



Testimony to the New York City Council Economic Development Committee

Wednesday, October 23, 2019

Good morning, Chairman Vallone and the members of the Committee on Economic Development. My name is Fred Dixon, I am the President and CEO of NYC & Company. Thank you for this opportunity to share with you the current state of the travel and tourism industry for NYC and provide some additional insight into our organizational operations.

As you know, NYC & Company is the official destination marketing and tourism organization for the five boroughs of New York City. We are also often known as the convention and visitors bureau (CVB). Our mission is to maximize travel and tourism opportunities throughout the City, build economic prosperity and spread the dynamic image of New York City around the world.

We are a 501(c) 6, private, not-for-profit, member organization and represent the interests of nearly 2,000-member organizations from across the five boroughs. We are governed by an 85-member board of directors, which represent a diverse range of businesses from across the city. Our members range from hotels and attractions to BIDs and Chambers of Commerce. Together they fund about half of our operations. We also hold a procurement contract with the Department of Small Business Services to provide the City of New York with certain tourism marketing services.

As a destination marketing and management organization, we use our in-house resources, our global network of representatives and work in tandem with elected officials to drive both leisure and business travelers to the five boroughs. Tourism by its very definition is an export industry as we work to bring new dollars into the market from outside which are exchanged locally for goods and services. We compete regionally, domestically and internationally for visitors and their spending. Marketing NYC is our primary function, and we believe we excel at it.

To generate inspiration to visit NYC, we create, curate and promote content on dozens of neighborhoods across the five boroughs in conjunction with robust tourism campaigns to draw visitation year-round. We also recruit meetings, conferences, conventions, tradeshow and big events. As part of our global

outreach, we work with journalists and media to tell the authentic stories of NYC as an unparalleled, multi-cultural and vibrant world-class destination.

Our neighborhood small businesses and cultural organizations are essential to the New York City experience. To make sure these neighborhood gems are prepared to host, engage and benefit from the growing number of visitors who are exploring widely, we committed ourselves to providing training and assistance to businesses of all sizes through our Tourism Ready program, which is free and now in its fourth year. More than 500 companies have participated in the program and it is just one example of how we keep tourism a robust, five-borough engine for our economy.

And in fact, travel and tourism in New York City is performing at record levels. New York City is the most popular big city destination in the US, and the top international destination by a large margin as well. With 65 million visitors last year, volume grew 3.6%, and on average, NYC welcomed an estimated 180,000 new visitors every day. Direct visitor spending is the key to this growth and last year saw \$46.4 billion spent across the five boroughs, an increase of \$2.2 billion over prior year.

The full annual impact of this industry is a \$69.8 billion economic engine when you consider both direct and indirect spending, supporting the jobs of 396,000 people, who collectively earn almost \$27.7 billion a year. That's an average wage of \$70,000 across all sectors. Over the past 10 years, this industry has been one of the fastest growing across the City's labor force, adding 5,000 new positions in 2018 and making it the seventh largest employment sector in the City. We are on track to exceed these numbers in 2019. What these statistics show is that the NYC tourism industry continues to boom even during these uncertain times.

As the leading expert of travel and tourism, we work closely with City government to provide research and insights on the trends and policies affecting these sectors. Visitors near and far rely on our official guidebooks, official tourism website, and member partners to inform their visit to the City. We are proud to be that resource to visitors and government partners.

Even though we are not a City agency, our work requires close public-private cooperation to achieve success. We achieve that through a number of ways. First we have a close working relationship with the Deputy Mayor (DM) of Housing and Economic Development and her senior advisor works regularly with our administrative team so we can flag any issues and immediate concerns. We have a standing monthly check-in meeting with the Deputy Mayor and regularly attend her monthly commissioner luncheons. As a board member, the Deputy Mayor receives all board coorespondence and has access to our reports. As a membership organization, our nearly 2,000 members inform us regularly of any

issues across the five boroughs that may be impacting their businesses. During my monthly check-ins with her, I update her on any of those issues and provide fact checks on possible policy changes, which may affect the industry. In this way and others, we work in coordination with the Administration on a variety of issues.

For example, the Deputy Mayor and EDC reached out to us for our expertise recently on a re-design of the visitor booth at the Staten Island Ferry Terminal. We offered advice on signage design and provided a list of design vendors.

Another example is how we regularly work with MOPD to ensure that our visitors with disabilities have the information they need to have a positive experience when visiting our City. We developed a mechanism for our member organizations to highlight their accessible features for visitors on our official tourism website. We engage expert writers from the local disability community to contribute written content from their own perspective. We also feature video content created with a local disability advocate and her family showcasing how accessible the City can be. Based on a recent request from the Speakers office, we are also working on new content to better serve travelers with autism. This summer we held a gathering of our members for what we call "NYC Talks" on accessibility, which featured Commissioner Victor Calise. These talks provide our member businesses and organizations an educational opportunity to hear from experts.

Additionally, our overall commitment to quality visitor experience requires coordination with City agencies like DOT, EDC, MOCS, SBS, DCP, DCA, DCLA, City Law, MOME, MOPD, NYPD, FDNY, CECM, and OEM. For example, we work closely with relevant agencies when bidding for large-scale events like the Super Bowl, MLB's All-Star Game, Formula E, and WWE Wrestlemania. In June, we helped host WorldPride in conjunction with the 50th anniversary of the Stonewall Uprising, and we led the effort with our agency partners to make the City as welcoming as possible for the 5 million people who participated. Our Project Rainbow initiative helped spread welcome messaging and Pride creative throughout the city to show visitors that all are welcome here. This year's event by the way, was the largest Pride event in history. Something we can all be proud of.

On behalf of the city, we also manage city-owned media, such as street furniture and bus shelters, LinkNYC and select streetpole banners, which requires close coordination with DOT. Also on behalf of the city, we also manage the official NYC brands and licensing agreements for City agencies like the FDNY and the NYPD.

We also engage directly with the public and receive approximately 300 calls a week from residents and visitors that are tourism related. Various BIDs and

Chambers throughout the City send public inquiries and issues to us as well. This goes for calls routed from 311 also. Our front desk number is listed in all of our guides and on our website, nycgo.com. Primarily we receive calls asking for visitor information particularly about tours and shows. If there is a call concerning a regulatory issue, we forward those calls to the appropriate agency point person. We utilize our relationships across agencies to communicate on a regular basis pertinent comments and concerns from the public. Ultimately, we provide research, insights, and sweat equity to create and strengthen policy when it affects the 65 million visitors to NYC.

A great visitor experience also requires the support of this City's residents. We truly appreciate our residents' welcoming visitors into the City. With that said, we do not take this support along with the growth and economic prosperity that it brings for granted. While New York City remains a popular global visitor destination, many cities around the country and around the world are fighting for the same visitors and tourism dollars we enjoy here, and so, it's crucial we maintain our momentum, and that New York City's tourism industry remains the "bright spot" it continues to be for our economy. And with the Chairman's encouragement, we are currently developing a formal long range plan for responsible tourism growth which we look forward to sharing with you in the near future. We are proud to work closely with industry leaders on our board, the City Council, and the Mayor's Office to strengthen and responsibly grow the travel and tourism industry for NYC.

We value this committee's encouragement and support for the tourism industry and are grateful to the Council for the recent restoration of a PEG to our city contract. I have included an updated tourism impact rack card and our annual report to this testimony. This information supports the dynamism of the travel and tourism industry across New York City.

My colleague Shadawn Smith, our Vice President of External Affairs and Community Engagement, who many of you already know, will be briefing you shortly on our latest neighborhood campaign.

Chairman Vallone, I look forward to our continued partnership and am grateful for your leadership on this committee. Tourism is often the forgotten economic engine, and your commitment to shine a light on NYC & Company's hard work and contributions to our city is greatly appreciated.

Thank you for allowing me this time to testify, and I am happy to answer any questions you may have.



NYC & Company
2018–2019

Annual Report





NYC & Company is the official destination marketing organization (DMO) and convention and visitors bureau (CVB) for the five boroughs of New York City.

Our mission is to maximize travel and tourism opportunities throughout the City, build economic prosperity and spread the positive image of New York City around the world.

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Letter from the Chairman and CEO

Dear Members, Friends and Colleagues,

We are delighted to share our 2018–2019 Annual Report.

New York City's travel and tourism industry reached new heights in 2018, capping nine years of growth. Citywide we hosted 65.1 million visitors, a twofold increase in visitation since 1998. That's an outstanding achievement, and there is more to come in 2019. As you will see, our forecast reflects local conditions and global challenges and has the City on track to reach 67.2 million visitors by year-end, a gain of more than 2 million trips.

Looking back, 2018 saw growth in business and leisure travel, increasing at 3% and 3.7%, respectively. While performance among the international markets was mixed, the overall segment grew at 3.2% and climbed to 13.6 million visitors. Domestic visitation grew at a faster pace, up 3.7%, to top 51 million for the year.

Underpinning our success was the 2018 launch of a new tourism campaign, *Famous Original New York City*, which drove positive results across domestic and international markets. We doubled down on our welcome message and shared all the reasons to visit our ever-changing city through trade relations, in-market activations, press efforts, publications and an extensive and influential digital presence.

New York City is a world leader in smart, responsible urban tourism development, supporting over 400,000 good jobs, generating over \$6 billion in state and city tax revenues, and enlivening the thousands of businesses—small and large—across the five boroughs that are a part of this thriving \$68 billion industry. Ours is an expanding sector with new hotels, venues and attractions that create opportunities in neighborhoods across the City. In support of this unparalleled opportunity for small and midsize businesses, NYC & Company launched our Tourism Ready program, now in its fourth year, which prepares businesses to participate directly in the economic impact created by travel and tourism.

NYC & Company continues to explore new opportunities in our domestic and global markets. Last fall we focused our attention on the potential in the emerging Southeast Asian region, opening our 17th representative office in Singapore. We have also expanded our destination reach with city-to-city partnerships including Shanghai, Tokyo, Madrid and Amsterdam, as well as our city-to-island partnership with Puerto Rico. Most importantly, at the beginning of 2019, we signed a multiyear marketing partnership agreement with Mastercard, bringing their global reach and marketing platforms to support our programs and messages.

In 2019 New York City is commemorating the 50th anniversary of the Stonewall Uprising. In celebration of this Year of Pride, the travel industry prepares to welcome key LGBTQ+ travel meetings and events, culminating with the June celebration of WorldPride. All in all, it's going to be a monumental year. We hope you will share it with us today and in the future.

Emily K. Rafferty



Chairman

Fred Dixon



President and CEO

Travel and Tourism Trends

Note: All figures, estimates and forecasts are subject to revision as conditions develop and additional data become available. Numbers may not sum due to rounding. *Source: NYC & Company as of February 2019*

Highlights of 2018

ANOTHER RECORD-BREAKING YEAR

New York City welcomed 65.1 million visitors in 2018, bringing the industry another record-breaking year. This marked the ninth consecutive year of visitation growth. NYC remains the most popular big-city destination in the US, with the greatest share of international travel and largest economic impact.

2018 VISITATION (MILLIONS)

DOMESTIC

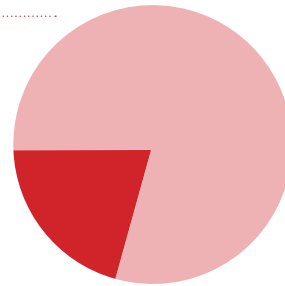
51.5

INTERNATIONAL

13.6

TOTAL VISITORS

65.1



Domestic travel increased by nearly 2 million person trips, from 49.7 to 51.5 million, a 3.7% gain over 2017. Responding to the expanding hotel inventory and new attractions, overnight visitors accounted for more than 1 million of these trips and 53% of the domestic market.

