

Tourism Dollars Surge in Marina del Rey

Study finds a 21% single-year increase in visitor spending on the heels of hospitality upgrades

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By Gary Walker



The recent \$25-million renovation of the Marina Del Rey Hotel deserves some of the credit for increased tourism revenue, local officials say

A surge in tourist spending last year has Marina del Rey officials in high spirits heading into summer vacation season.

Tourism in Marina del Rey generated \$294 million in direct visitor spending in 2015 — a 21% increase over an estimated \$243.8 million in 2014, according to a study commissioned by the Marina Del Rey Convention & Visitors Bureau.

That spike amounted to an overall economic impact of \$382.2 million last year, the report states.

In keeping with a roughly 20% across-the-board climb, visitor spending at restaurants and retail stores rose to \$1.2 million in 2015 (versus just under \$1 million in 2014), supporting an estimated 2,673 jobs.

Likewise, total tax revenue for tourist spending jumped from \$8.9 million in 2014 to about \$10.7 million in 2015 on the strength of \$9.5 million in county hotel tax proceeds.

Marina Del Rey Convention & Visitors Bureau Executive Director Janet Zaldua attributed economic growth to recent upgrades in the marina's hospitality sector, in particular a \$25-million renovation of the Marina Del Rey Hotel.

"Our hotels are now able to compete with hotels in Santa Monica and Beverly Hills. This shows real positive growth for the marina," Zaldua said.

Upgrades to the Marina Del Rey Hotel on Bali Way included a new outdoor pool and sundeck area, a 3,500-foot wedding space and the new waterfront SALT Restaurant & Bar.

The Ritz-Carlton Marina del Rey also improved guest rooms and opened the upscale farm-to-table restaurant Cast & Plow, and the Marriot Marina del Rey recently finished renovations to guest rooms and event spaces.

Marina del Rey's six hotels — totaling about 1,100 rooms — took in about \$79.4 million in overall revenue last year, according to the study conducted by CBRE Hotels, a global hospitality consulting and analysis firm.

Two other hotels, a Residence Inn and a Courtyard by Marriott, are slated to break ground on an undeveloped parcel along Admiralty Way in another few years.

But it wasn't just visitors from afar increasing economic activity in the marina.

Los Angeles County Department of Beaches and Harbors spokeswoman Carol Baker said that attendance figures for public events and amenities along the harbor suggest that residents of nearby communities are now visiting Marina del Rey in greater numbers.

"It's definitely good news. The increase [in tourist spending] is consistent with what we're seeing in terms of growing interest in other measureable areas of the marina, such as visitor use of the WaterBus and the Beach Shuttle — free transportation modes whose ridership has steadily risen the last few summers," Baker said.

"We've also seen increased attendance at Burton Chace Park events, including the popular summer concert series," Baker said. "Combined with the growing hotel occupancy rate, the numbers appear to show that more and more visitors are realizing that the marina has something for everyone."

Zaldua is optimistic that other planned renovations — a potential reboot of the Fisherman's Village parcel on Fiji Way in particular — will eventually generate even more economic activity.

“When it’s finally completed, that will be a game-changer,” Zaldua said. “Not only will it attract tourists, but I think it will also attract locals and that will remind them of what we have here.”

County officials recently approved a reconfiguration of Pier 44 that is expected to bring a waterside Trader Joe’s specialty grocery store and other new retail outlets to Admiralty Way.

Marina Lessees Association President David O. Levine credited a stronger economy and increased fiscal commitments by Los Angeles County with spurring local economic growth.

“There has been a significant investment made in a number of properties in Marina del Rey by the county, the lessees and the hotel operators,” said Levine, who runs the Shores apartments on Via Marina and the Marina Harbor Apartments and Anchorage on Bora Bora Way.

Levine believes there is still room for improvement: “We still need more visitor-serving businesses in the marina,” he said.

Not everyone is pleased with the changes taking place in Marina del Rey, however, and would just as soon go in the opposite direction of Levine’s vision for the harbor.

Many longtime residents have vocally opposed county efforts to increase density and commercial activity in the marina, complaining also that ongoing construction activity is taking a toll on quality of life.

Environmental advocates have joined those battles, most recently opposing construction of the Residence Inn and Courtyard by Marriott along Admiralty Way.

Sandi West, a board member of the Marina Peninsula Community Council, echoed a sentiment commonly expressed at public meetings by various marina residents: “The marina is predominately a residential area and does not need any more hotels. We have enough,” she said.

An assessment of Marina del Rey hospitality trends conducted by the firm PKF Consulting anticipates continuing strong demand for hotel rooms over the next several years. Hotel occupancy rates have hovered around 80% in recent years.

“Historically, the market has performed well above state averages and been able to absorb the re-openings of the hotels that closed for renovations. The market has historically performed with an occupancy [percentage] in the high 70s, and we expect the trend to continue with or without supply additions,” the report states.

Considering the increasing hotel tax revenues coming into Los Angeles County coffers, West said she’d like to see county officials put more money into infrastructure that would benefit residents suffering through Marina del Rey’s growing pains.

“Our roads and alleys are in disrepair, and we don’t have any money to create more stop signs or speed bumps,” said West, echoing some residents’ calls to keep traffic speeds in check at the south end of Via Marina and Pacific Avenue.

But county roadway repairs have also generated a fair share of complaints.

In April 2014, county workers completed a yearlong roadway construction project along all 1.8 miles of Admiralty Way from Fiji Way to Via Marina.

New roadway construction is expected to tie up traffic along Via Marina into early 2017, with lane closures expected to begin in the next few weeks, according to county officials. Northbound traffic along Via Marina will be re-routed to a single lane between Marquesas Way and Panay Way from 8 a.m. to 5 p.m. for up to four days a week over roughly 11 months starting as early as May.

Zaldua said her team does not plan to rest on its laurels when it comes to supporting a visitor-friendly and economically vibrant future for Marina del Rey — and letting other people know about it.

“Marina del Rey is our crown jewel. Now we need people to know that we’re polishing it,” she said.