



TRAVEL & TOURISM UPDATE

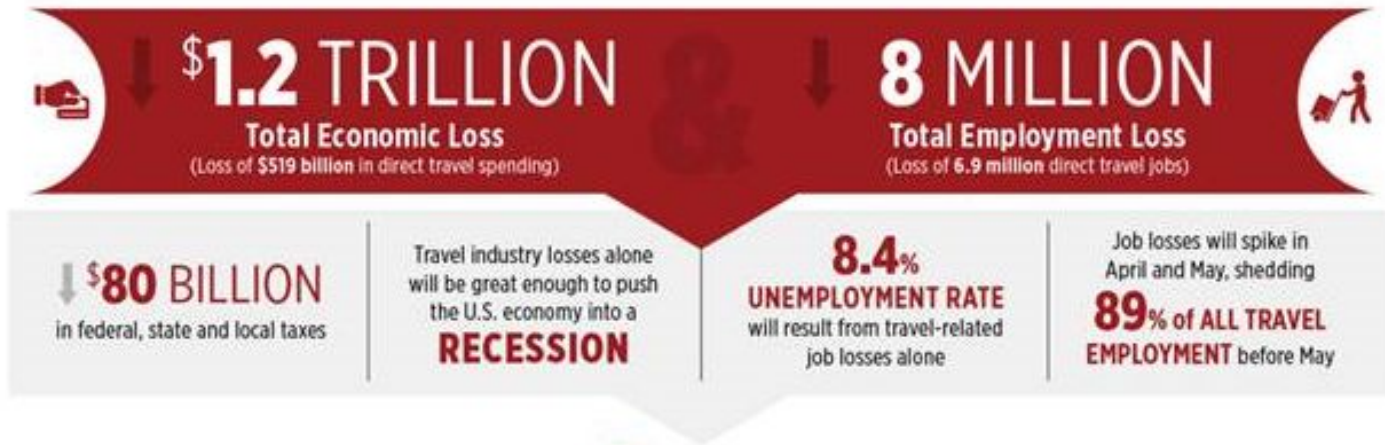
Tom Noonan, President & CEO of Visit Austin



TRAVEL INDUSTRY IMPACT

TOTAL TRAVEL INDUSTRY IMPACT

Projected downturns of the U.S. travel industry in 2020 as a result of the coronavirus:



More Than **9x** the Impact of 9/11

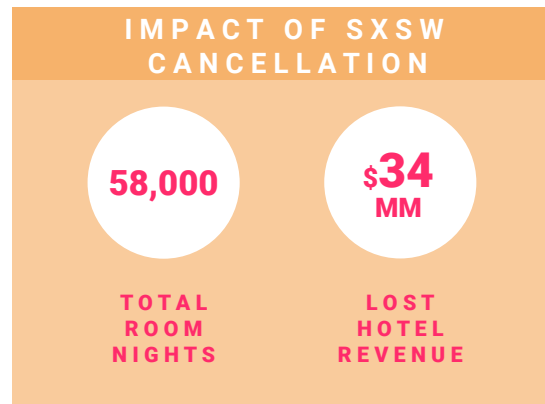
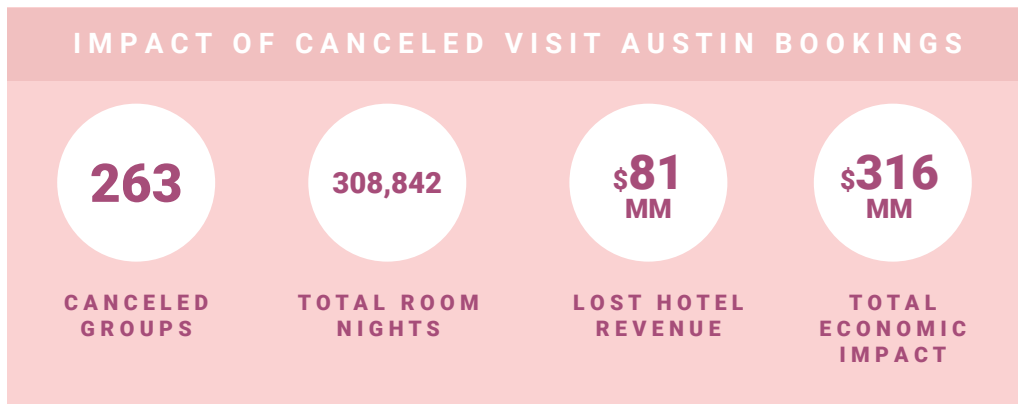
Updated April 15, 2020