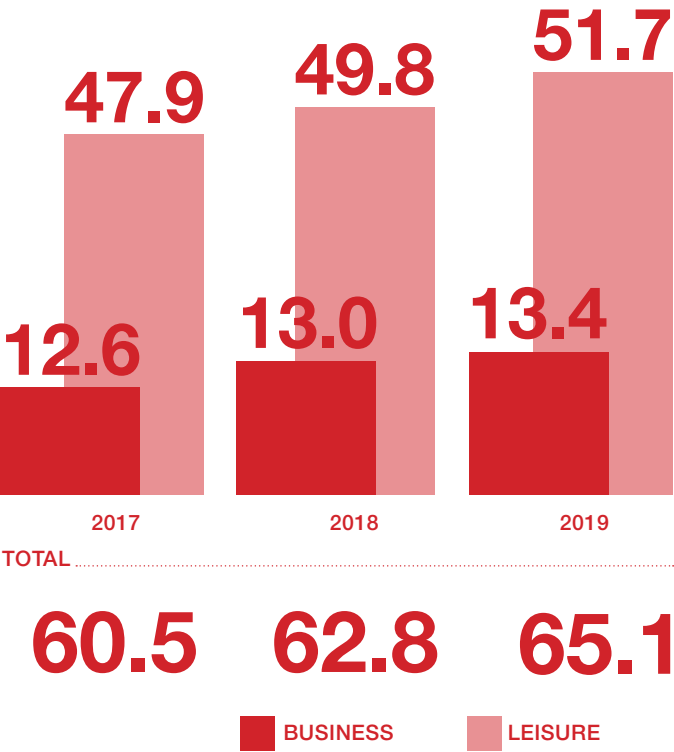
International visitation was strong as well, increasing 3.5% to reach 13.6 million, a net gain of almost 500,000 visitors. In Europe, the UK, France, Italy and Spain saw robust gains in 2018 visitation versus 2017, while the Nordic region, Germany and Eastern Europe saw modest declines. In Asia, growth rates slowed dramatically throughout the region but were still positive overall; China and India saw modest increases, while South Korea and Japan were slightly down year over year as these markets responded to weak domestic growth. In South America, Brazil had a surprisingly robust 2018, while political reforms in Argentina led to a small year-over-year decline. Canada also stabilized, resulting in more than a million visitors in 2018.

Highlights of 2018

VISITATION BY SEGMENT

Business and leisure travel both expanded in 2018, although leisure travel rose at a faster rate, gaining 3.8% overall, with almost 52 million visits. Among the 13.4 million business travelers (up 3% over 2017), the City counts over 6 million convention and meeting delegates.

BUSINESS AND LEISURE TRAVEL (MILLIONS)



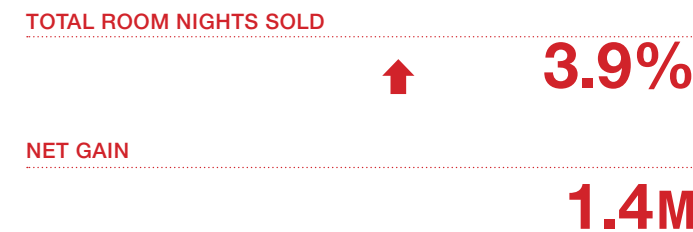
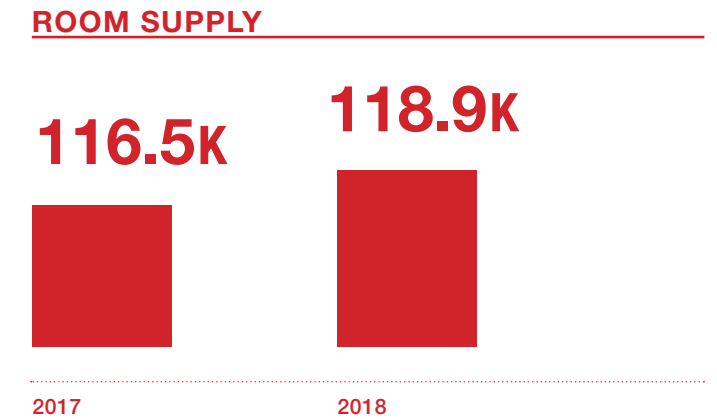
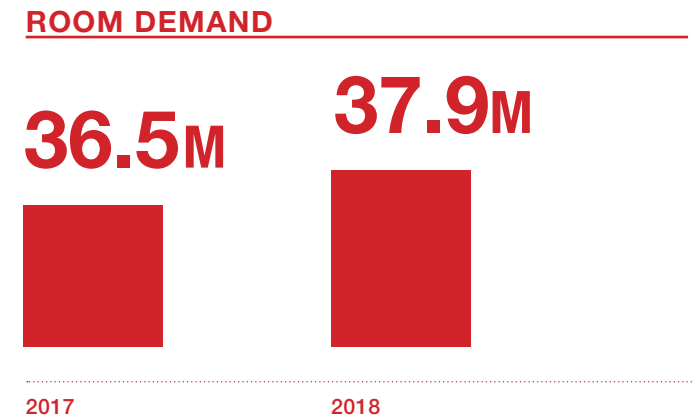
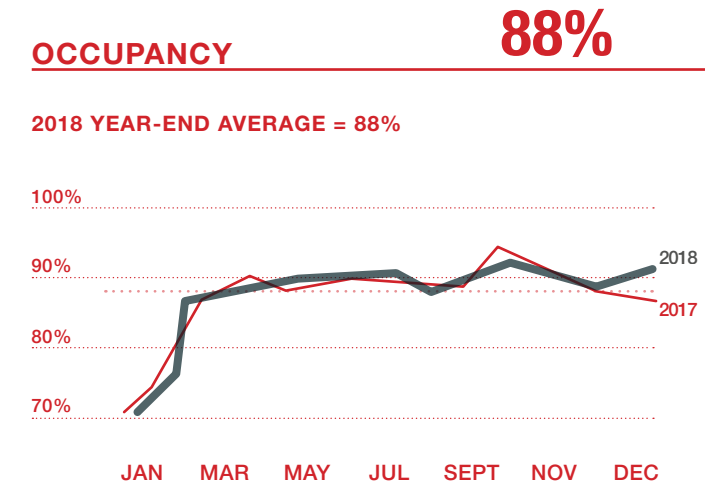
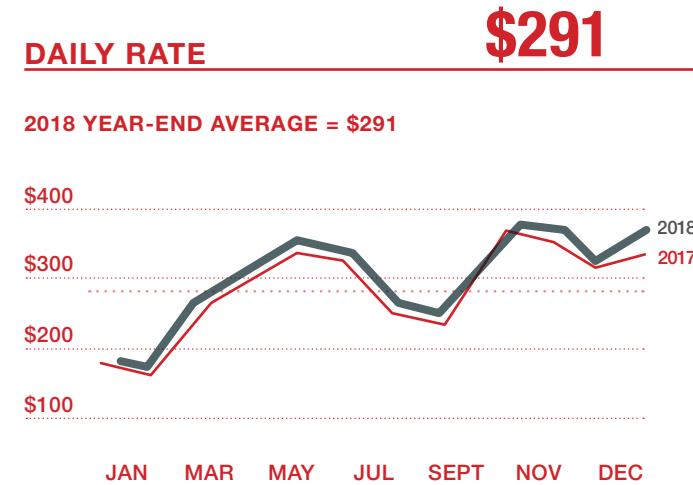
CONVENTION AND MEETING DELEGATES

6M+

Hotel Performance 2018

Indicators of hotel performance remain on an upward trajectory across the City. Demand in 2018 outpaced inventory growth, up 3.9% and 2.1%, respectively. This yielded average annual occupancy rates of 88%, slightly above the 2017 levels, with six months coming in above 90%. Average daily room rates (ADR) reached \$291 as seasonal patterns kept rates on track even as the market mix continued to diversify across branded and independent properties, segments and neighborhoods.

The hotel pipeline in New York City continues to outpace the US growth picture. Composed of new developments, renovations, restorations and expansions, the outlook for new inventory supports the City's "always welcome" message to visitors, offering accommodations to suit all traveler needs and preferences. At year-end the City saw an active inventory across the five boroughs of almost 119,000 hotel rooms. Over the past decade, NYC has attracted new brands, international properties, authentic neighborhood independents and a wide-ranging collection of select-service brands, business-class hotels, lifestyle and boutique properties, and new luxury destinations. At the current pace of development, the City should reach over 137,000 rooms by 2021.



2019 Forecast

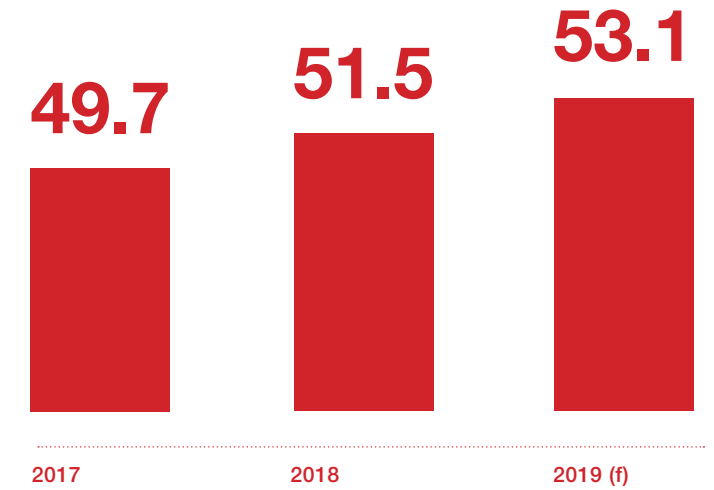
The future of the travel and tourism industry is defined by New York City's ability to thrive even in challenging times. Geopolitical and currency issues, as well as slower growth in China and economic reforms in Brazil and Argentina, are some of the reasons for guarded optimism in the year ahead. Nevertheless, New York City should see another year of growth in 2019, albeit at slower rates than the past two years.

The current forecast anticipates 67.2 million total travelers (+3.2% year over year) visiting the five boroughs of the City. Domestic visitation will top 53 million, while international arrivals will break another record with 14 million person trips by year-end.

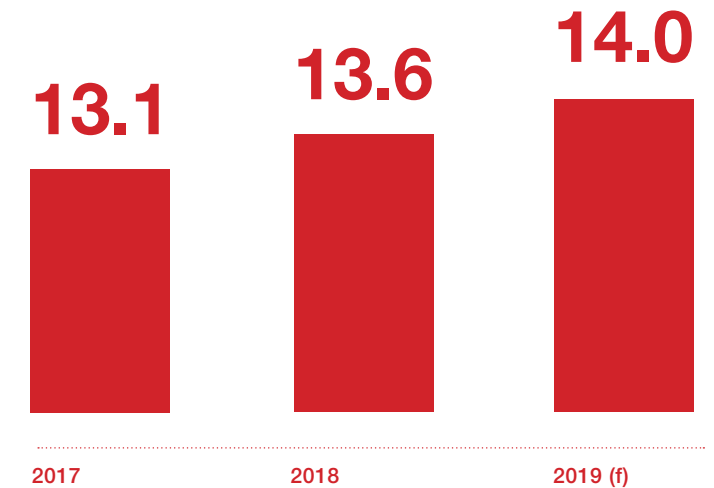
Domestic travel is forecast to grow at 3.2% in 2019, slightly slower than in past years, but still yielding more than 1.6 million additional visitors. Domestic economic fundamentals across New York City's key market regions will support strong leisure travel (+3.8%), however, business travel growth is projected to slow, adding only 300,000 visits (+2.5%). This reflects conditions across the US economy as GDP growth slows and consumer confidence dips, even as gas prices stay low.

International visitation growth rates are expected to be right in line with domestic numbers (+3.2%). Robust growth in the Asia-Pacific region, including India, Southeast Asian markets and Australia will counter any softness in Europe and South America.

