

# Las Vegas ‘buzzing,’ recovering faster than expected, experts say

By [Mike Shoro](#) and [Bailey Schulz](#) Las Vegas Review-Journal

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People ready to declare Las Vegas is “back” are a bit premature, experts in and around Nevada’s gaming and tourism industries say.

Still, it’s returning faster than many thought it might. And there still appears to be room to grow, which has hotel-casino executives and industry observers feeling good about Las Vegas’ future.

The valley’s economic drivers, hospitality and gaming, are on the upswing, and there’s a noticeably different vibe these days in its resort corridor.

“I went to the (Golden) Knights game on Sunday, their first playoff game ... the town was buzzing,” said Josh Swissman, partner at The Strategy Organization.

“It felt almost like pre-pandemic times.”

The recovery has come faster than he expected, Swissman said.

“I see it even when I try to go to dinner on a Saturday night,” said Debi Nutton, a gaming coach and consultant who is currently advising Resorts World Las Vegas, set to open next month. “I tried to go to Green Valley Ranch. Every restaurant was sold out; you couldn’t get in.”

Fremont Street and Las Vegas Boulevard already have started to resemble their pre-COVID selves.

People are moseying downtown under the shade of the Fremont Street Experience canopy, and [a concert last week](#) at the Downtown Las Vegas Events Center drew thousands. Friday night traffic is picking up on the streets of downtown, and bars and restaurants are filling tables. On the Strip, sidewalks are packed with people on weekend nights.

“It’s been great to see Las Vegas come alive again to the vibrant destination that we’ve all come to know and enjoy,” CEO Bill Hornbuckle told investors on a late April earnings call. “Our gross bookings in March were one of the best months in the company’s history, clearly backed by pent-up leisure and casino demand.”

Many hotel-casinos have already received permission to [operate at 100 percent capacity](#) and aren’t requiring fully vaccinated guests and workers to wear masks. Pandemic capacity, gathering and social distancing restrictions are set to lift across Clark County on Tuesday.

Tourists are already returning, and an [expected strong Memorial Day weekend](#) may kick off an unusually busy summer.

“I’m pretty bullish on the summer, which is typically a lull in the year for the business,” Swissman said. “I think the summer is going to be a big, big volume season for us in Vegas this year.”

# Demand is back

Hard data isn't yet available to gauge exactly how well tourism and casinos have fared since April. But the evidence of Las Vegas' recovery has been mounting in recent months.

In March, Nevada casinos brought in [\\$1 billion in gaming win](#), and 2.23 million visitors came to Las Vegas. Both were the highest totals since February 2020. It was the best month for Nevada casinos in eight years.

Hotel-casinos are filling more rooms than they have at any point since the onset of the pandemic. Observers note that the oft-cited "pent-up demand" for Las Vegas, viewed by some as a key to the industry's recovery, is materializing.

"We continue to see an increase in leisure visitation with every passing month since vaccines have become widely available throughout the U.S.," the convention authority said in a written statement. "With pent-up demand for travel, even greater pent-up demand for the unrivaled Las Vegas experience, we anticipate visitation continuing to grow."

An MGM Resorts International spokeswoman provided an emailed statement, saying it's important to stay on top of health and safety precautions to "ensure we keep this incredible recovery moving forward."

"Las Vegas is recovering much faster than expected, and it's incredibly exciting to witness," said Callie Driehorst, manager of corporate media relations. "It's thrilling for us to be bringing employees back and hiring new team members at a pace and scale unlike anything our company or community has seen before."

MGM Resorts reported March room occupancy rates on the Strip at 62 percent, and occupancy “has continued to grow in April,” Chief Financial Officer Jonathan Halkyard told investors on an April 28 earnings call. “Our Las Vegas Strip occupancy through last weekend was approximately 73 percent.”

Las Vegas Sands Corp. Chairman and CEO Rob Goldstein said on an April 21 earnings call that “the weekend is pre-pandemic levels” in Las Vegas. “It’s an amazingly busy year and demand is back.”

April occupancy rates reached 84 percent and weekend rooms in Las Vegas are “sold out for the foreseeable future” at Caesars Entertainment Corp. properties, Chief Operating Officer Anthony Carano said May 4. CEO Tom Reeg said the company expected occupancy rates to increase in May and June.

