	\$482	\$48,202	3,090
Niagara	\$580,962	\$38,715,564	\$31,713,702	\$795	\$306,385	14,368
Orleans	\$23,472	\$1,511,151	\$1,281,290	\$176	\$10,073	540
Wyoming	\$38,680	\$2,449,938	\$2,111,480	\$293	\$18,010	746
TOTAL	\$2,375,014	\$160,725,007	\$129,647,871	\$555	\$1,247,561	48,633

Finger Lakes

Total Tourism Impact, 2014	Traveler Spend '000	Local Taxes	State Taxes	Tax Savings per Household	Labor Income, '000	Employment
Cayuga	\$100,952	\$6,839,671	\$5,510,807	\$388	\$46,155	1,847
Chemung	\$97,693	\$6,414,589	\$5,332,867	\$331	\$49,245	2,080
Cortland	\$70,218	\$4,434,931	\$3,833,078	\$462	\$32,800	2,053
Livingston	\$47,796	\$2,973,284	\$2,609,094	\$231	\$24,053	1,193
Monroe	\$1,001,985	\$75,225,191	\$54,696,639	\$443	\$521,210	19,731
Onondaga	\$863,244	\$64,380,822	\$47,122,992	\$608	\$392,098	17,472
Ontario	\$203,082	\$13,980,327	\$11,085,916	\$577	\$100,256	4,892
Schuyler	\$33,784	\$2,576,024	\$1,844,188	\$581	\$12,839	546
Seneca	\$48,768	\$3,230,388	\$2,662,187	\$444	\$23,439	982
Steuben	\$130,149	\$9,068,357	\$7,104,591	\$393	\$57,159	2,248
Tioga	\$30,059	\$2,100,558	\$1,640,895	\$183	\$13,534	826
Tompkins	\$190,921	\$14,103,327	\$10,422,029	\$637	\$97,541	3,501
Wayne	\$37,917	\$2,265,262	\$2,069,841	\$119	\$16,644	968
Yates	\$62,523	\$4,500,720	\$3,413,002	\$828	\$25,201	897
TOTAL	\$2,919,091	\$212,093,453	\$159,348,128	\$466	\$1,412,174	59,238

Thousand Islands

Total Tourism Impact, 2014	Traveler Spend '000	Local Taxes	State Taxes	Tax Savings per Household	Labor Income, '000	Employment
Jefferson	\$247,948	\$16,970,785	\$13,535,067	\$682	\$108,400	4,305
Oswego	\$135,256	\$8,020,664	\$7,383,404	\$338	\$55,916	2,775
Saint Lawrence	\$114,828	\$7,767,018	\$6,268,255	\$336	\$44,146	1,761
TOTAL	\$498,032	\$32,758,467	\$27,186,726	\$454	\$208,462	8,842

Adirondacks

Total Tourism Impact, 2014	Traveler Spend '000	Local Taxes	State Taxes	Tax Savings per Household	Labor Income, '000	Employment
Clinton	\$131,161	\$8,708,593	\$7,159,871	\$503	\$62,896	2,647
Essex	\$408,122	\$28,258,427	\$22,278,689	\$3,145	\$191,432	6,352
Franklin	\$83,657	\$5,426,142	\$4,566,684	\$528	\$36,548	1,668
Hamilton	\$75,007	\$4,714,544	\$4,094,524	\$3,825	\$26,465	936
Lewis	\$40,591	\$3,102,073	\$2,215,802	\$502	\$13,626	565
Warren	\$556,720	\$38,759,354	\$30,390,359	\$2,436	\$259,036	9,036
TOTAL	\$1,295,259	\$88,969,132	\$70,705,929	\$1,481	\$590,003	21,203

Central New York

Total Tourism Impact, 2014	Traveler Spend '000	Local Taxes	State Taxes	Tax Savings per Household	Labor Income, '000	Employment
Broome	\$285,888	\$19,120,248	\$15,606,136	\$433	\$143,457	6,867
Chenango	\$28,197	\$1,918,560	\$1,539,251	\$173	\$10,115	497
Herkimer	\$109,864	\$6,507,209	\$5,997,305	\$472	\$48,960	1,854
Madison	\$83,747	\$5,734,319	\$4,571,578	\$383	\$43,684	1,992
Montgomery	\$39,010	\$2,614,531	\$2,129,463	\$237	\$18,735	762
Oneida	\$1,239,482	\$75,669,018	\$67,661,180	\$1,565	\$630,457	19,607
Otsego	\$175,573	\$12,661,761	\$9,584,223	\$900	\$83,492	3,413
Schoharie	\$54,183	\$3,627,367	\$2,957,744	\$514	\$20,811	900
TOTAL	\$2,015,944	\$127,853,013	\$110,046,880	\$786	\$999,711	35,892