DOMESTIC VISITATION (MILLIONS)



INTERNATIONAL VISITATION (MILLIONS)



Total: 67.1M

Key Markets

The strength of New York City's travel industry rests on the diverse markets that are drawn to the City. As domestic market trends extend their influence, leisure travel is expected to outpace business growth (3.4% year-over-year compared to 2.5%). Nevertheless, the economic value of business travel—a lucrative sector accounting for almost one-third of spending—remains an important focus.

Domestic business travel is forecast to reach 11.4 million. Domestic leisure travel is forecast to reach almost 42 million visitors. Again in 2019, overnight visits will continue to outpace growth in the day-trip market (3.7% YoY growth compared to 2.7% increases), supporting increased spending and hotel stay.

New York City is the top international destination in the US by a large margin, with the most diverse market mix drawing from all world regions. Western European markets will see a return to growth rates in 2019 as the pressures from exchange rates and slow GDP growth stabilize. Markets that saw declines in 2018, such as Germany, Eastern Europe and the Nordic region, are all expected to rebound in 2019, while markets such as France, Italy and Spain that saw sharper increases in 2018 are forecast to moderate in 2019. In Asia, South Korea and Japan are expected to rebound considerably in 2019, while China's recent robust growth is expected to moderate. With the likely exception of Argentina, South America should see some growth in the year ahead. Both Canada and Mexico are positioned to increase in 2019.

INTERNATIONAL VISITORS (thousands)

	2018	2019 (f)
UK	1,259	1,294
CHINA	1,107	1,180
CANADA	1,005	1,039
BRAZIL	906	939
FRANCE	814	832
AUSTRALIA	714	729
GERMANY	613	633
ITALY	591	599
SPAIN	517	528
MEXICO	488	504
S. KOREA	400	425
ARGENTINA	401	398
INDIA	358	382
JAPAN	341	351
IRELAND	292	297
COLOMBIA	245	253
NETHERLANDS	245	251
SWITZERLAND	228	233
SWEDEN	210	218
ISRAEL	197	205

Global Campaigns



Hustle and heart. Glamour and grit.

New York City is made up of a constantly changing blend of these elements. It's never the same for any two people or from one minute to the next.

The hustle behind *Michelin-starred kitchens* and a *never-finished skyline*. The heart in underground art spaces and under Broadway's brightest lights. The glamour of *sleek boutiques, dimly lit lounges* and the *gilded palaces* of old New York. And through and through, our famous, original grit—spilling from the pockets of history, driving the chance encounters and revealing the unmarked doors behind which you might just find the best soup dumplings of your life.

***To all who refuse to settle for sameness:
we welcome you. Always.***

FAMOUS ORIGINAL NEW YORK CITY

NYC & Company’s latest campaign to consumers and leisure travel planners leads with an unambiguous welcome message. *Famous Original New York City* is supported by a robust content strategy leveraging the famous and iconic to get to the original and unexpected. By aligning our destination identity to key traveler affinities, we aim to inspire wider exploration and a deeper connection to the City. Launched in the fall of 2018 and deployed in 17 markets around the world through our partnership with JCDecaux for out-of-home media and our owned digital platforms, this global tourism campaign also leveraged tactical offers from our travel partners.

Famous Original New York City was also promoted via a robust digital campaign targeting travelers with affinity-driven content packages—Secret NYC, Glamorous NYC and Classic NYC—featuring attractions, museums, restaurants, shops and tours through stories in English, French, German, Portuguese and Spanish. Every piece of content can be saved to a traveler’s itinerary on NYCgo.com, and consumers can book experiences immediately from a variety of the campaign’s webpages.

The marketing program will continue in spring and summer 2019 with new partners in diverse markets, including Tokyo and Cape Town.



Berlin, Germany



Paris, France



Madrid, Spain

MARKET	PARTNER	LAUNCH
UK	British Airways	Sept. 2018
PERU	-	Oct.
CHILE	Copa Airlines	Oct.
MEXICO	Aeromexico	Nov.
USA	TripAdvisor	Nov.
GERMANY	TUI	Nov.
ITALY	Air Italy	Dec.
AUSTRALIA	TripAdvisor	Dec.
BRAZIL	CVC	Jan. 2019
SPAIN	VECI & Iberia	Jan.
SWEDEN	-	Jan.
FRANCE	XL Airways	Jan.
INDIA	-	Jan.

3.3B* Total impressions
18M* Total dollar value

*estimated



A MONUMENTAL YEAR

The Global Communications team’s messaging positioned the City for a year of fruitful press coverage, including a spot in *The New York Times*’ annual “52 Places to Go” list. The campaign was created with New York City’s welcome message at its core, showcasing the City’s neighborhood developments, new attractions and hotels, infrastructure investments and major upcoming events. *A Monumental Year* was announced globally in May at IPW and shared with NYC’s local and national media during a press conference at MoMA in June. The team held 10 additional press conferences in top markets throughout the year, including the UK, Canada, Mexico and Australia, highlighting the campaign as well as working with media influencers to personalize the message.

PRIDE. UNCONTAINED.

Welcoming the global LGBTQ+ market is second nature to the NYC travel and tourism industry. New York City is the most-visited destination in the US for LGBTQ+ travelers, capturing 34% of the US market for the past two years. The estimated 7 million annual visitors are a diverse community, who often visit NYC multiple times. They are both US residents and international travelers with a propensity for hotel stays, neighborhood exploration and experiencing arts and culture, as well as the City's shopping opportunities.

This June, New York City is hosting WorldPride 2019 in conjunction with the 50th anniversary of the historic Stonewall Uprising. NYC has the honor of being the first US host for this global event—founded on diversity, inclusivity and a welcoming spirit—underscoring the City's status as the complete LGBTQ+ destination. While the effects of this focus will be felt throughout the year, as many as 4 million visitors are expected in June for the events. With educational, professional and cultural events all year long, 2019 is a true Year of Pride. NYC & Company's *Pride. Uncontained.* campaign supports this yearlong program of events including special cultural exhibitions and an abundance of experiences available throughout the five boroughs, all celebrating New York City's rich and diverse LGBTQ+ heritage.

ONE HOT SUMMER NIGHT, A GAY CLUB WAS BUSTED. AGAIN. PATRONS AND EMPLOYEES WERE DRAGGED INTO THE STREETS AS THEY HAD BEEN MANY TIMES, IN MANY CLUBS, IN MANY CITIES. THIS WAS NOT NEWS. AND ANY OTHER NIGHT, THE WORLD WOULDN'T BAT AN EYE. BUT THIS WASN'T ANY OTHER NIGHT, OR ANY OTHER CLUB, OR ANY OTHER CITY. THIS WAS JUNE 28, 1969. THIS WAS STONEWALL. THIS WAS NEW YORK CITY. ISLAND OF MISFITS AND SAFE HARBOR TO THE WORLD. THE PLACE WHERE ALL FRAGMENTS OF HUMANITY COLLIDE—TOO CLOSE TO HIDE, TOO FAST TO STAND STILL. AND IT WAS OUR BREAKING POINT. IN THE YEAR THAT FOLLOWED, OUR DISPARATE-YET-DETERMINED STRUGGLES COALESCED—FINALLY—INTO A GLOBAL FORCE. PROTEST TURNED TO PRIDE—AND NEW YORK CITY TOOK ITS PLACE IN OUR HISTORY. SOMETHING SHATTERED THAT NIGHT IN 1969. AND OUT OF THE PIECES CAME SOMETHING INFINITELY MORE BEAUTIFUL. ITS IMPACT, IRREVERSIBLE. THE TRUTH, UNDENIABLE. OUR PRIDE, UNCONTAINABLE.

**IN 2019, COME CELEBRATE 50 YEARS OF PRIDE.
NYCGO.COM/LGBTQ**

DRAG PERFORMER MARTI GOULD CUMMINGS

Pride. Uncontained. Spread in *Out There Magazine*

Market Development

Reaching Meeting Planners

The business meeting, trade show and convention market underpins the City's hotel sector and through complementary spending on events contributes to the economic impact of the delegates and attendees. The resilience of this segment assures a constant demand for space and accommodations while attracting audiences to great dining options, live performances and visual arts organizations. *Make it NYC*, the campaign for the meetings and convention market, reminds planners to "Meet where you want to be"—because with 2 million square feet of event space, an inventory of almost 119,000 hotel rooms and over 6 million meeting delegates in 2018, New York City guarantees a meeting or convention experience like no other.

Highlighting the benefits of hosting a meeting in NYC, the campaign was featured at more than 90 trade shows, sales missions and events in 2018. *Make it NYC* was given a fresh look ahead of IMEX America, America's worldwide exhibition for incentive travel, meetings and events, where the campaign was the backdrop to NYC & Company's largest booth yet.

Through two digital marketing campaigns, NYCgo.com/makeitnyc was presented as the official resource for meetings in NYC. The campaigns featured new editorial and updated tools while encouraging planners to connect directly with our Convention Sales team. Over the two flights, the campaign earned more than 6

million impressions. Total visitation to the meeting planner section of NYCgo.com during this time was 81,000 visits, accounting for 51% of the total visitation to the newly redesigned B2B site.

In April 2018, NYC & Company supported the Meetings Mean Business annual Global Meetings Industry Day (GMID) with citywide activations. These included lighting the Manhattan skyline blue, co-branding LinkNYC screens and one of the largest billboards in Times Square with GMID and *Make it NYC* artwork, and hosting a networking reception that highlighted the importance of face-to-face meetings.

2018 CONVENTION DEVELOPMENT KEY ACTIVITIES

PCMA Convening Leaders Annual Meeting | Nashville, TN | January 7–10
IMEX | Frankfurt, Germany | May 16–18
MPI World Education Congress/Sales Calls | Indianapolis, IN | June 2–5
IncentiveWorks | Toronto, Canada | August 14–15
American Society of Association Executives Annual Meeting (ASAE) | Chicago, IL | August 18–21
IMEX America | Las Vegas, NV | October 16–18
International Congress & Convention Association | Dubai, UAE | November 11–14
ITBM World | Barcelona, Spain | November 27–29

CONVENTION DEVELOPMENT TEAM
2018 PRODUCTION

2,350 Qualified Leads Sent | 30% increase YoY
312K Total Room Nights Booked | 3% Increase YoY
1,280 Contracted Bookings | 14% increase YoY
84% of bookings were 150 rooms on peak or below

DESTINATION SERVICES

Once a meeting or group is booked in New York City, the Destination Services team provides marketing support, editorial content about NYC, travel information and a variety of other attendance-building resources to promote New York City as the meeting destination. The team also drives more engagement and local spending by connecting meeting planners, attendees and exhibitors to the appropriate NYC & Company member products and services through direct business leads and referrals.

In 2018 the Destination Services team serviced 160 trade shows, conventions and big events in the City. They sent 750 leads and referrals to NYC & Company members across the spectrum of businesses including dining, nightlife, meeting facilities and venues, transportation, tourist attractions, tours and more.



NYC & Company Offices Around the Globe



World Travel Market (WTM), London

Global Outreach to the Travel Trade

While business travelers and meeting delegates can rely on corporate travel offices or meeting planners to guide destination choices, the leisure traveler, whether in a group or on their own, frequently turns to travel professionals (tour operators, travel agencies, OTAs, and online guides and influencers) to inspire and plan their trips. Over 60% of New York City’s overseas international visitors rely on these sources throughout their trip planning and booking. Given the size of the leisure travel market in New York City, roughly 80% of total visitation each year, this channel of guidance and promotion is crucial. The leisure sector shows strong annual growth that is forecast to continue in 2019.