SOURCE: Tourism Economics

LOST BUSINESS



CANCELLATION IMPACT



**Farthest out citywide cancellation: early November*

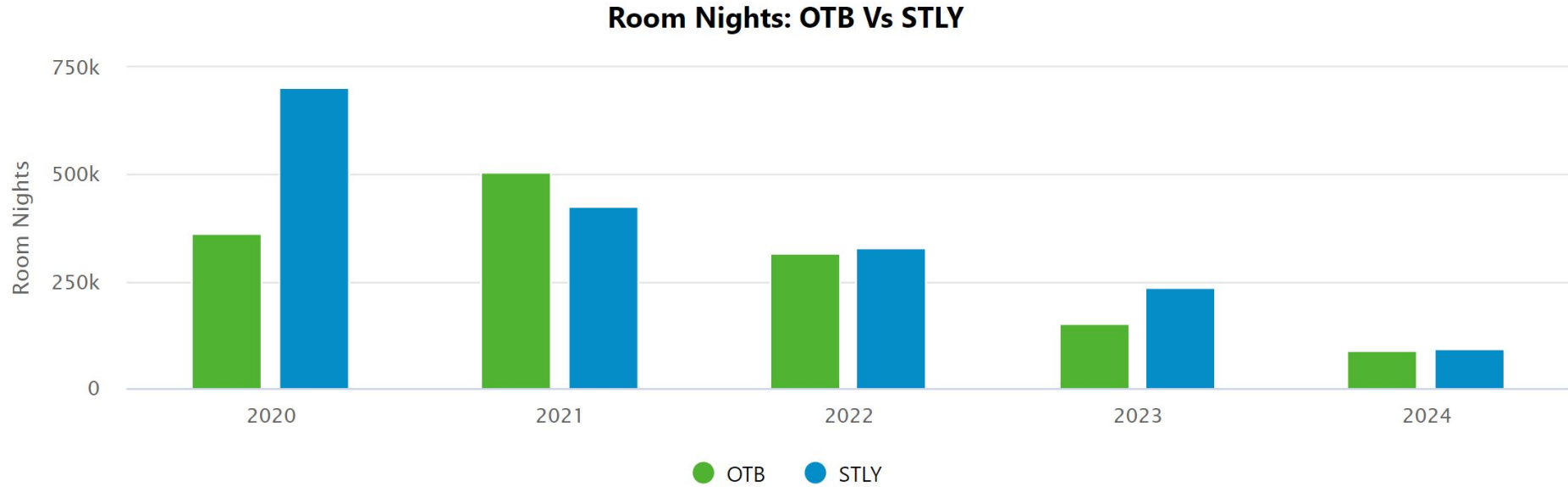
**Farthest out future cancellation: April 2021 (this is the only 2021 cancellation thus far)*

NOTE: Cancellation loss represents Visit Austin booked meetings only, as of MAY 31; SXSW estimated room night/revenue loss per STR analysis

FUTURE BOOKINGS



ROOM NIGHTS ON THE BOOKS



TENTATIVE FUNNEL

YEAR	# Leads	TRN	ESTIMATED ECONOMIC IMPACT
2020	137	73,573	\$64,398,827
2021	348	341,184	\$240,719,605
2022	141	245,270	\$177,661,349
2023	99	314,443	\$223,768,730
2024	43	192,476	\$164,380,220
2025	24	96,475	\$88,360,066
2026	8	76,064	\$39,473,300
2027	6	17,087	\$17,582,850
2028	4	14,306	\$14,323,200
2029	1	2,824	\$2,218,950
TOTAL	811	1,373,02	\$1 Billion

LEAD TRENDS *(March-May)*

- Lead volume down 60% over same time period last year
- 50% of Leads 250 peak or less
- Medical & Tech - Largest Industry Segments
- 52% of these Leads are for 2021
- Delayed decisions for future years due to 2020 cancellations, postponements and replacement bookings

BOOKING PRODUCTION

(October '19-March '20)

Booked Room Nights	388,065	110% YTD / 55% Annual Goal
Convention Center Booked Room Nights	125,380	103% YTD / 52% Annual Goal
Lead Room Nights	2,431,034	115% YTD / 58% Annual Goal
Leads Sent	1,930	113% YTD / 56% Annual Goal