[Vaccine rollouts](#) and restriction rollbacks are helping to restore confidence that it’s safe to travel, Nevada Resort Association President Virginia Valentine said. Hotel-casino operators have gone to great lengths to vaccinate their employees and instill “an extra level of reassurance for visitors, and we’re seeing that impact.”

“It’s been wonderful to see more and more visitors returning and returning with real excitement and energy, ready to have fun,” she said.

## Ahead of schedule

The last couple of months have sped up the timeline for the gaming and hospitality industries’ recovery, adds Brendan Bussmann with Global Market Advisors.

“The industry’s resiliency and ability to adapt has made that easier because of its commitment from day one to the health and safety of our guests and employees,” he said.

This plays out via more customers on the casino floor, at the moment made up mostly of leisure travelers and California drive-in visitors, Nutton said.

“So on a typical Tuesday you might see a quiet casino floor because most of the room mix might be convention customers, and those customers are in a convention during the day,” she said. “But now, because they’re the drive-up California customers, the casino floors seem a little bit busier than they would on a normal Tuesday.”

Las Vegas has been preparing for this moment for the past 14 months by “establishing itself as a safe and comfortable destination,” according to Alan Feldman, distinguished fellow in responsible gaming at UNLV’s International Gaming Institute. He said he anticipates “that we will certainly see impressive numbers in May, both in terms of occupancy and spend.”

Foot traffic in the Las Vegas resort corridor has increased as casino capacity limits were allowed to lift from [50 percent to 80 percent May 1](#), and again as some gaming operators were allowed to lift capacity limits altogether, Feldman said. Leisure travel has come “roaring back.”

“There is no road map to compare this to, but I would say the ramp-up has been a bit faster than I expected it to be, at least in the leisure travel sector,” he said. “Remember that we still haven’t seen business and meeting travel return yet.”

Business and convention travel has been all but nonexistent since the [pandemic reached Nevada last March](#). The return of trade shows, events and conventions is “essential” to midweek business and the tourism industry’s recovery, Valentine said, adding that resorts are working with event organizers to bring them back.

The annual [World of Concrete trade show](#), scheduled for June 8-10, will be the first major convention in Las Vegas since the pandemic’s onset.

International travelers are important, too, as they stay longer and spend more than most domestic travelers, Valentine said.

“The encouraging news overall is that the tourism industry’s rebound is off to a strong start, and that’s critical to the state’s economic recovery,” she said.

Like group and business tourism, international travel has been similarly grounded by the pandemic. A presidential ban on international travel from specific countries remains in place.

McCarran International Airport’s director of aviation [testified during a U.S. Senate subcommittee hearing](#) last week that the federal government needs to jump-start international travel. It’s a critical step to facilitate recovery of Southern Nevada’s tourism-based economy, testified Rosemary Vassiliadis, who heads Clark County’s Department of Aviation.

“At our 2019 peak, Las Vegas enjoyed nonstop service to and from 11 different countries around the globe. Now that number is down to one: Mexico,” Vassiliadis said. “Over the first four months of 2021, our international volume has amounted to less than 80,000 passengers. However, there is hope on the horizon. Almost every week, I or members of my team hear from

representatives of international air carriers expressing interest in quickly resuming flights to Las Vegas.”

International visitation crested at 3.8 million passengers to Las Vegas in 2019 before effects of the coronavirus pandemic set in and airlines quit flying internationally as a means to slow the spread of the virus.

“These airlines ask us point-blank: What is the U.S. doing to reopen travel?” Vassiliadis said. “When will our airline be able to resume bringing vacationers and conventioneers to Las Vegas? To take advantage of this opportunity — ideally in time for the 2021 summer travel season — we need immediate, active leadership from the U.S. government.”

## June bloom?

Though many casino floors are already operating at 100 percent capacity, some maintain that [June 1 marks a milestone date](#) for Southern Nevada’s ability to host shows, events and all the live entertainment that will comprise a full economic recovery.

Still, the Nevada Gaming Control Board on Tuesday confirmed that its agents would continue to enforce Gov. Steve Sisolak’s COVID-19 directives over Memorial Day weekend.

The board’s Enforcement Division — staffed every day, year-round, around the clock — will enforce directives until they are lifted Tuesday, according to James Taylor, the board’s chief of enforcement.