Tourism Development is responsible for targeting the travel trade and their audiences nationally and internationally to strengthen engagement with New York City’s travel and tourism businesses, drive demand and promote the destination. International visitors account for roughly 20% of overall visitation but nearly 50% of total spending and room nights. NYC & Company’s global marketing efforts are supported and enhanced by 17 representative offices. These agencies provide outreach to the travel trade, meeting planners, media and consumers to promote New York City as a premier travel destination within their market.

FOLLOWING OPPORTUNITY TO NEW TERRITORY

Taking advantage of the Tourism Development team’s twin focuses on emerging and established markets, NYC & Company opened its 17th representative office this fall in Singapore to stimulate travel from Southeast Asia, expanding our global reach to 28 markets. The opening comes on the heels of Singapore Airlines’ launch of the world’s longest nonstop flight between a New York airport and Singapore.

This targeted initiative follows our growing position in emerging travel markets in Latin America, including Brazil, Chile, Colombia, Peru, Argentina and Mexico, where direct flights make travel more attractive. New York City also is working to expand opportunities in China and India.

Trade shows and sales missions have connected NYC & Company members with the leading travel trade in each of these markets. At the same time, our digital content in Brazilian Portuguese and Spanish support markets with growing familiarity with New York City’s offerings.

REACHING ESTABLISHED MARKETS

The UK, Europe, Canada and Australia have long held top place among our inbound origin markets. Visitors from these established (often English-speaking) areas are globally experienced travelers and familiar with top urban destinations. Many have visited New York City previously and frequently travel as independent travelers (FIT),

making their own reservations and itineraries. Reaching them through our marketing and trade development efforts is a multipronged approach that includes in-market activations, education for the trade (trainings, sales calls and familiarization trips, or FAMs), press and communications strategies, the new in-language capabilities of the NYCgo.com website and more.

SELECT TEAM ACTIVITIES

The Tourism Development team attended over 40 trade shows and sales missions in 2018 in both emerging and mature markets to establish and deepen relationships with the travel trade. Highlights included the continuing sponsorship of “NYC Center Stage” with Broadway Inbound at IPW and the National Tour Association Travel Exchange. These events provide a unique platform for NYC & Company to share what makes the City an exciting destination.

2018 INTERNATIONAL TRAVEL TRADE ACTIVITIES

- ITB | Berlin, Germany | March 7–11
- IGLTA | Toronto, Canada | May 9–11
- IPW | Denver, CO | May 19–23
- ILTM North America | Riviera Maya, Mexico | September 24–27
- ILTM China | Shanghai | October 31–November 2
- ITB Asia | Marina Bay Sands, Singapore | October 17–19
- WTM | London, England | November 5–7

DRIVING DOMESTIC VISITATION

The travel picture for New York City in 2018 shows how important urban travel is becoming for the domestic leisure traveler. Through staycations, getaway weekends, special events and holiday vacations, NYC has seen a steady increase in the number of domestic visitors, supporting a growing share of trips that include a hotel stay. Overnight domestic visitors rose 4% in 2018, to 24.4 million.

A year-round market, domestic leisure travel tracks with school vacation weeks, national holidays and special events. In 2018 the team attended major trade shows and conferences to promote the opportunities for students, bus groups and independent travelers. The top regional markets include NY Metro; Philadelphia; Boston; Washington, DC; and Hartford-New Haven. Longer trips originate in California, Florida, North Carolina and Texas.

2018 DOMESTIC TRAVEL TRADE ACTIVITIES

- SYTA Summit | Costa Rica | January 17–21
- ABA (American Bus Association) | Charlotte, NC | January 26–30
- Connect Travel Marketplace | Orlando, FL | February 18–20
- SYTA 2018 Annual Conference | Baltimore, MD | August 24–28
- NTA Travel Exchange | Milwaukee, WI | November 4–8
- USTOA | Hollywood, FL | November 26–30



Architectural Digest México

NEW TOOLS FOR THE TRAVEL TRADE

As part of our reimagined B2B website, NYCgo.com/traveltrade was redesigned in Q1 2018. To further educate the travel trade on all areas of New York City, this revamped digital resource features neighborhood tool kits with itineraries, photos and videos for neighborhoods across the five boroughs. It is also home to a new series of multilingual webinars that provide timely tools, insights and inspiration for travel planners

TOTAL 2018 MEDIA COVERAGE

	EST. AD VALUE	EST. IMPRESSIONS	# CLIPS
INT'L.	\$ 238,523,233	35,153,108,121	4,591
DOMESTIC	\$ 35,797,593	4,295,971,499	6,721
TOTAL	\$ 274,320,827	39,449,079,620	11,312

Global Press Strategy

In 2018 NYC & Company maintained its always-on press strategy, showcasing company-wide programs and initiatives and promoting five-borough destination highlights to diverse global media audiences. Through proactive media relations and a comprehensive global visiting journalist program (nearly 700 journalists/ influencers visited New York City, including 20 group press familiarization trips), a steady stream of earned media was generated throughout the year.

The power of a consistent welcome message relayed around the world through multiple channels plays a crucial part in countering the headwinds in today’s marketplace. Inspiring demand for the City, Global Communications’ efforts at home and in our 17 representative offices in key markets focused on value and opportunities regardless of exchange rates, highlighting NYC as the safest big city in the US and celebrating all the reasons New York City remains the country’s top-ranked urban destination.

Connecting with the Family Market

To speak directly to the nearly 13 million family travelers who came to the City in 2018, NYC & Company extended its partnership with Nickelodeon to include three Official NYC Family Ambassadors: newcomers SpongeBob SquarePants and PAW Patrol, plus the return of the Teenage Mutant Ninja Turtles for a third year.

These characters were integrated into age-specific content on NYCgo.com/family which was promoted through digital media and out-of-home in NYC taxis, LinkNYC screens, NYC bus shelters and in 21 upscale malls across the US, with a total media value of \$9 million (June 2018–February 2019).

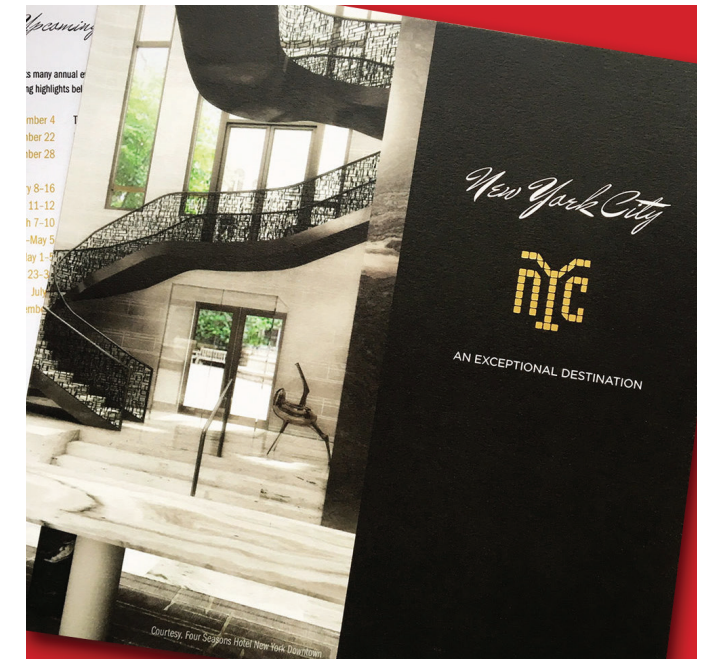


Nickelodeon Partnership

Attracting the Luxury Market

The global luxury travel market is expected to reach \$1.154 billion by 2022. As New York City holds an undeniable wealth of luxury travel experiences, NYC & Company has turned our focus to welcoming these affluent travelers, including a global presence in the International Luxury Travel Market (ILTM), a leading luxury trade show. In 2018 new relationships were established with more than 120 carefully prequalified travel buyers and partners at ILTM China and ILTM North America in Mexico, two critical regions in the luxury travel market.

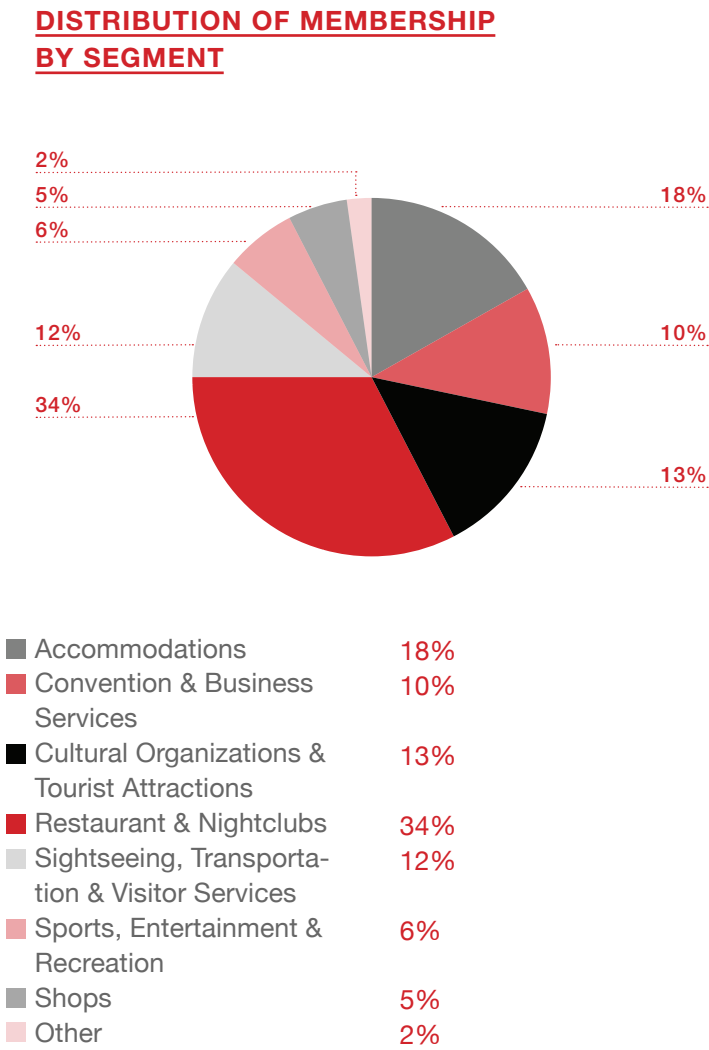
In early 2019 we developed a partnership with Virtuoso, the highly regarded consortium of high-end travel advisors that dominate the top of the travel market. The partnership includes new targeted efforts to the luxury travel audience with promotions, FAM tours and educational programming on the five boroughs.



NYC Luxury Fact Sheet

Membership

NYC & Company’s membership is as diverse and vibrant as the City itself. Comprising over 1,700 businesses of all sizes, our membership represents a group of engaged industry leaders of businesses and not-for-profit organizations that span all five boroughs and multiple industries. Their connection to NYC & Company extends their market reach to both the trade and consumers; provides exposure in print and digital assets; stimulates their businesses through our marketing platforms, programs and networking opportunities; and provides market insights and research to support their goals and plans.



2018 KEY MEMBERSHIP EVENTS

In 2018 NYC & Company hosted more than 25 events for members, including Business Card Exchanges, showcasing member venues; and NYC & Company Talks and Tourism Ready sessions, providing members the opportunity to network, learn and give back to our communities, employees and visitors.

NYC & Company Talks: Deployment Strategies Around the Globe February 27
International Summit Week | March 18–23
Annual Meeting | March 20
Tourism Cares | April 20
Hotel Partner Meeting | October 3
NYC & Company Talks: Welcoming LGBTQ Travel & WorldPride 2019 | October 29
Visionaries & Voices Gala | November 28
NYC & Company Talks: Responding Under Fire | December 5

Tourism Ready

At the forefront of the company’s educational messaging, Tourism Ready is a free series of educational seminars that show small and midsize enterprises operating in the five boroughs how best to engage with the travel industry to grow their businesses. Five seminars throughout the year focus on cross-promotion, the packaging of goods and services, and engaging with tour operators. The 2018 program culminated in a trade show attended by 70 tour operators and travel planners looking for new gems in the NYC tourism landscape. The program completed by 150 companies throughout the City has already held two sessions in 2019, with new and expanded opportunities for participation.



