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## Buffalo's Tourism

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## Buffalo's Tourism



# Buffalo's Tourism

By Robert Goodwin



## 1. How many people visit Buffalo per year?

The Buffalo Niagara region attracts about 16 million visitors each year.<sup>2</sup> Buffalo and Erie County's tourists account for 70% of the tourism in the Buffalo Niagara region.<sup>3</sup>

## 2. Who visits Buffalo?

In 2007, Erie County hotels and motels reported a total of 819,007 occupied room nights.<sup>4</sup> The following groups accounted for these nights:

- Corporate transient visitors: 40%;
- Leisure/non-group visitors: 34%;
- Individuals attending conventions and meetings, and amateur sports groups: 23%;
- Group tour visitors: 3%.<sup>5</sup>

## 3. How long do the tourists stay?

A 2003 study showed that visitors stayed in the Buffalo region, on average, 2.2 nights a visit.<sup>6</sup>

## 4. What attractions does Buffalo offer?

Buffalo offers a variety of tourist attractions, especially in the fields of Arts and Theater, Architecture, Culture, History, Nature and Sports and Outdoor Recreation.<sup>7</sup> For specific

attractions please visit one of the following websites, which list popular tourist destinations:

<http://www.erie.gov/recreation.asp>; [www.visitbuffaloniagara.com](http://www.visitbuffaloniagara.com);  
<http://www.ci.buffalo.ny.us/Home/OurCity/Tourism>;

### 5. What is the region's biggest attraction?

Niagara Falls continues to be this region's most popular tourist attraction, attracting millions of tourists a year.<sup>8</sup>



### 6. Is Buffalo improving any of its attractions?

Yes. To promote tourism, many of the regions tourist destinations are rehabbing their current sites to draw more visitors. These sites include

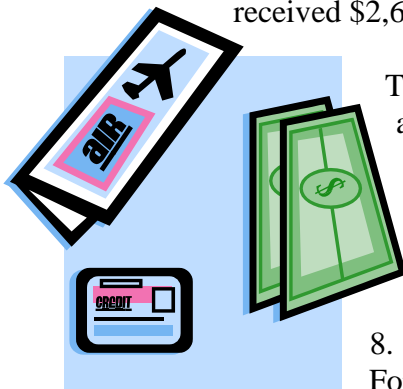
- The Buffalo Zoo;
- The Darwin Martin House;
- The Erie Canal Waterfront redevelopment;
- The Burchfield Penny Art Museum.

Supporters also believe the downtown casino will also draw tourists to the region. Some argue, however, that the casino will not be a successful tourist attraction because its revenue will mostly come from the local population and tourists will spend their money in the complex and not in the surrounding restaurants and shops.<sup>9</sup>

### 7. Does the government play a role in facilitating local tourism?

Yes. Erie County created the Office of Arts, Culture and Tourism (ACT) in 2001, which operates within the Erie County Planning division. The purpose of this group is to oversee the distribution of an approximate \$9 million annual investment among Erie County's cultural tourist attractions.<sup>10</sup>

This money is dispersed under two grants. One of these grants, the Public Benefit funding, awards money to not-for-profits that focus on the region's economic development and engage in various community improvement activities. In 2008, ACT awarded funds to organizations such as the international friendship festival, and tourism supporting agencies such Buffalo Niagara Convention & Visitors Bureau.<sup>11</sup> The Bureau received \$2,600,000 in 2008 and is budgeted for the same amount for 2009.<sup>12</sup>



The second grant supports eligible cultural organizations who are awarded money based on the recommendations of the Erie County Cultural Resource Advisory Board (EECRAB).<sup>13</sup> For a complete breakdown of the EECRAB's projected 2009 fund distribution, please review the 2009 Erie County Budget: Book A Operating Funds at: [http://www.erie.gov/exec/budget\\_info.asp](http://www.erie.gov/exec/budget_info.asp)

