

The West Bypass alignment would also support retailing on Route 419, which would be less than 2 miles from the I-73 interchange with Route 221.

**Magnitude of Impacts.** Impacts on retail trade are important for the City because the City collects a 1% sales tax (out of the 4 ½ % total sales tax) on retail sales. The extent of retail sales growth for the City depends on efforts to maintain reasonable highway access along the I-581 and US-220 corridors, where all of the City's largest retail centers are located. As previously noted, the "No Build" scenario indicates a worsening of traffic congestion along I-581. The East and West Bypass Scenarios would not improve that situation for I-581, and the East Bypass will particularly support newly-emerging competing shopping developments. Only the Central Alignment, with its additional lanes, is forecast to: (a) lead to some modest improvement in I-581 level of service, (b) bring in more pass-by visitors to the City and (c) avoid encouraging new retail development east or west of the City.

With the Central Alignment, the City could possibly move its share of the region's new retail growth from 22% back to around 45%. That would represent an additional \$30 million of retail sales (in 1999 dollars). Another \$20 million of retail sales could be generated in the City as an induced effect of the potential industrial and office growth impacts (based on results of the IMPLAN economic model for the City of Roanoke). Together, these factors could increase the City's retail sales tax revenues by \$500,000 dollars annually.

## ❖ 2.6 Tourism Sector

**Overall Patterns.** A major concern about the alignment of I-73 through the Roanoke Metro area is its impact on tourism. Roanoke is currently visited by nearly 8% of all tourists to Virginia. The city's main tourist attractions are the museums and the market area in downtown Roanoke. It is notable that 30% of tourists are passing through, en route to other destinations. The City has nearly 2500 hotel rooms, about 40% of the metro area's total supply. This number indicates a significant reliance on tourist spending, as tourist-serving industries have a concentration in the City, 19% higher than the statewide average. (See Appendix B for further details on the tourism sector of the economy.) Hotels and restaurants are clustered along Route 581 North and in the downtown area. Local tax revenues from tourist spending (as of 1997) were estimated to be approximately \$5.3 million a year.

Yet while the City has a strong concentration of tourism, the visitor-serving sector of the city's economy has some weakness. In contrast to the strong statewide growth trend, employment in hotels in both the city and the region has declined by 14% to 15% over the past ten years. Jobs in other tourist-serving sectors, such as air and road passenger transportation services, restaurants, and gas stations have grown significantly, however, in line with the growth of tourist spending in Roanoke.