

Atlantic City Tourism Performance Indicators (AC-TPI) 1st Quarter 2014

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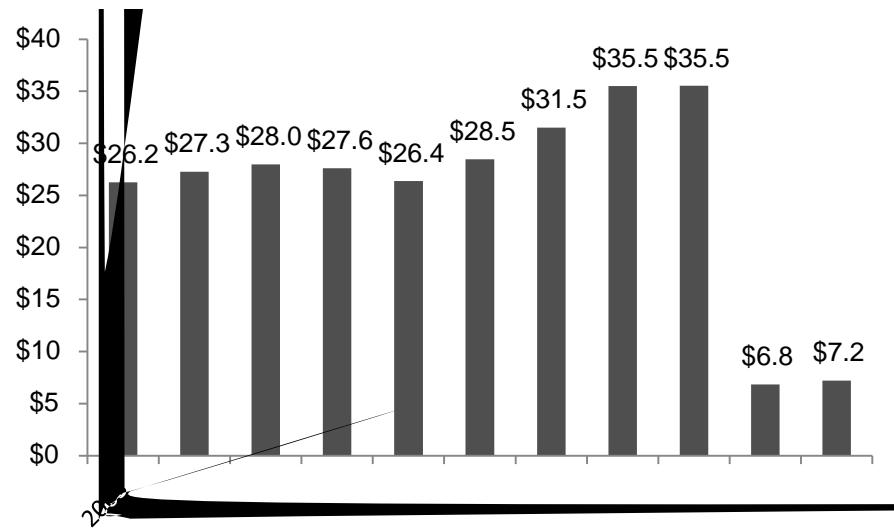
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The seasonal trend is also discernible looking at the quarterly revenues (see Figure 3). The third quarter is always the strongest quarter of the year, and has increased in both of the past two years, reaching a record high in 2013 for any quarter at \$12.2 million. Meanwhile, the first quarter of 2014 increased from the prior year from \$6.8 million to \$7.2 million.

The first quarter gain amounts to a 5% increase compared to the first quarter of 2013 (see Figure 4). That marks the second quarter in a row of significant growth in the Atlantic City Luxury Tax collections. Indeed, these collections have increased in nine of the past twelve quarters.

Spending on taxable items subject to the Atlantic City Luxury Tax have largely been on the rise since 2010 (see Figure 5). Four consecutive years of growth in spending on items taxed under the Atlantic City Luxury Tax peaked with a very strong 2013 at \$35.5 million. And while this figure is only marginally above the 2012 figure (up 0.1%, see Figure 6), it is notable that both years are significantly higher than the \$26.4 million collected in 2009. And thus far this year, far this year's increase (in 2014) is 12.1% above the 2013 figure.



Atlantic City Casino Parking Fee

The Casino Parking Fee figure is provided by the NJ Casino Control Commission (NJCCC). This figure serves as a surrogate for transportation, assuming that if the number of vehicles taxed has gone up or down, then so too will other expenditures on transportation to and from as well as within the resort. The tax is described by the NJCCC as:

“By law, casinos remit a fee of \$3.00 per day for each parking space used by patrons in their facility. \$0.50 of the parking fee is deposited into the Casino Revenue Fund, with the remaining \$2.50 forwarded to the Casino Reinvestment Development Authority for public projects in Atlantic City. The commission audits and certifies the amounts payable by each casino under the law.”

Figure 8 shows that the Casino Parking Fee is also seasonal in nature,

All told, the first quarter of 2014 showed a decline from \$6.1 million in the first quarter of 2013 to the present figure of \$5.7 million (see Figure 10). That represents a decline of 7% year over year (see Figure 11). Likely these declines will persist to some extent over the remainder of the calendar year in which comparisons to time when the Atlantic Club casino was open are to be made.

With the exception of 2012, collections of the Casino Parking Fee have been on the decline on an annualized basis since 2007 (see Figures 12 and 13). The year to date decline of 7.1% was a slightly smaller decline than that seen in 2013 through the first quarter (-7.5%).

Once again, it is instructive to look at a twelve month trailing total to discern the longer term trend in the Casino Parking Fee. This is accomplished in Figure 14. Here the picture is quite different than the analysis of the Atlantic City Luxury Tax in the prior section. The highest twelve month period in the study period was the twelve months ending June 2007, when the 12 months through June 2007 saw the Casino Parking Fee generate \$37.3 million. That figure is now at \$27.5 million for the

So, despite four consecutive years of growth in hotel room sales followed by a largely flat 2013, the first quarter of 2014 is bucking this trend (down