NEW HOTEL INVENTORY

**All Projects Moving Forward*

Commodore Perry Estate · July 2020 · 53 rooms

Canopy Hilton W 6th · July 2020 · 140 rooms

Marriott Downtown · September 2020 · 613 rooms

Hotel Magdalena (Bunkhouse) · Summer 2020 · 89 rooms

Moxy University · Late 2020 · 154 rooms

Kalahari Resort · Late 2020 · 990 rooms

Thompson/tommie Hotels · Q2 2021 · 400 rooms

Hilton Garden Inn University · Q3 2021 · 214 rooms

Hyatt Centric · Q4 2021 · 246 rooms

The Loren · Q1 2022 · 108 rooms

Green Pastures Hotel · Summer 2022 · 63 rooms

HOTEL IMPACT FROM COVID

IMPACT TO AUSTIN HOTEL INDUSTRY				
MONTH	CBD OCCUPANCY	CITY OCCUPANCY	CBD HOTEL REVENUE LOST	CITY* HOTEL REVENUE LOST
MARCH	27.6% -68% YOY	39.6% -54% YOY	\$68 M -75% YOY	\$98 M -69% YOY
APRIL	3.9% -95% YOY	21.6% -73% YOY	\$67 M -98% YOY	\$100 M -89% YOY
MAY	12.4% -85% YOY	30.1% -61% YOY	\$57 M -93% YOY	\$84 M -83% YOY

LOWEST OCCUPANCY & DATE	
CBD	CITY
2.8 Sun, April 12	17.2 Sun, Mar 22

*NOTE: Citywide revenue metric includes CBD revenue lost.

HOTEL MEETINGS AT 50% CAPACITY

per Gov. Abbott's Announcement



THE RETURN OF LEISURE?

	FRIDAY MAY 15		SATURDAY MAY 16	
CBD OCCUPANCY	13.1		15.3	
CITY OCCUPANCY	30.2		30.8	
MEMORIAL DAY WEEKEND	FRIDAY MAY 22	% CHANGE TO PREVIOUS WEEKEND	SATURDAY MAY 23	% CHANGE TO PREVIOUS WEEKEND
CBD OCCUPANCY	24.7	89%	37.9	148%
CITY OCCUPANCY	37.2	23%	46.8	52%
POST HOLIDAY WEEKEND	FRIDAY MAY 29	% CHANGE TO PREVIOUS WEEKEND	SATURDAY MAY 30	% CHANGE TO PREVIOUS WEEKEND
CBD OCCUPANCY	21.9	-11%	27.3	-28%
CITY OCCUPANCY	36.9	-1%	42.5	-9%

HOTEL STATUS REPORT



Courtyard/Res Inn Downtown	OPEN	ARRIVE	CLOSED
Doubletree I-35	OPEN	AT&T Hotel & Conf Center	CLOSED
Doubletree Northwest Arboretum	OPEN	Austin Motel	CLOSED
Hilton Airport	OPEN	Courtyard Austin N/Parmer Lane	CLOSED
Hilton Garden Inn DT Convention Center	OPEN	Courtyard/Fairfield South	CLOSED
Hilton Downtown	OPEN	Courtyard University	CLOSED
Hilton Garden Inn North	OPEN	Crowne Plaza Midtown	CLOSED
Holiday Inn Austin Midtown	OPEN	Doubletree Downtown (15th Street)	CLOSED
Holiday Inn Express Downtown	OPEN	East Austin Hotel	CLOSED
Holiday Inn Express & Suites Arboretum	OPEN	Embassy Suites DT- Town lake	CLOSED
Holiday Inn Town Lake	OPEN	Fairfield Inn Suites Austin/Tech Ridge	CLOSED
Hotel Indigo Downtown	OPEN	Hilton Garden Inn Cedar Park	CLOSED
Hotel Saint Cecilia	OPEN	Home2Suites Airport	CLOSED
Hotel Van Zandt	OPEN	Homewood Suites Downtown	CLOSED
Hyatt House Downtown	OPEN	Hotel Eleven	CLOSED
Hyatt Place Airport	OPEN	Hotel San Jose	CLOSED
Hyatt Place Arboretum	OPEN	JW Marriott Downtown	CLOSED
Hyatt Place Austin North Central	OPEN	Marriott South	CLOSED
Hyatt Place Downtown	OPEN	Motel 6 Austin Downtown	CLOSED
Hyatt Regency Downtown	OPEN	Otis/AC Hotel	CLOSED
InterCon	OPEN	Renaissance	CLOSED
Omni SouthPark	OPEN	Springhill Suites Cedar Park	CLOSED
Residence Inn South	OPEN	Springhill Suite South	CLOSED
Residence Inn NW Domain	OPEN	The Carpenter Hotel	CLOSED
Residence Inn SW Austin	OPEN	Westin Domain	CLOSED
Sheraton	OPEN	Westin/Element DT	CLOSED
South Congress Hotel	OPEN		
W Austin	OPEN		

Of Hotel responses to Visit Austin:

