



**Virginia Beach City  
Case Study**

**US CITY LINKS/SACN LED KNOWLEDGE EXCHANGE PROGRAMME**  
**BUFFALO CITY AND VIRGINIA BEACH CASE STUDY**



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The partnership started around February 2005 with a visit by the Virginia Beach (VB) City Council and the International City/County Management Association (ICMA) to Buffalo City Municipality. The main objective was sharing knowledge and bringing practical assistance to urban cities, with the South African Cities Network (SACN) facilitating locally.

Council approval was obtained, with the main focus areas being:

- LED Planning
- Tourism
- Industrial Development

It was apparent in the interactions that Virginia Beach evolved from a very small city with huge infrastructure backlogs as prevalent in many emergent South African cities. However, the city evolved in the late 1980's through identification of a unique selling proposition

Of great interest in the partnership was the realization that Buffalo City and Virginia Beach city share some similarities, that is:

- Coastal cities
- Rich natural resource base
- Emerged as single sector economies
- Emerged from “old age” population to young generation

**PHASES I & II – VISITS TO US**

The first exchange took place in August 2005 and the second in October with one city official visiting Virginia Beach.

Participating cities:

- Buffalo City Municipality
- Msunduzi Local Municipality
- Mangaung Local Municipality

The two phases mainly focused on tourism, investment promotion as well as skills development and revealed the following:



## TOURISM IN VIRGINIA BEACH

- Of the city's \$1.6bn, \$35m was allocated towards tourism development & promotion
- \$13m (37%) thereof came from the private sector
- \$8m was specifically spent on marketing, promoting year-round tourism
- the city had 3million visitors per annum

Virginia Beach focused on the following niche markets:

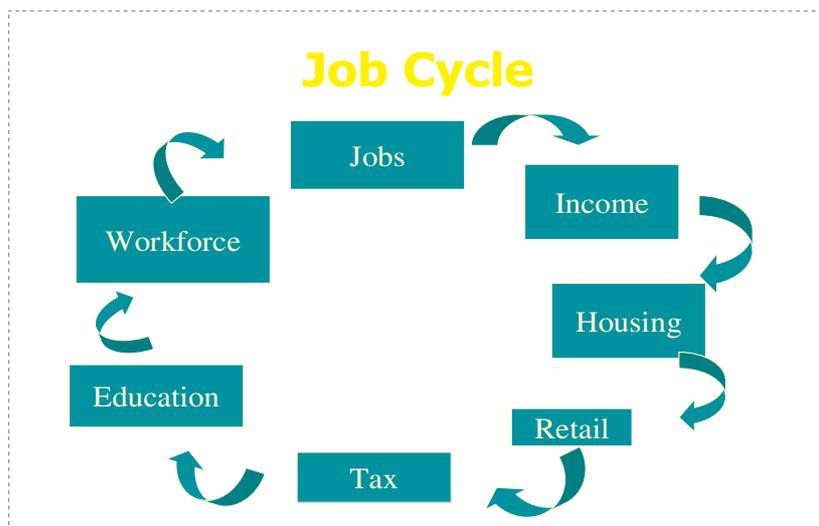
- Eco-Tourism (130 ha of natural environment, including city and state parks)
- Events & festivals
- Sports Tourism
- Convention Centre
- Shopping
- Accommodation (holiday resort) with the following key features:
  - 11 000 hotel rooms throughout the city
  - 8 000 rooms in the beachfront area only

### Lessons learnt around tourism development & promotion:

- ✚ The city had moved away from marketing products to selling the experience.
- ✚ Targeting certain niche markets with specialized programmes to cater for such e.g. family re-unions, information brochures translated to certain foreign language, youth events such as beach festivals, sports tours, etc.
- ✚ Marketing was outsourced with the following advantages realized:
  - Thorough competitive analysis done periodically
  - Strong consistent and catchy messages for all ages "Live the Life"
  - Up-to-date website
- ✚ Research outsourced to Universities.
- ✚ Greater regional co-operation.
- ✚ Visitor Centres strategically located (along highway).
- ✚ Focus on safety and security (\$72m annual budget):
  - This aspect was championed by political leaders and enjoyed greater community support
  - Strong co-operation with the private sector
  - Promote cleanliness
  - Cameras on the beachfront (i.e. main tourism precinct)

## INVESTMENT PROMOTION

In the light of a decline in the military, which was a major employer in the area for years, Virginia Beach dedicated resources towards investment promotion. New sectors were targeted, particularly those with prospects for high paying jobs. This *philosophy* led to the development of a model or “job cycle”, depicting the strong direct relationship between quality of jobs and quality of life.



This strategy was also linked to the tourism, with the realization that any of the tourists could be a prospective investor and therefore the tourism material should always have a “*business message*”.

As a city that started out with huge infrastructure backlogs, caution was exercised to ensure **sustainable development** and effective **resource mobilization**. Such was done through establishment and nurturing of *Public Private Partnerships*, ring-fencing for certain strategic projects and thorough Cost-Benefit Analysis for major developments.

## SKILLS DEVELOPMENT

Unlike in South Africa, education is a competency of municipalities in the United States. As a result, they are able to directly influence curriculum development to be in line with local demand. The municipality also had a full-time facilitator who worked with all relevant institutions such as schools, universities, business, etc. Focus was put on entrepreneurship and business skills, career pathing in Tourism and Construction. There were also mentorship programmes by retired professionals.



### **PHASE III – LED SPECIALISTS VISITS TO CITIES**

This phase involved *visits by LED specialists* from the United States to the respective cities for a period of *about three weeks* (end January to February 2006), following the identification of projects by the respective cities. A programme was developed for David Seamon, Assistant City Manager in Kansas City, which involved primarily high-level interaction with key stakeholders in Buffalo City focusing on investment promotion. These included, amongst others, Chief Executives and Executive Directors of State Owned Enterprises (SOEs), Chambers of Business, Development Agencies, Buffalo City senior officials, etc. Excursions were also arranged to enhance the specialist's analysis of the local environment with its opportunities and challenges. As well as interaction with local people.

This also involved participation of the in a two-day "*future search think-tank session*" held at Empekweni Resort, facilitated by Business and supported by the municipality. Proposals emerging from the high-level interaction were welcomed with great enthusiasm by the participants, with more concrete proposals to be developed and exchanged between David Seamon and the Border-Kei Chamber of Business.

### **PHASE IV – LED SYMPOSIUM (03-04 APRIL 2006)**

Project proposals and action plans have since been developed to this effect and will be shared at the LED Symposium for endorsement by key stakeholders.

### **ACKNOWLEDGEMENTS**

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