### 8. How can I apply for these funds?

For links to the grant requirements and the respective applications, please

visit ACT's website at:

[http://www.erie.gov/environment/planning\\_ecdev/arts\\_culture\\_tourism.asp](http://www.erie.gov/environment/planning_ecdev/arts_culture_tourism.asp)

### **9. Does the government provide any other financial support originally for tourism?**

Yes. Erie County also levies a 5% bed tax and provides these revenues to entities such as the Buffalo Niagara Convention and Visitors Bureau.<sup>14</sup> These revenues make up 85% of the Bureau's budget.<sup>15</sup>

Debt forgiveness, granting subsidies, and issuing low costs leases are other tools local government uses to support tourism and maintain tourist structures. For example, the city recently forgave the downtown Hyatt Regency Hotel \$8 million dollars in unpaid construction loans that the city loaned in 1980.<sup>16</sup>

### **10. What is a "bed tax"?**

Bed taxes are taxes the County government levies on hotel stays within its jurisdiction.<sup>17</sup> They typically generate \$5 million<sup>18</sup> annually, but officials project them to reach \$8 million this year.<sup>19</sup>

### **11. What is the Buffalo Niagara Convention and Visitors Bureau?**

The Bureau is the official travel resource for Buffalo and Niagara Falls, New York.<sup>20</sup> It acts as the marketing leader for Buffalo's hospitality industry and its mission is to assist the economic development of Buffalo by promoting the region as a convention, tourism, leisure and business destination.<sup>21</sup>

### **12. How does local tourism affect our economy?**

In 2006, Erie County's travel and tourism industry generated \$1.2 billion in direct visitor spending.<sup>22</sup> This number includes \$205 million spent on lodging, \$433 million spent on food and beverages, \$260 million spent on retail sales, and \$140 million raised in state and local taxes.<sup>23</sup>

### **13. Does Buffalo's tourism create jobs?**

Yes. Regional tourism has helped create and maintain jobs in the fields of entertainment, recreation, food, and accommodation.<sup>24</sup> In 2000, tourism helped maintain 9,000+ jobs in these fields<sup>25</sup>, including positions as front-line hotel staff members, managerial personnel in hotels and restaurants, and positions in local arts and tourism organizations.<sup>26</sup>



For these jobs to continue however there must be a continuous flow of visitors. Job growth would also require tourists to stay for longer periods of time or an increase in the number of tourists.<sup>27</sup> A recent study showed that it takes 290 tourists to generate a single job in Buffalo's tourism and hospitality sector.<sup>28</sup>

These job positions are also not high paying. The NY Department of Labor has determined that from 2003-2007 in Western New York, workers in Food Preparation and

Serving Related Occupations made on average \$19,850 a year, while Restaurant Cooks made on average \$22,510 per year.<sup>29</sup> Tour Guides and Escorts averaged \$19,390 and Hotel, Motel, and Resort Desk Clerks averaged \$19,890 during this same period.<sup>30</sup>

#### **14. How has local tourism benefited regional hotels?**

Erie County's hotel Occupancy Rate has increased the past three years. The rate in 2007 was 68.80%, which was higher than the 65.80% rate in 2006 and the 61.90% rate in 2005.<sup>31</sup> The Average Room Rate, which was \$85.09 in 2007, has also increased during this time and has led to higher hotel revenues.<sup>32</sup> In 2007 Erie County hotels generated \$182,245,659 in total revenue, which was higher than the \$162,301,073 total in 2006 and the \$146,388,574 total in 2005.<sup>33</sup>

The 2007 numbers demonstrate a 4% increase in overall hotel occupancy, 8.5% increase in daily average hotel rate, and a 12% increase in total hotel revenue.<sup>34</sup>