- 40% Remain Closed
- 16% Reopened
- 44% Remained Open

**Stats as of June 3, 2020*

***Many hotels have projected reopening dates in late June- early July timeframes*

Archer	RE-OPENED
Doubletree University	RE-OPENED
Driskill	RE-OPENED
Fairmont	RE-OPENED
Four Seasons	RE-OPENED
Hotel Ella	RE-OPENED
Hotel ZaZa	RE-OPENED
Omni Downtown	RE-OPENED
Proper	RE-OPENED
The Line	RE-OPENED

VISIT AUSTIN FROM HOME



RECOVERY



TACTICAL PLAN

Visit Austin will deploy a tactical plan that adapts to the ever-evolving landscape brought on by the Covid-19 pandemic. This plan, set in motion in March of 2020, outlines short- and long-term strategies to restore the local industry and welcome visitors back to Austin. *The full impact of this global crisis is yet to be seen, and full recovery may not be achievable within one fiscal year.*

1

REBUILD & RESTORE *(Will be marked by <45% city side hotel occupancy)*

Initial focus on leisure drive market visitors. Other objectives include restoring agreements with convention groups, providing resources to Austin's hospitality community, and maintaining top-of-mind awareness and support of local businesses are top priorities during this phase.

2

STABILIZE *(Will be marked by 46-64% city side hotel occupancy)*

In this phase, we will look to tried-and-true sales and marketing tactics to inspire Austin brand engagement and visits. This phase will also require foresight and innovation to adapt to new norms for both leisure and meeting travel.

3

NORMALIZE *(Will be marked by 65%+ city side hotel occupancy)*

This phase will be marked by sustainable outcomes which signal the return of a healthy tourism and hospitality industry including the return of conventions and international travel. Given its long-range view, these strategies will remain fluid, prompting ongoing conversation and collaboration with relevant stakeholders.

VISIT AUSTIN FOUNDATION UPDATE



HOSPITALITY INSURANCE MARKETPLACE



[Visit Austin Foundation](#)[SHARE](#) ➡

COMMUNITY RESOURCES

One of the Visit Austin Foundation's (VAF) objectives is to serve as a resource for the hospitality, music and tourism community in the greater Austin area. The industries and individuals we serve have been among the hardest hit by recent events, and we are listening to community needs to identify ways to offer support.

If you or a loved one find yourself in need of health insurance, we've collaborated with Velopoint, an independent insurance broker, to provide a one-stop insurance marketplace with expert agents on call to assist throughout the process. This tool allows you to evaluate a variety of plans to meet the unique needs of you and your family.

[Click the button below to learn more.](#)



Questions about
COVID-19?

[Learn More](#)



Health Insurance

Choose from the options below to learn more about insurance and what supplemental coverage options may be right for you.

LEARN MORE

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Insure Austin



Health Insurance



Supplemental Insurance



Life Insurance

EDUCATION



VIRTUAL EDUCATION SHOWCASE

LIVE WEB SESSION WITH:

Cindy Novotny, Master Connection
Associates

TOPIC:

'Be Resilient – Preparing for the Grand
Re-Opening'

WHEN:

Thursday, June 25 @ 10 a.m.

VISITOR CENTER UPDATE



AUSTIN VISITOR CENTER

- 11 Tour Companies Operating from the Visitor Center
 - 6- Vehicle/Van Companies
 - 5 - Walking, Bike, Segway, Running
- 35 Local Area Vendors Featured through our Retail/Shop Inventory
- Virtual/Online Store
- Currently Servicing Visitor Inquiries via Phone and Email



LOOKING AHEAD



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B U D G E T



	Approved FY 2019	Approved FY 2020	Amended FY 2020	Proposed FY 2021
HOT Funding	13,126,471	14,748,301	10,059,265	10,864,807
Private Revenue	2,210,525	2,419,700	1,665,326	1,125,250
Draw on Reserves*	376,100	533,800	1,000,000	1,000,000
	15,713,096	17,701,801	12,724,591	12,990,057

**Draw on Reserve for FY19, Approved FY20 were to fund convention commitments, draws in amended FY20 and proposed FY21 are to fund marketing*

COST-CUTTING ACTIONS

In response to the COVID-19 Pandemic, Visit Austin has implemented the following actions to reduce costs during the time period of March 24-May 12, 2020:

1. We have suspended our 401k matching program.
2. We reduced initial employee compensation between 10-30% based on position.
3. We made a secondary reduction in employee compensation between 5-10% based on position (Director level and above).
4. All marketing and advertising campaigns have been paused.
5. We have paused all non-essential contracts until further notice.
6. We have eliminated travel for the remainder of 2020.
7. We have cut all possible IT costs and paused spending on non-essential expenses.
8. Furloughed (18) full-time employees.
9. We continue to be in close communication with the Austin Convention Center Team as we work to uncover additional potential savings.

Q & A