Tourism Ready Graduation

Destination Marketing



Winter Marketing Programs

NYC & Company's Marketing team creates the tools and programs that help drive travel and tourism demand by promoting the destination worldwide. Whether highlighting dining, shopping, entertainment and cultural offerings, or encouraging stays at member hotel properties, NYC & Company's marketing efforts are driven by an "always welcome" approach to every aspect of our city.

Our award-winning digital content and active social media strategy are designed to inspire travelers and help them construct itineraries. Signature programs motivate travelers and locals to explore the City's offerings during shoulder periods across the spectrum of leisure activities and passions—

from museums and performing arts to fine dining, sightseeing and attractions. Developed with our members and partners, NYC & Company's marketing efforts ensure that the travel and tourism economy is a 24/7/365 economic engine for the City.

NYC WINTER OUTINGSM

To incentivize visits to the City during the first quarter, NYC & Company coordinated the timing of three celebrated programs in January and February of 2019: NYC Broadway Week, NYC Must-See Week and NYC Restaurant Week. Broadway show tickets, museums, attractions and tours were available at a 2-for-1 price, and nearly 400 restaurants offered prix-fixe menus. By aligning these promotions with the year's best hotel rates and airfares, we positioned the winter months as one of the best times to visit NYC.

To inspire out-of-town visitors and facilitate the planning and booking process, NYCgo.com integrated tools from Utrip's itinerary-building platform and linked to Booking.com for hotel reservations. Multiple itineraries were created for the landing page, each featuring a themed approach to enjoying all three programs.

NYC Winter Outing was promoted with a substantial press push that included a partnership with Jeremy Jauncey of Beautiful Destinations, as well as coverage in *USA Today*, the *Washington Post*, the *LA Times* and iHeart Radio (among many others). The campaign put all of NYC & Company's channels to use including NYCgo.com, Facebook, Instagram, search, out-of-home advertising partnerships at PATH and LIRR stations, as well as LinkNYC screens, bus shelters and NYC taxicabs.



FOGO—the fear of going out—sets in quickly this time of year, but it's no match for what the City has in store. Introducing NYC Winter Outing: a bundle of offers to get you off the couch and living it up at attractions, restaurants and Broadway shows. Start planning your NYC staycation or getaway today—and get ready to seize the season.

This winter, out is in.

NYC RESTAURANT WEEK[®]

The 2018 summer and 2019 winter editions of this event both featured nearly 400 restaurants serving 32 different cuisines in 43 neighborhoods throughout the five boroughs. The program offered a \$26 two-course lunch and/or a \$42 three-course dinner. NYCgo.com enhanced the user experience with filters enabling users to choose restaurants by meal type, neighborhood, cuisine or viewable menu. Curated restaurant collections in the winter program included a new collaboration with *Wine Spectator* highlighting restaurants recognized by the magazine for the quality of their wine lists.

The program partnered with OpenTable to manage reservations, while the print and digital promotion were driven to NYCgo.com/restaurant-week. Web traffic to the site increased by 32% between summer 2018 and winter 2019 programs.

NYC BROADWAY WEEKSM

Broadway theater is one of the most popular tourist attractions in the City. NYC Broadway Week offers 2-for-1 tickets to musicals and plays. With 24 shows participating, the fall 2018 program sold 97,000 tickets and generated \$6.8 million in revenue. Winter 2019 also highlighted 24 participating shows, selling 142,260 tickets for \$9.6 million in revenue—our highest performing NYC Broadway Week to date by nearly \$600,000.

Both the fall and winter editions of NYC Broadway Week were supported by an ongoing partnership with the Broadway League and a presale with AARP. The winter edition was also supported with a second presale opportunity through Audience Rewards.

NYC MUST-SEE WEEKSM

NYC Must-See Week, the newest program, featured 57 of NYC's most iconic experiences, including attractions, cultural institutions and tours with a 2-for-1 ticket offer in Q1. The annual program generated 217,000 site visits to NYCgo.com/mustseeweek in winter 2019, up 50% from the 2018 initiative.

NYC OFF-BROADWAY WEEKSM

There is no other city with the diversity of live theater found in NYC. In support of the incredible range of performances on Off-Broadway stages across the City, NYC Off-Broadway Week invited audiences to “take an intermission from the ordinary” with 2-for-1 tickets during the fall and winter. Fall 2018 included 35 productions with 3,600 tickets sold and \$143,000 generated in revenue; 36 shows participated in winter 2019.

Marketing Partnerships

MASTERCARD

NYC & Company and Mastercard have established a global three-year partnership that will include collaboration on programs such as NYC Restaurant Week, NYC Broadway Week, NYC Must-See Week and more, bringing all that is Priceless about NYC to life. Mastercard will become the preferred payment technology partner of NYC & Company integrated into our global tourism promotional efforts to make participation seamless. Mastercard cardholders will have access to unique NYC Priceless experiences around key passion areas such as culinary, sports and theater, as well as exclusive access, presale opportunities and ongoing discounts through NYC & Company's programs—making NYC Priceless year-round.

Market and traveler insights from Mastercard will help NYC & Company's business-to-business partners to more effectively market the City to audiences around the world. Local businesses will benefit from Mastercard's support of NYC & Company's successful Tourism Ready efforts, which equip emerging businesses throughout the five boroughs to maximize the benefits of the industry.



The Preferred Card of NYC & Company

CITY TO CITY

To further amplify our messaging globally, NYC & Company engages in city-to-city tourism partnerships with top international destinations. These partnerships include the exchange of marketing assets to boost reciprocal travel and generate significant earned media in-market. In October, Puerto Rico successfully joined recent partners Cape Town, Madrid (renewal), Mexico City, Seoul (renewal), Tokyo and Toronto by becoming NYC & Company’s first-ever city-to-island partnership. The partnership with Discover Puerto Rico was announced during a press conference at El Museo del Barrio with joint spokesperson Lin-Manuel Miranda. The partnership generated 1.2 billion impressions.



Brad Dean of Discover Puerto Rico, Lin-Manuel Miranda and Charles Flateman, Vice Chairman of NYC & Company

DIGITAL

NYC & Company leverages global digital platforms and vendors to extend our reach around the world. Strategic partners include TripAdvisor, Booking.com, OpenTable, Ticketmaster, Telecharge, Viator, Broadway Inbound, Explorer Pass, New York Pass, City Sightseeing and CityPASS—each industry leaders in their respective categories. These alliances support the visitors’ experience on the website, making booking and buying easier. The programs emphasize seasonal needs periods, contributing to increased economic impact for member businesses.

In early 2019 NYC & Company entered into a new media and promotional partnership with TripAdvisor. This initiative provides destination-inspired New York City content to TripAdvisor’s travel feed program, a new targeted social media platform. As a result, we have been able to extend our *Famous Original New York City* marketing efforts in the world’s largest online travel community.

Responding to the growing trend of destination research and trip planning online, NYC & Company launched a partnership with Utrip that enables users to create simple wish lists or detailed itineraries utilizing an artificial intelligence prediction engine. The integration of Utrip’s platform enables NYCgo.com users to save their favorite content and be presented with recommendations that can be shared with travel companions and used as a resource during their visit.



TripAdvisor Partnership

Multi-Channel Reach

Today's travelers look for inspiration and information in traditional print guides and publications, and increasingly through multi-channel contact points from outdoor to mobile, from advertising to social media. Promoting New York City means reaching travelers, as well as the travel trade, at every stage of the decision— from inspiration to planning, booking and traveling.

Out-of-Home Media in Global Markets

JCDecaux

For the past 13 years, NYC & Company has worked with JCDecaux, the world leader in outdoor advertising, to amplify our messages and programs in New York City on bus shelters, street furniture, and digital and print billboards in key neighborhoods across the City. Seen by millions of visitors, commuters and residents year-round, this is a powerful medium for raising awareness of our signature programs.

In addition, NYC & Company has access to global in-kind media through JCDecaux's city contract. This outdoor advertising for our programs and partners has reached more than 20 of New York City's origin markets. As we saw with the 2018 launch of the *Famous Original New York City* campaign, NYC & Company messaging generates awareness of timely travel deals to NYC, while also inspiring exploration and driving traffic to NYCgo.com.



LinkNYC

These kiosks provide fast, free public WiFi, phone calls, device charging and a tablet for access to city services, maps and directions. Digital screens on many terminals highlight NYC & Company programs to encourage pedestrians to visit New York City businesses and explore further.

Owned Digital Channels

NYCGO.COM

The official resource for visitors and locals seeking compelling content, NYCgo.com inspires visitation and exploration of the five boroughs. This constantly changing source of stories, itinerary ideas, promotions and ways to experience New York City has seen steady increases in traffic, with visits up 4% year over year.

In 2018 NYC & Company invested in industry-leading enhancements including translating the entire consumer website (representing 10% of total traffic), launching new trip-planning tools and completely reimagining the B2B website. These initiatives enable delivery of the right message to the right audience at the right time.

The new B2B website, Business.NYCgo.com, has seen steady increases in traffic, especially to the Meeting Planner section aimed at group meetings and conventions, as well as the Travel Trade section for leisure travel planning. Overall B2B website traffic is up 64% year over year.

In partnership with Facebook, NYC & Company became the first DMO to test the platform’s trip consideration advanced targeting solution—generating 61% more video views and 58% more clicks to NYCgo.com, at a 29% more efficient cost per click.

SOCIAL MEDIA

Featuring a curated collection of original, inspirational content from across the five boroughs, our social channels continue to build upon their engaged follower base, driving business results through strategic paid efforts.

Our Chinese media agency Mailman launched a social media program offering members the opportunity to amplify their message to the desirable Chinese audience through the NYCgo Weibo and WeChat platforms. In 2018 NYCgo had over 412,000 fans with a reach of 71M impressions and 180,000 engagements on Weibo and WeChat. These achievements make us the most engaging US destination on Weibo.

SOCIAL IMPRESSIONS

529M
up 20% YoY

ENGAGEMENT

24M
up 6% YoY

FAN BASE

2.1M
up 28% YoY

WEBSITE VISITS

14.6M
global visits up 4% YoY

TOP TRAFFIC

50% natural search
20% social media

MOBILE SHARE

56%
up 6% YoY, a result of our mobile-first strategy

EMAIL SUBSCRIBERS

385K
fully GDPR compliant

REVENUE

\$2M+
digital advertising and e-commerce revenue

Publications

NYC & Company publishes four specialized publications to reach all segments of the travel market: travel planners, leisure visitors, business travelers and meeting/event planners. Together with the quarterly *NYC Official Visitor Guide*, the annual *NYC Official Travel Planner*, *NYC Official Meeting & Event Planner* and *NYC Official Visitor Map* now reach over 7.7 million global readers in print and digital formats. These official NYC publications educate visitors and planners before and during their trip to New York City.



Licensing

NYC & Company's licensing program garners exposure for the New York City brand globally, with marks focused on NYPD, FDNY and other city brands. The program continues to grow through collaborations with top names in the fashion industry and leading retailers. In 2018 Meli Melo, a UK luxury handbag company, featured See Your City graphics highlighting each of the five boroughs. Co-branded merchandise was developed with Vineyard Vines, adding a unique FDNY and NYPD logo to their iconic whale design.

Fashion designer Danielle Guizio, who was named to *Forbes'* "30 Under 30, Art & Style" in 2019, is focused on the street-chic aesthetic of millennials and has attracted many top names in fashion already. Ms. Guizio worked with NYC & Company to break with the norm and create an innovative unisex FDNY collection, which was featured in many top publications.