Capital-Saratoga

Total Tourism Impact, 2014	Traveler Spend '000	Local Taxes	State Taxes	Tax Savings per Household	Labor Income, '000	Employment
Albany	\$958,719	\$69,361,137	\$52,334,827	\$985	\$501,269	14,986
Fulton	\$50,572	\$3,429,781	\$2,760,645	\$270	\$17,942	720
Rensselaer	\$118,773	\$7,673,489	\$6,483,632	\$223	\$57,222	2,384
Saratoga	\$462,075	\$29,755,967	\$25,223,891	\$626	\$220,429	8,601
Schenectady	\$201,837	\$12,458,122	\$11,017,915	\$403	\$105,671	5,080
Washington	\$28,606	\$2,078,614	\$1,561,530	\$147	\$9,697	473
TOTAL	\$1,820,582	\$124,757,109	\$99,382,440	\$589	\$912,230	32,244

Catskills

Total Tourism Impact, 2014	Traveler Spend '000	Local Taxes	State Taxes	Tax Savings per Household	Labor Income, '000	Employment
Delaware	\$88,099	\$5,657,338	\$4,809,176	\$519	\$28,544	988
Greene	\$154,749	\$10,275,894	\$8,447,505	\$990	\$67,036	3,182
Sullivan	\$372,083	\$24,638,907	\$20,311,381	\$1,527	\$146,215	4,525
Ulster	\$513,885	\$34,658,842	\$28,052,101	\$895	\$252,383	8,580
TOTAL	\$1,128,817	\$75,230,982	\$61,620,163	\$988	\$494,179	17,275

Hudson Valley

Total Tourism Impact, 2014	Traveler Spend '000	Local Taxes	State Taxes	Tax Savings per Household	Labor Income, '000	Employment
Columbia	\$123,544	\$7,685,485	\$6,744,050	\$562	\$56,452	2,132
Dutchess	\$508,991	\$35,930,891	\$27,784,916	\$595	\$260,067	9,556
Orange	\$450,399	\$30,109,235	\$24,586,481	\$438	\$243,599	9,283
Putnam	\$57,274	\$4,076,271	\$3,126,502	\$206	\$26,826	1,269
Rockland	\$440,513	\$28,316,504	\$24,046,864	\$534	\$232,692	8,356
Westchester	\$1,737,721	\$112,851,665	\$94,859,159	\$600	\$957,754	23,681
TOTAL	\$3,318,442	\$218,970,051	\$181,147,972	\$543	\$1,777,390	54,276

Long Island

Total Tourism Impact, 2014	Traveler Spend '000	Local Taxes	State Taxes	Tax Savings per Household	Labor Income, '000	Employment
Nassau	\$2,449,364	\$162,282,466	\$133,706,556	\$668	\$1,289,853	35,760
Suffolk	\$2,876,978	\$195,516,713	\$157,049,260	\$710	\$1,442,651	39,626
TOTAL	\$5,326,343	\$357,799,180	\$290,755,816	\$690	\$2,732,505	75,386

New York City

Total Tourism Impact, 2014	Traveler Spend '000	Local Taxes	State Taxes	Tax Savings per Household	Labor Income, '000	Employment
Bronx	\$781,054	\$62,794,035	\$42,636,376	\$223	\$389,942	10,657
Kings	\$1,896,375	\$128,922,650	\$103,519,847	\$256	\$957,954	25,092
New York	\$30,312,969	\$2,215,611,967	\$1,654,732,436	\$5,277	\$15,484,605	259,284
Queens	\$7,968,556	\$553,075,459	\$434,989,646	\$1,278	\$4,255,599	82,639
Richmond	\$250,844	\$21,801,901	\$13,693,161	\$217	\$128,556	5,553
TOTAL	\$41,209,799	\$2,982,206,012	\$2,249,571,467	\$1,715	\$21,216,656	383,225

Data Sources

Hotel Occupancy:

Smith Travel Research

Visitor Spending and Taxes (projected):

2014 Tourism Economics Report
US Travel Association
Longwoods International

Tourism Visitors (projected):

2014 Longwoods International – domestic visitation
U.S. Dept. of Commerce and Statistics Canada - international visitation
U.S. Travel Association – domestic and international

Employment Data:

2014 Tourism Economics Report
2015 Governor Andrew M. Cuomo Tourism Summit

Tourism Economics, headquartered in Philadelphia, is a distinct unit of Oxford Economics USA dedicated to providing robust and relevant analyses of the tourism sector that reflects the dynamics of local and global economies.

Oxford Economics is one of the world's leading providers of economic analysis, forecasts and consulting advice

NYS Dept. of Economic Development - Division of Business Advocacy and Research Empire State Development

Longwoods International is a respected leader in marketing, advertising, and public opinion research

STR provides a single source of hotel data covering daily and monthly performance data, forecasts, annual profitability, pipeline and census information.

US Travel Association provide widely-respected, industry-leading economic data, information, analysis and travel trends to benefit our members and support industry efforts involving advocacy and promotion.

Statistics Canada expenditures, employment, prices, and other socio-economic characteristics associated with tourism in and from Canada.

US Department of Commerce (DOC). ESA provides timely economic analysis, disseminates national economic indicators.

New York State Department of Labor's—the premier source of labor market information in the state. From wages to projections to the latest job figures, the Department of Labor has the most current and accurate labor market information available.