Sisolak targeted June 1 — nearly a year to the day that casinos could reopen — as a goal for pandemic restrictions to lift statewide. Masks are still required for those who haven't yet been fully vaccinated.

The Fremont Street Experience plans to celebrate by [bringing back live music](#), beginning at 12:01 a.m. Tuesday. “Everyone's had that date in their minds as a turning point back to a sense of normalcy,” Valentine said. “We've all been working together meet that goal through expanded vaccination efforts.”

Clark County repealing pandemic restrictions Tuesday is significant in that “the county was supposed to be the end-all be-all in terms of defining (what) June 1 and beyond looks like,” Swissman said.

The repeal drew praise from Las Vegas Sands Corp. and Caesars Entertainment Inc. The Venetian and its parent company, Las Vegas Sands, consider meetings and conventions to be key for midweek business, and the county commission's repeal “is an important step,” said Chandra Allison, the resort's senior vice president of sales.

Amenities and conventions are “critical” to Las Vegas' recovery, and Caesars resorts can open their restaurants, venues and convention spaces, a statement from the company said.

Representatives for three of the state's largest gaming companies — Wynn Las Vegas, Red Rock Resorts and Boyd Gaming Corp. — declined comment.

The county will stop enforcing coronavirus restrictions when they lift June 1, spokeswoman Stacey Welling said Thursday. During the past two weeks, the county has conducted COVID-related business inspections and received

complaints, she said. But the county determined none of the complaints was substantiated and didn't penalize any business as a result, she said.

The city of Las Vegas performed 5,398 business inspections from May 5 to Tuesday, city spokesman Jace Radke said.

From March 21, 2020, to Tuesday, city inspectors received 5,702 complaints, issuing 1,406 courtesy or correction notices, 48 civil penalties and three license suspensions. It wasn't clear how many of those disciplinary actions occurred in the past two weeks. A message seeking further clarification wasn't returned.

## **'Pretty normal'**

A steady hum of chatter on a recent weekday morning filled the Bellagio, where a mix of barefaced and masked guests were spread across the resort: Some waited in line at the check-in desk, while others snapped maskless selfies in the conservatory.

Outside, the foot traffic on the Strip was slow compared with the busier evenings and weekend hours, but volumes across the Las Vegas tourist corridor have been climbing back to pre-pandemic levels.

"I had been here before and I thought it was pretty normal," said Carol Peters, a Wisconsin resident who traveled to Las Vegas last week with longtime friend Debbie Baker.

The two were crossing off an item from Baker's bucket list after Baker had recently been diagnosed with stage 4 cancer.

“We lucked out in one respect, that unmasking happened now, so that was nice,” said Peters, who is fully vaccinated. “We figured maybe 1 percent were wearing masks, if that, and we also figured that there were not 99.9 percent of those people fully vaccinated. ... (But) I feel perfectly safe.”

Matthew Wolfson of Colorado and his girlfriend, Kyle Espinoza, also visited Las Vegas last week. The two 22-year-olds said they planned to stay several days, checking out the city’s restaurants and spending plenty of time lounging poolside.

“We just wanted to get away, and this was kind of the last more affordable weekend in (Las Vegas), it seemed like,” Wolfson said.

He added that business is slower than what he saw during previous Las Vegas trips, but certain areas are “still crowded.”

“There have been lines for restaurants, but they move really fast,” said Espinoza, who was last in Las Vegas for her 21st birthday nearly two years ago. “Honestly, (the volume of people) doesn’t seem too different to me.”

## **‘Expect the unexpected’**

Las Vegas’ recovery has “come a long way,” but there’s more work to do, UNLV hospitality professor Amanda Belarmino said. The “most-pressing need right now” is getting people back to work, she said.

A resurgence in COVID-19 cases through some of the more contagious variants is the biggest threat to derail things for Nevada tourism, said Swissman, with The Strategy Organization.

“There’s nothing economically I see that could slow things down, nothing from a business trend standpoint,” he said.

Bussmann, with Global Market Advisors, said the pandemic presents “a host of things” that could lead governments to reimpose restrictions. He hopes that officials can more quickly adapt to potential coronavirus resurgences.

Belarmino has a similar take. “I think the motto of the last two years has been to expect the unexpected,” she said.

*The Review-Journal is owned by the family of Sheldon Adelson, the late CEO and chairman of Las Vegas Sands Corp.*

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