NYC & Company continues to establish partnerships with top brands, including Mattel, ONLY NY and BioWorld Merchandising, while signing more than 15 domestic new contracts and six international contracts in 2018. Plans are in progress to expand *Famous Original New York City* branding through licensed merchandise.



Sports and Major Events

The Sports Marketing department works to attract and promote sporting events throughout the five boroughs. This effort produces a diverse lineup of professional and amateur events that excite area sports fans, attract visitors and generate revenue for local businesses, all while showcasing New York City. Together with NYC & Company's marketing and in-house creative teams, the department creates customized marketing strategies and activation events that drive attendance and increase local economic impact.

There are many annual events that consistently bring teams, supporters and fans, including March Madness college basketball in the spring, the TCS New York City Marathon in November and half marathons in the boroughs, the US Open Tennis Championships at the end of the summer and, of course, our local baseball, basketball, football, ice hockey, soccer teams' regular and special games and matches. Recent high-profile events include the return of Wrestlemania, the WWE SummerSlam at Barclays Center, UFC 230 at MSG, the annual New York City E-Prix at Red Hook and the successful 2026 FIFA World Cup bid.



2018 Financials

During the 12-month period ending June 30, 2018, NYC & Company's funding from the City remained steady at \$21.2M. Total funding from other sources also remained steady at \$18.3M.

	<u>12 MONTHS</u> <u>2018</u>	<u>12 MONTHS</u> <u>2017</u>
<u>NEW YORK CITY FUNDS</u>	21.2	21.2
<u>SPONSORSHIPS</u>	4.5	4.6
<u>MEMBER DUES</u>	5.1	4.8
<u>PUBLICATIONS</u>	2.2	2.4
<u>WEBSITE</u>	2.1	2.2
<u>OTHER INCOME</u>	2.6	2.5
<u>LICENSING</u>	1.3	1.3
<u>OTHER GRANTS</u>	0.5	0.5
	39.5	39.5
		(in millions)

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Board Of Directors
Executive Committee
as of 12/31/18

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Chairman | NYC &
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Charles Flateman
Senior Vice President
of Marketing | The
Shubert Organization
Vice Chairman | NYC &
Company

Fred Dixon
President and CEO
NYC & Company

Andrew Bodziak
Area Vice President
Luxury Northeast U.S.
Marriott International

Zachary Carter
Corporation Counsel
New York City Law
Department

Vijay Dandapani
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Hotel Association of NYC

Ruben Diaz, Jr.
Bronx Borough President

Tom Finkelpearl
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of Marquis Events &
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President | American
Museum of Natural
History

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Deputy Mayor of
Housing and Economic
Development
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Maneesh Goyal
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Pineapple Co

Gail Grimmatt

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New Yorkers for Parks

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NYC Mayor’s Office of
Media & Entertainment

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General Manager
New York Marriott Marquis

Tracy Nieporent
Director of Marketing/
Partner | Myriad Restaurant
Group

James Patchett
President and CEO | NYC
Economic Development
Corporation

Marcus Samuelsson
Chef and Restaurateur
Marcus Samuelsson
Group

Charlotte St. Martin
President | The Broadway
League

Alan Steel
President and CEO
Jacob K. Javits Convention
Center

Tim Tompkins
President
Times Square Alliance

Nick Valenti
CEO | Patina Restaurant
Group

Peter Ward
President | NY Hotel &
Motel Trades Council

Gerri Warren Merrick
President | Warren Merrick
Communications

Lloyd A. Williams
President and CEO
Greater Harlem Chamber
of Commerce

Jack Withiam, Jr.
Event Services &
Management, LLC

Tim Zagat
Co-Founder
Zagat Survey

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Joe Daniels
CEO | National Medal of Honor Museum

Lisa DeRosa
Vice President and General Manager | *Regional Client Group—Eastern Region*
American Express

Keith M. Douglas
Managing Director
One World Observatory – Legends

Mary Farrell
Senior Director of Sales | Top of the Rock Observation Deck & Rockefeller Center

Mike Fiorentino
General Manager
Manhattan Center Studios

Rick Friedberg
President | Liberty Connections, Ltd.

Scott Goldsmith
President | Intersection Media LLC

Eric Gordon
EVP of Business Development | Beyond Times Square

Kathy Hilt
District Vice President
Herald Square Macy’s

Caroline Hirsch
President and CEO
Carolines on Broadway

Rebecca Hubbard
General Manager
Lotte New York Palace

Dawn Hudson
CEO | 4th and One Consulting

Huntley Lawrence
Director of Aviation
Port Authority NY & NJ

Kerry Mack
Vice President of Revenue & Distribution | Highgate Hotels – New York Area

Mark Marmurstein
President | Twin America

Fernando Mateo
Co-Founder | La Marina

Luis Miranda
Founding Partner
MirRam Group

Mitchell B. Modell
CEO | Modell’s Sporting Goods

Tyler Morse
CEO & Managing Partner
MCR

Anthony Napoli
President | Briggs, Inc., DMC Network Company

Richard Nicotra
Chairman/President
The Nicotra Group, LLC

Travis Noyes
CMO | Empire Outlets

Patricia Ornst
Managing Director, NYS and Local Government Affairs
Delta Air Lines

Jonelle Procope
President & CEO
Apollo Theater

Laura Raicovich

Anthony Ramirez II
Co-Founder
Bronx Beer Hall

Frances Resheske
Senior Vice President of Public Affairs | Con Edison

Steven Rubenstein
President | Rubenstein

Taryn Sacramone
Executive Director
Queens Theatre

Andreas Sappok
President | Imagine Communications

Jeffrey Stewart
Founder, Walnut Hill Advisors

Dan Wempa
Chief Operating Officer
New York Hall of Science

Tren’ness Woods-Black
VP Communications
Sylvia’s Restaurant

Kathy Wylde
President and CEO
Partnership for New York City

Brett Yormark
CEO | Brooklyn Nets and Barclays Center

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Brooklyn Borough President

Wilma Alonso
Executive Director
Fordham Road BID

Daniel A. Biederman
President
34th Street Partnership

Gregg Bishop
Commissioner
Small Business Services

Gale Brewer
Manhattan Borough President

Alfred C. Cerullo, III
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Executive Director
Chinatown Partnership Local Development Corporation

Harvey Paul Davidson
Associate Director | Guides Association of NYC

Sandra Garcia Betancourt

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President and CEO
The Futuro Group

Jukay Hsu
Co-Founder & CEO | Pursuit

Meera Joshi
Commissioner | Taxi & Limousine Commission

Melinda Katz
Queens Borough President

Larcelia Kebe
President | Harlem, Your Way! Tours

Jessica Lappin
President | Downtown Alliance

Melissa Mark-Viverito

Regina Myer
President | Downtown Brooklyn Partnership

Daniel Nigro
Fire Commissioner | Fire Department, City of New York

James P. O’Neill
Commissioner | New York Police Department

James Oddo
Staten Island Borough President

Alicia Pierro
Executive Director
Big Apple Greeter

Mitchell Silver
Commissioner | Department of Parks and Recreation

Francis Tedesco
President | Academy Bus Tours

SENIOR LEADERSHIP
(AS OF 3/20/19)

Fred Dixon <i>President and Chief Executive Officer</i>	Rob Beckham <i>Senior Vice President Membership</i>	Makiko Matsuda Healy <i>Managing Director Tourism Development</i>
Rich Lovatt <i>Chief Financial Officer</i>	Jason Berman <i>Managing Director Digital & Media Strategy</i>	Bruce Revman <i>Managing Director Partnerships</i>
Nancy Mammana <i>Chief Marketing Officer</i>	Reginald Charlot <i>Managing Director Tourism Development</i>	Janette Roush <i>Managing Director Marketing</i>
Jerry Cito <i>Executive Vice President Convention Development</i>	Elan Cole <i>Executive Creative Director Co-Lead, Creative/ Content</i>	Maria Wilcox <i>Senior Vice President Hotel Relations</i>
Kelly Curtin <i>Executive Vice President Membership and Destination Services</i>	Jonathan Durbin <i>Executive Creative Director Co-Lead, Creative/ Content</i>	
Chris Heywood <i>Executive Vice President Global Communications</i>	Bryan Grimaldi <i>Special Advisor to the CEO</i>	
Donna J. Keren <i>Executive Vice President Research and Insights</i>	Natalie Koepff <i>General Counsel and Senior Vice President Legal & Business Affairs</i>	
Nevah Assang <i>Senior Vice President Cultural & Community Relations</i>		



NYC & Company
2018–2019

Annual Report





Testimony
New York City Council
Committee on Economic Development
Oversight – New York City’s Tourism Economy
Wednesday, October 23rd, 2019

Good morning Chair Vallone and members of the Committee on Economic Development. I am Samara Karasyk, Chief Policy Officer at the Brooklyn Chamber of Commerce. The Brooklyn Chamber of Commerce is among the largest and most influential business advocacy organizations in New York, having spent the last hundred years developing and promoting policies that drive economic development and advance its members’ interests. Over the last number of years, we have played a central role in Brooklyn’s tourism economy, convening local institutions and businesses to bring Brooklyn to the forefront of tourism marketing in New York. We have brought groups of hotels and businesses to the International Pow Wow Tourism Conference (IPW) annually. We developed visitor trail guides to chocolate, beer, wine, and distilleries in our borough, and launched our first ever Brooklyn Passport in 2018 – a digital photo guide of 100 things to do and see in the borough.

However, it is incredibly difficult to fund our numerous tourism efforts and market them properly—a reason we were unable to participate IPW last year. Our tourism partners are eager to work with us but are generally small businesses and non-profit organizations that cannot fund large marketing efforts. Nationally, Chambers have shown to be ideal partners for tourism marketing because they know the local community and tourism stakeholders better than anyone else. The New York City Council should encourage a more focused effort and partnership among NYC and Company and the Chambers of Commerce. There must be tourism marketing resources dedicated specifically to the outer boroughs.

The economic importance of tourism in New York City is well documented. In 2018, a record 65M people visited New York City, making it one of the most popular cities to visit in the United States.¹ Many of these visitors flocked to Brooklyn to experience our wonderful cultural institutions such as the Brooklyn Museum, Brooklyn Academy of Music, and Brooklyn Botanic Garden. People come here to experience our beautiful parks – from Brooklyn Bridge Park to Prospect Park and Coney Island. Brooklyn is also home to major concert and sporting event spaces with Barclays Center, Kings Theatre, and MCU Stadium. Tourists also know Brooklyn as a culinary destination. These visitors patronize our fantastic restaurants, shop at our local stores, and rest their heads at one of our 2,100 hotels ².

¹ NYC & Company. (2019). *NYC & Company: Annual Report 2018-2019*. NYC & Company: Annual Report 2018-2019 (p. 6)

² NYC & Company (2019) *Hotel Development in NYC* (p.1)



Aside from the revenue that tourism creates, this key industry creates local jobs, with 17% of all Brooklyn employment represented by hospitality (accommodation and food service) and retail.³ Since 2010, this sector has grown approximately 73% - adding roughly 20,000 jobs and \$2 billion a year in spending.⁴ In fact, in Brooklyn and Manhattan alone, there has been an 81% increase in employment at museums and cultural institutions over the past 15 years.⁵ The data speaks for itself – tourism puts New Yorkers to work in stable and good paying jobs and is an important revenue driver for our local businesses. It is crucial that the city continue to build on the strong work of NYC & Co. and its local partners to bolster the tourism economy, specifically in the outer boroughs.

We look forward to continuing to work with the City Council on this issue. Thank you for the opportunity to testify today. I would be happy to answer any questions you may have.

