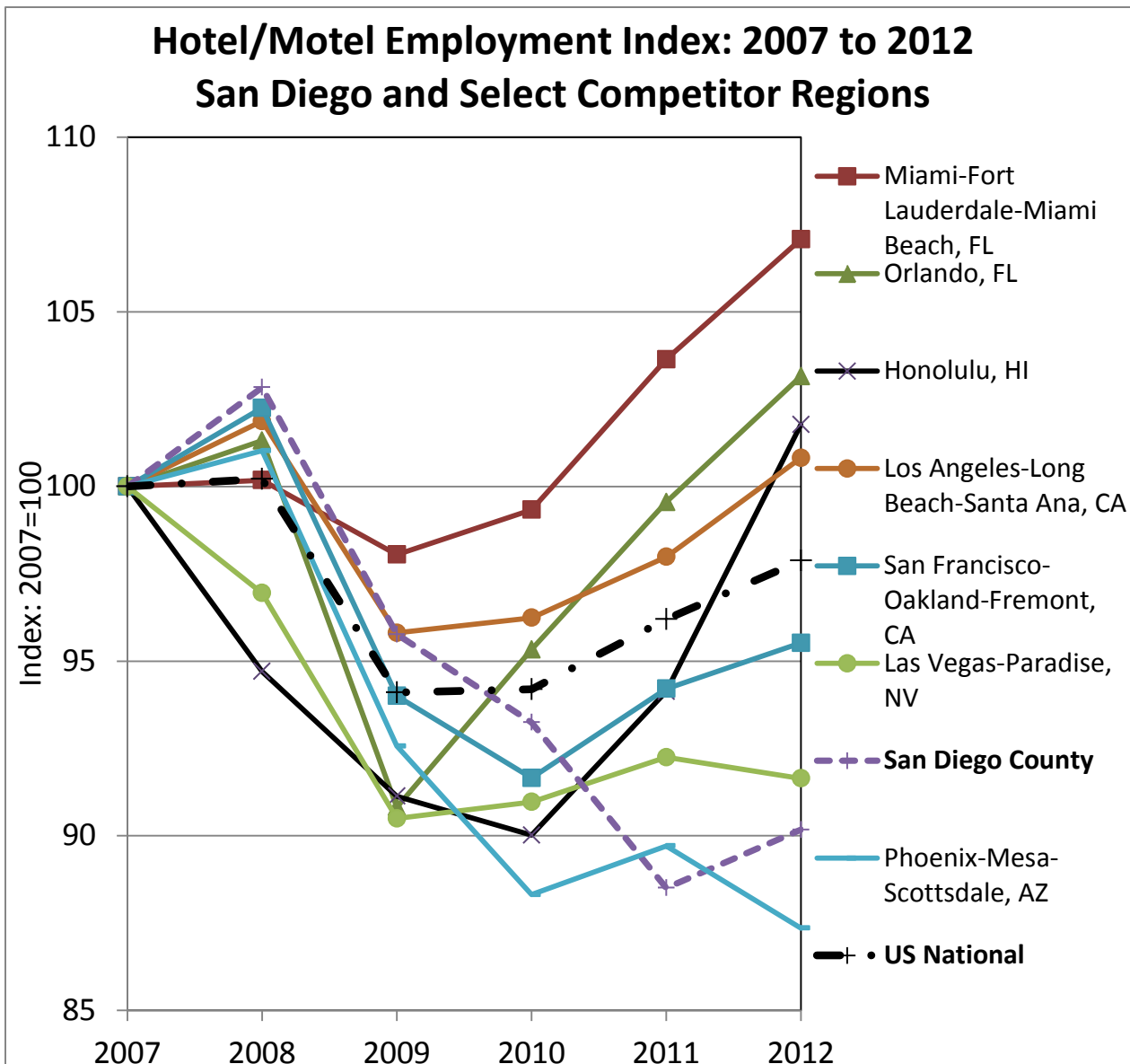


NEWS AND NOTES

SAN DIEGO VISITOR INDUSTRY EMPLOYMENT CONTINUES TO LAG

Recent data from the US Bureau of Labor Statistics starkly indicates San Diego’s visitors industry is not recovering nearly as well as the rest of the nation nor most other key comparative areas.

Since its peak in 2008, San Diego’s Hotel and Motel industry lost nearly 3,900, now standing at only 90% of what it was in 2007. That is worse than the nation, which recovered to 98% of where employment stood in 2007. Competitor regions such as Los Angeles, Orlando, Honolulu and Miami have actually seen employment pass 2007 levels. Of the eight metropolitan areas examined, only Phoenix has a slower recovery of hotel/motel employment.



The importance of this measure regarding the overall health of the region’s economy cannot be overstated. The broader visitor industry (in addition to hotels including eating establishments, theme parks, and other tourism-serving businesses) and the indirect jobs it supports constitutes approximately 10% of San Diego County’s economy.¹ Transient-occupancy tax collections constitute the third largest source of revenue to the City of San Diego’s general fund and is a major revenue source for many of the county’s other cities. A lag in employment recovery among area hotels and motels indicates a drag on the region’s economy and a negative strain on local government budgets.

**HOTEL/MOTEL EMPLOYMENT
SELECTED METROS
2007-2008**

	Year					
Metro	2007	2008	2009	2010	2011	2012
Miami-Fort Lauderdale-, FL	46,193	46,278	45,293	45,885	47,875	49,463
Orlando, FL	49,018	49,661	44,519	46,730	48,799	50,566
Honolulu, HI	16,329	15,464	14,881	14,699	15,371	16,619
Los Angeles-Orange Counties, CA	63,463	64,651	60,805	61,079	62,186	63,982
San Francisco-Oakland	32,634	33,369	30,677	29,911	30,745	31,172
Las Vegas, NV	179,618	174,141	162,548	163,397	165,696	164,608
San Diego County	30,461	31,326	29,172	28,404	26,961	27,468
Phoenix-Mesa-Scottsdale, AZ	28,964	29,261	26,811	25,580	25,984	25,302
US National	1,854,941	1,858,911	1,745,557	1,747,254	1,784,558	1,815,617

Getting the tourism job engine turned up to full will not be easy. San Diego has unfortunately been unable to promote the region’s brand due to continued legal challenges to the San Diego Tourism Marketing District (TMD). The same entities opposing the TMD are challenging the legality of the San Diego Convention Center expansion and threatening to delay initiation of the project. Competitors like Los Angeles and Orlando are benefiting from an arms race among the nation’s theme park operators, as billions have been spent by both the Walt Disney Company and its competitor at Universal Theme Parks to attract leisure travelers. San Diego’s airport reality means our city is highly unlikely to ever be a major international gateway – a situation that greatly helps Miami’s visitor industry as a growing middle class in Latin America gravitates toward Miami as a place to vacation, shop, do business, and invest.

NOTE ON SOURCES: All data from the US Bureau of Labor Statistics with calculations by the National University System Institute for Policy Research.

¹ . San Diego Tourism Authority. 2013 Fact Sheet, <http://www.sandiego.org/industry-research.aspx>