#### **15. What role do conventions play in Buffalo's Tourism?**

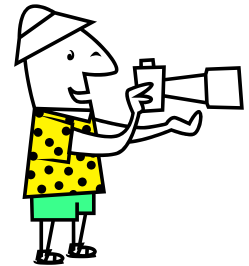
In 2007, the Bureau booked 190 future conventions, meetings, and events, which required the booking of 118,647 hotel rooms.<sup>35</sup> The Bureau believes these events will generate approximately \$60 million in expenditures for local stores, hotels, and restaurants.<sup>36</sup>

#### **16. What role does the Convention Center play in Buffalo's Tourism?**

The Convention Center hosts a number of annual events such as the Buffalo Home & Garden Show, Buffalo Auto Show, and the World's Largest Disco.<sup>37</sup> In 2007 a total of 178 events attracted 340,000 people to the Convention Center and downtown Buffalo.<sup>38</sup> These events required the booking of 15,500+ hotel room nights.<sup>39</sup>

#### **17. What role does Amateur Sports play in Buffalo's Tourism?**

In 2007 46 sporting events generated \$15 million, as over 40,000 athletes and spectators occupied 37,000 hotel room nights.<sup>40</sup> These events included the NCAA Basketball Division 1 Men's 1st and 2nd Rounds and ESPN's Bassmaster Elite Series Fishing Tournament.<sup>41</sup>



#### **18. Will Buffalo host any future events that will generate tourism revenue?**

In 2009 Buffalo will host the National Solar Energy Conference for the American Solar Energy Society. This event is expected to attract over 1,500 attendees, which will require 2,000+ hotel room nights and is predicted to have a \$1.2 million impact on Buffalo's economy.<sup>42</sup> In 2010 Buffalo will once again host the NCAA Men's Basketball Tournament.<sup>43</sup> Also in 2010 Buffalo will host The North American Association for Environmental Education's national conference, which is expected to attract 1,200+ attendees, require 3,600 hotel room nights, and have a \$1 million impact on the Buffalo economy.<sup>44</sup>

## 19. Has the current economic situation hurt Buffalo tourism?

No. Actually the higher gas prices have helped Buffalo's hospitality industry, as individuals, specifically from Canada and the Finger Lakes region, are deciding to shop and vacation in areas closer to home.<sup>45</sup> From January through August 2008, the hotel occupancy rate has increased to 69.5% and hotels have generated total revenues of \$131 million, over this eight month period.<sup>46</sup> At year's end, total hotel revenues are expected to reach \$198.6 million (a 9% increase from the previous year) and the occupancy rate is expected to reach 70%.<sup>47</sup>



## 20. What issues currently face Buffalo Tourism?

- Breaking down misconceptions about the city: Buffalo currently fights its image as a snowy and cold destination.<sup>48</sup> Institutions, such as the Buffalo Niagara Convention and Visitor's Bureau are marketing nationally and internationally to show that Buffalo has more than snow.<sup>49</sup>
- Persuading people to stay the extra night: Tourist institutions state that by promoting the attractions within the region and continually financing their physical improvements, visitors will see this region has a lot to offer and decide to stay the extra night.<sup>50</sup> They believe that when tourists lengthening their visits, tourist spending and hotel occupancy will increase and have a strong economic impact.<sup>51</sup>
- Need to form a regional vision: Critics argue that many of Buffalo's Tourism initiatives and institutions are ineffective due to lack of collaboration.<sup>52</sup> These individuals call for a greater communication between current organizations, increased data and service sharing, and the formation of experience clusters (groups that combine a variety of attractions in a specific package).<sup>53</sup>
- Improving transportation infrastructure- To ensure greater access to the Buffalo region, individuals argue for improvements in the local transportation infrastructure. Peace Bridge expansion<sup>54</sup> and the creation of a high-speed rail service<sup>55</sup> are a few of the suggestions to improve access to the region.

## 21. Where can I find more information on Buffalo's Tourism?

For more information on the various tourism opportunities in Buffalo, visit <http://www.visitbuffaloniagara.com/>. The Buffalo Niagara Convention Bureau also provides a monthly newsletter that highlights local events.



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