³ Brooklyn Chamber of Commerce, *Comprehensive Economic Development Study*, 2018, (p.36)

⁴ Brooklyn Chamber of Commerce, *Comprehensive Economic Development Study*, 2018 (p.36)

⁵ Center for an Urban Future (2018). *Destination New York*. (p. 17)



729 Seventh Avenue, 5th Floor New York, NY 10019

212-764-1122 www.BroadwayLeague.com

Good afternoon. My name is Thomas Ferrugia and I am the Director of Governmental Affairs with The Broadway League. The League was founded in 1930 and serves as the principal trade association of the national commercial theatre industry. We represent over 700 theatre owners, operators, producers, presenters, general managers and suppliers of theatrical goods and services across North America and around the world. We are grateful to Chairman Vallone and the other distinguished members of the Economic Development Committee for giving us the opportunity to address the Council on the theatre industry's impact on New York's tourism economy. I would also like to thank Councilmember Powers for his leadership and commitment to supporting businesses in Times Square.

In addition to its unique cultural significance, Broadway is a massive economic and tourism driver that brings an average of 40,500 theatre patrons to Midtown Manhattan every day. Each year, we host millions of travelers from all over the globe who come to attend a live show and, in turn, spend money in our city. We sold 14.8 million Broadway tickets in the theatre season ending May 2019. In the season ending in May 2018 (the most recent year for which we have demographic information) 8.6 million tickets were purchased by theatregoers residing outside New York City (including 2 million international visitors). I would like to note that 61.3% of foreign visitors who attend a show report that Broadway is one of their most important reason for visiting NYC.

Broadway's cumulative fiscal impact on New York City was \$12.6 billion last year; \$9.8 billion derived from audience spending (excluding the cost of their theatre tickets), over \$2.8 billion from show investments and approximately \$45.7 million from theatre capital improvements and operating expenses. Collectively, Broadway directly employed 12,600 individuals, most of who are unionized. They include actors, directors, ushers, electricians and advertising agents. Spending by Broadway patrons supported an additional 74,500 jobs in area restaurants, shops, hotels and livery services.

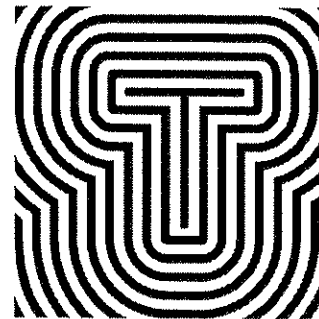
In addition, Broadway tours often employ performers, technicians and others who reside or work in New York and many road production costs are incurred in the state. When you include the full economic impact of these productions, Touring Broadway's economic impact on the New York City area is approximately \$400 million.

Broadway has a long history of partnering with the City. The Council is a generous sponsor of our Families First Nights program which provides a series of unique theatrical events to underprivileged families, and of our Broadway Bridges program which endeavors to ensure that every NYC public high school student attends a Broadway show before graduation, which will be approximately 70,000 students from DOE each year. The League sponsors Broadway Week, administered by NYC & Co, which is a semiannual event that encourages theatre attendance by offering 2-for-1 tickets to many of our most popular shows. We also work closely with the Mayor's Office of Media and Entertainment and collaborate to promote Broadway related PSAs on Taxi TV.

Despite several high-profile successes, a surprising four out of five Broadway shows fail to recoup their capitalization and close within a year. Broadway productions are incredibly risky and expensive projects that are primarily

supported by large groups of individual backers. Due to rising production costs, attracting investment is an extraordinary challenge. Going forward, we encourage the Council to support legislation that removes economic barriers to meeting operating expenses, recovering capital and advertising productions. This would include Intros 1371 and 1372, sponsored by Councilman Powers, that would reduce the Commercial Rent Tax burden for over 1,000 businesses, as well as eliminate the tax altogether on theatrical advertising in Times Square. We would also encourage continuing policies that promote easy access to the Times Square area and alleviate obstacles and disincentives to visiting midtown. This includes improved oversight of the many street activities and fairs that lead to massive vehicle and pedestrian congestion.

Again, we thank you for this opportunity to address the committee and appreciate the Council's ongoing support, collaboration and recognition of the reciprocal benefit of supporting an industry critical to the City's tourism economy and to maintaining its status as the world's cultural epicenter. I am available to answer any questions you may have.

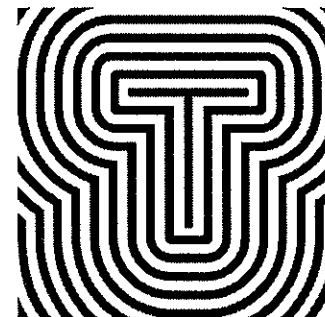


Testimony to the New York City Council
Committee on Economic Development
October 23rd, 2019

My name is Tim Tompkins, and I am the President of the Times Square Alliance, the Business Improvement District that works to improve and promote the Times Square area.

- We greatly appreciate the continued efforts by this Committee and Chairman Vallone to make sure that tourism remains an economic development priority and to communicate the value of the industry to the city as a whole.
- Tourism is a powerful, yet often overlooked, generator of good jobs. At over 290K jobs, the industry represents more jobs than finance (268K jobs), technology (128K jobs) and manufacturing (75K jobs). Tourism jobs are also accessible – 91% of jobs in the industry are available to workers without a bachelor's degree. Tourism jobs are also better paying – hotel workers make \$61K on average, compared to an average of \$57K in manufacturing. Furthermore, the tourism sector represents a more diverse workforce. 54% of tourism sector workers are immigrants, compared to 44% of workers in other sectors; and 65% of tourism sector workers are people of color, compared to 59% of workers in other sectors.
- As compelling as this information is, there continue to be major gaps how the City's economic development agencies measure tourism's total contribution to the New York City economy, and especially the number of New Yorkers living in every neighborhood whose jobs depend on tourism, as well as the secondary effort of their spending in all five boroughs. Just to give one example, data we purchased from Visa shows that last year \$27.9 million was spent by Visa cardholders on retail and restaurants in Jamaica and Southeast Queens. Having EDC purchase and analyze that data would help the City understand in a more nuanced way how tourism dollars and jobs flow through the City's economy. In EDC's economic snapshot employment reports, there is no aggregate number that represents the total jobs driven by tourism. Some of that relates to ways labor data is historically categorized, but more attention must be paid. For example, I will read to you the list of industries under EDC's "Explore Industries" tab on their website: Cybersecurity, Emerging Tech, Fashion, Finance, Healthcare, Industrial and Manufacturing, Life Sciences, Maritime, Media and Culture, Real Estate, Retail and Smart Cities. Or under the lead page "The City of Opportunity" one reads: "Our economic strength spans all industries, including professional business services, healthcare, government, retail, finance, education, construction, transportation, real estate, publishing, music, fashion, advertising and film." Of course, these are just pages on a website. But I think it speaks to why nurturing the tourism industry is rarely noted in key economic discussions. For example, "New York Works," the administration's signature initiative to create 100,000 jobs, that says "these are the fast-growing, high-paying industries that represent the future of our city" literally has only a few sentences about the industry that in fact created more jobs than Finance, Manufacturing, and Technology and is in fact one of the fastest growing.
- Therefore we continue to believe that it is critical that the industry is tracked, quantified and reported on regularly as part of the city's economic and workforce development efforts, just as the city does for the tech, finance and manufacturing sectors. Therefore, we continue to press for the development of consistent metrics and a dashboard to be published regularly and analyzed by the

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City's economic development agencies. This information can then lay the groundwork for better long-term strategic planning for this essential part of the city's economy.

- The good news is that these booming numbers are evidence of, and reason to applaud, the great work NYC & Co. does to promote and market New York City all over the world. We continue to feel that it is important that other agencies, including the Economic Development Corporation, the Department of Transportation, the Department of Consumer Affairs and Workforce Protection, the Department of Small Business Services, and the Department of Cultural Affairs develop their budgets, plans and priorities with the critical role of the tourism economy in mind.
- We think there may well be a value in creating a focal point within government for Tourism Affairs *if* (a) it succeeds in elevating the importance of the tourism industry across agencies and within City Hall and (b) it empowers rather than hampers the great work of NYC & Co. We defer to the Council, City Hall and NYC & Co. to work together to answer that question.
- If tourism's power to create jobs is better understood, then interagency action might be taken expeditiously to solve problems that affect the tourism experience. Two examples: in Times Square, we continue to see visitors harassed, scammed and touched without consent in our public spaces many times a day, every day, over 100,000 times a year. Similarly, the experience in and around the city's airports is a nightmare. Perhaps better complaint tracking could be useful in spurring interagency action, as more attention would be paid to how detrimental it is to the city's economy when tourists are abused and scammed and have terrible experiences here.
- We applaud the city's recent increases in support for NYC & Co. Nonetheless, we are concerned that, over time, New York will continue to lag behind other destinations in providing a dedicated source of funding to support tourism marketing and promotion. Among the top 10 comparable visitor destinations, New York remains alone in failing to dedicate funding from hotel taxes to visitor promotion, despite having the highest visitor numbers. For example, in 2017, Las Vegas attracted 42 million visitors, and had a total DMO budget of \$332 million, 78% of which was generated by an existing dedicated tax revenue. Similarly, in 2017, San Francisco attracted 25.5 million visitors and had a total DMO budget of \$43.7 million, 57% of which was generated by an existing dedicated tax revenue. In contrast, for the same year, New York City had 62 million visitors and a DMO budget of \$36 million, none of which was guaranteed funding linked to existing hotel tax revenue.
- To be more specific: between 2008 and 2018, hotel tax revenues to the City grew by 87%, from \$1.3 billion to \$2.4 billion. Over the same period, the City's contribution to NYC & Co. grew by only 7%, from 20.1 million to 21.5 million. The total City contribution to NYC & Co. represents less than 1% of what the industry generates in taxes. Further, because of higher tax rates, New York City raises the *most* dollars per visitor, and yet unlike most other similar market cities, *none* of that revenue is required to flow directly back into supporting the industry. This is a serious underinvestment that should be remedied over time.

Thank you.

**Testimony of Jonathan Bowles
Executive Director, Center for an Urban Future**

Before the NYC Council Committee on Economic Development

New York City's Tourism Economy

October 23, 2019

Good morning.

My name is Jonathan Bowles. I am the executive director of the Center for an Urban Future, an independent think tank focused on expanding economic opportunity and growing the economy in New York City.

Thank you for the opportunity to testify today.

For more than 20 years now, the Center for an Urban Future has been closely monitoring the city's economy and developing strategies to create more good jobs across the five boroughs. During these past two decades, New York City has undergone an incredible economic turnaround, adding roughly 1 million new jobs and becoming far more economically diverse.

Few things have been as important to this economic renaissance—or more overlooked—than the city's booming tourism economy.

Last year, my colleagues and I at the Center for an Urban Future published a report in partnership with Times Square Alliance and the Association for a Better New York which provided a new level of detail about the growing impact of tourism on the city's economy.

Twenty years ago, roughly 33 million tourists visited New York City. Last year, it was over 65 million.

We found that this boom in tourism has spurred hundreds of thousands of jobs. In the process, tourism has gone from a fairly important part of the city's economy to one of the four key engines of the city's economic growth.

Our research showed that there are now 291,000 direct jobs in tourism in New York City, which is more than in finance (which has 268,200) and nearly twice as many jobs as in the city's tech sector (146,000).

We also found that tourism has played a pivotal role in the growth of so many other important sectors.

For instance:

- Tourists are responsible for 24 percent of all credit card sales at New York City restaurants and drinking places. That means that tourism was a big reason why the city added 142,000 jobs at “restaurants and drinking places” since 2000.
- Tourists account for 18 percent of all Visa transactions at retail stores in the city. They account for an even higher share of sales at the department stores (48 percent), electronic stores (35 percent), and sporting goods stores (23 percent).
 - Undoubtedly, tourism was key to the 71,000 jobs created in the retail sector since 2000.
 - In the past few years, tourists have also given local retailers a key source of revenue at a time when many brick-and-mortar storefronts are losing business to online purchases.
- The city’s museums and historical sites have added 4,500 jobs in the past 15 years—an 86 percent increase—and the growth in tourists has been a key factor. Tourists have been fueling the growth in attendance at cultural institutions. Tourists now comprise 73 percent of visitors to the Museum of Modern Art, 70 percent of visitors to the Whitney Museum of American Art, and 60 percent of the Metropolitan Museum of Art’s visitors.

Our report also found that tourism has become an increasingly important source of middle-income jobs in New York. As one example, the city is now home to nearly as many hotel jobs, which pay \$62,000 per year on average, as jobs in manufacturing, which pay an average of \$58,000. And while manufacturing has been losing thousands of jobs, the city has added more than 12,000 accommodations jobs since 2000.

No other sector offers as many accessible jobs—with 91 percent of the jobs in industries fueled by tourism open to workers with less than a bachelor’s degree.

Tourism is also boosting the economy of all five boroughs. There are now roughly 900 more hotel jobs in Queens today than in the year 2000, an increase of 37 percent. In Brooklyn, hotel jobs have increased by 198 percent, or by 1,300 positions.

Tourists are also visiting neighborhoods across the five boroughs, benefiting local businesses and cultural groups. For instance, tourists now account for 14 percent of Visa purchases at restaurants in Prospect Heights and Cobble Hill. In Jackson Heights and Elmhurst, tourists are responsible for 12 percent of all credit card spending in electronics stores and 10 percent of spending in discount stores.

But as important as tourism has become to the city’s economy, New York’s tourism sector faces several challenges that, if not addressed, could cause tourism to slip and jobs to decline.

Some of the challenges are beyond the city’s control, like the deteriorating image of our country across the world.

But many other problems could be addressed locally.

The challenges generally come down to these two things:

- 1) New York has never adequately planned for a city with 60 million tourists a year, or made sufficient investments in its tourism infrastructure to sustain this many annual visitors.
- 2) Tourism has never been a meaningful part of the city's economic development strategy.

New York City is fortunate to have what is arguably the world's most sophisticated tourism promotion agency, NYC & Company. Its work has contributed immensely to the increase in tourism over the past two decades. But funding for the agency has not kept pace with competitors across the globe, and the agency will need sustained revenue to grow its impact in the years ahead.

In addition, many of the challenges facing the tourism sector go well beyond tourism promotion. They require help and support from a range of other city agencies, in particular the city's economic development agency.

That's why we recommend establishing a dashboard for the city's tourism economy. Given the increasing importance of tourism to the city's economy, NYCEDC should develop a top-level tourism dashboard similar to how it produces economic research about other leading industries like healthcare, life sciences and finance. As of now, research organizations like ours have to dig deep to unearth data and trends that would support better planning. A dashboard would address this issue by presenting up-to-date data on job trends across tourism-related industries.

We also believe that establishing an Office of Interagency Tourism Affairs could be valuable if it elevates the importance of the tourism industry as a priority across city agencies, and it is done in a way that empowers NYC & Company.

Most important, the city should create a long-term tourism plan. Adding 32 million tourists over the past two decades leads to a host of specific and addressable challenges: Where to park the tour buses that flood the neighborhoods near Times Square? How to better handle street and sidewalk congestion in tourist-heavy neighborhoods? How to ensure that the boroughs outside Manhattan are prepared to share in the benefits of increased visitation?

New York City should develop a long-term strategic plan that is attuned to the unique challenges of sustaining more than 65 million tourists per year.

Finally, the city should work with the Port Authority and MTA to improve the experience for visitors at the airports – as well as visitors connecting from airports to the subways. In particular, they should work to make the connection more welcoming at the Jamaica subway station. The AirTrain station at Jamaica is the portal to New York City for millions of tourists, but while the connection from the AirTrain to LIRR at Jamaica is clear and pleasant, the path to the E train at that station is not nearly what it should be for such a major tourist gateway. The subway station itself is uninviting and almost completely lacking in signage that would make tourists feel welcome and help them navigate their journey to Manhattan, Long Island City, or wherever else they are heading in the city.

Thank you for the chance to testify today, and for bringing this important issue to light.

Testimony for: Oversight - New York City's Tourism Economy

October 23, 2019

Good Morning Chairman Vallone and members of the Committee,

My name is Alexandra Silversmith and I am the Executive Director of the Alliance for Coney Island. Our nonprofit, the Alliance for Coney Island, seeks to continue the revitalization of Coney Island and increase visitorship. I would like to thank you for the opportunity to speak about Coney Island tourism and the importance of an entity to oversee tourism citywide. Coney Island, as a cornerstone to the Brooklyn and New York City economy, is at a crucial moment where a committee overseeing tourism would be particularly helpful.

We, I would argue more than any other area in the City, face major hurdles in developing new events, and creating a cohesive tourism strategy that brings visitorship to Coney Island outside the core Summer season. As the City has now invested close to a billion dollars in public funds to the development of cultural destinations and infrastructure in the area, an office of interagency tourism affairs that can manage the agencies and create a vision that all agencies collaborate upon would be a major accomplishment and clear a path for tourism to thrive.

I propose that if this office were created, it focuses on the city rules for free public events with the aim of reducing bureaucracy while ensuring public safety. This would include a review of the permitting process, the fees assessed and cohesively visioning for areas like Coney Island that overlap various agency jurisdictions.

Alongside a vision for free events, we believe this office should focus upon marketing support for the outer boroughs and how to support nonprofits that are aiming to revitalize neighborhood economies like our own. The limited funding for tourism initiatives for Coney Island as a whole is bewildering when the City has invested so heavily in the creation and preservation of an Amusement District. Support and attention from officials who are dedicated to growing tourism and fostering agency relationships that are conducive to areas like Coney Island while ensuring the city economy prospers. This office could also lead innovation in tourism by sharing strategies or collaborating with city agencies to implement new strategies that strengthen the tourism experience. The City's support and focus on the issues of marketing and strengthened partnerships with room for innovation will benefit Coney Island for years to come and ensure that the City's investment in the area builds a truly thriving year-round economy.

Dear Council Members,

My name is Charles Nolen, General Manager for Big Bus Tours NY. I have been working in Tourism for over 10 years and specifically in NY since the creation of our company in 2014. Big Bus Tours is the largest Sightseeing Bus operator in the world serving over 6 million visitors each year across 23 cities and 4 continents. Locally we employ nearly 500 people, most are members of TWU Local 100.

In all our cities, the company's target remains the same: "being the number one thing to do in every world-famous city" while maintaining full compliance and excellent status with the agencies governing our industry – no matter what the city's regulations or priorities. I define our company as "a Citizen" of our beautiful city and our team members are its Proud Ambassadors.

Because of the size of our Group, operating in 23 cities, Big Bus Tours has relationships with 23 different City Halls, CVBs, Tourism and Transportation agencies of each city in which we operate. We are accustomed to the scrutiny of our operations, and the economic impact our business model brings to the great cities we work in.

Each year, our company introduces with expertise and passion the intrigue and splendor that is New York City to over 800,000 visitors. Each one of them averages 3 hops off and back on the bus during the validity of his/her bus ticket, representing nearly 2.5 million individual rides from our very limited street equity in Manhattan, by using and operating efficiently the most effective and tourist-friendly mass transit of double decker buses. Visitors hopping off my buses are directly spending into our city attractions, museums, restaurants, Broadway shows etc.

Big Bus Tours fully supports the introduction and the creation the Office of Interagency Tourism Affairs and thanks the Council members for this effort. We too are concerned by the lack of a consistent deliverable on what we believe to be of huge importance of the interagency issue in the NY Sightseeing market - the vending and ticket selling through DCA licenses on DOT regulated plazas, sidewalks and bus stops. It is our opinion that the two agencies need a common voice through this Office's creation in order to solve one of the most visible and negative issues, impacting tourist and citizen alike, and the reputation of our City.

We urge the Office to assess the negative impact of human street vendors barricades, reported harassment and deceptive tactics, overcrowding of sidewalks and metro entrances...

We understand that Councilmember Espinal as Chair of the Committee on Consumer Affairs and Business Licensing and Councilmember Powers are working on legislation that would establish a Code of Conduct similar to one that exists in London and several other places in the world . We support such a Code that would clearly define the standard of operation, behavior and presentation for the allocation of on-street staff. We hope you will tell them that you want to be part of that effort.

Big Bus Tours is also looking forward to being included in the discussion and researches around the 5 years tourism sustainability plan and help in any ways possible.

Thank you

Charles Nolen –

SVP & General Manager – Big Bus Tours NY



34 EAST 51ST STREET, 8TH FLOOR, NEW YORK, NY 10022
TEL (212) 754-6700 FAX (212) 754-6703
www.hanyc.org

Honorable Council Member Paul Vallone
New York City Council
Re: Int 1774

Dear Council Member Vallone and the Committee on Economic Development,

HANYC (Hotel Association of New York City) strongly supports the establishment of an Office of Interagency Tourism Affairs for New York City. Tourism is the second-biggest source of revenue from the private sector for New York City, with the hotel industry alone accounting for over \$3.1 billion in taxes. However, the health of the hotel industry is under threat in a variety of areas, including illegal hotels, disproportionately high taxes, and a lack of the necessary infrastructure to support greater tourism inflows and overnight stays. This Infrastructure gap includes convention space.

When completed in 2021, the expanded Javits Center will still come in only at number nine in terms of total function space among cities in the US. With one million square feet of space, it would be a third of that of the market leader, Chicago's McCormick Place. For that reason, HANYC and other tourism stakeholders believe there is a compelling need for a second convention center in New York City in a borough outside of Manhattan, potentially Queens or the Bronx.

In the international market of city convention space use, New York City competes with major international cities such as London, Paris, and Frankfurt, but, importantly, the latter three all have a second convention center supplementing a convention space at their city center. New York City, however, only has one large convention center as an option, located in Manhattan.

HANYC has completed an independent study of the lost business stemming from unavailability of exhibition space, which showed a loss of \$70 million in hotel room revenue in 2018, with the gap leading to losses in excess of \$100 million per year from 2022 onwards.

We write this testimony in support of Introduction 1774 to create an Office of Interagency Tourism Affairs and look forward to discussing future developments on this topic.

Yours truly,

Vijay Dandapani

**THE COUNCIL
THE CITY OF NEW YORK**

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I represent: WIC & Co

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Name: Tom Ferrugia

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I represent: The Broadway League

Address: _____

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(PLEASE PRINT)

Name: Alexandra Silvermith

Address: 1323 Surf Avenue Brooklyn, NY 11224

I represent: Alliance for Coney Island

Address: _____

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(PLEASE PRINT)

Name: Tim Tompkins

Address: 1560 Broadway

I represent: Times Square Alliance

Address: _____

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Date: 10/23/19

(PLEASE PRINT)

Name: Charles Shawiro

Address: 65 Charles Street, New York NY 10014

I represent: Center for an Urban Future

Address: 120 Wall Street, New York NY 10005

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(PLEASE PRINT)

Name: CHARLES NOLEN

Address: _____

I represent: RG BUS TOURS NY

Address: 723 7th Ave 5th Fl NY 10019

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1371 Res. No. _____

☒ in favor ☐ in opposition
of tourism

Date: 10/23/19

(PLEASE PRINT)

Name: Samara Karaysk

Address: 333 Adams St. # 2700 Brooklyn, NY 11201

I represent: Brooklyn Chamber of Commerce

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1371 Res. No. 1372

☒ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Madison Summers

Address: 729 7th Ave, 5th Fl NY 10019

I represent: The Broadway League ↑

Address: _____

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