

ALLIANCE OF NATIONAL HERITAGE AREAS

ANHA



Heritage development is a strategy that encourages citizens, government agencies, non-profit groups and private partners to collaboratively plan and implement programs and projects that recognize, preserve and celebrate many of America's defining landscapes.

A National Heritage Area is a place designated by the U.S. Congress where natural, cultural, historic and recreational resources combine to form a cohesive, nationally distinctive landscape arising from patterns of human activity shaped by geography.

In 2005...

68,301,409 people visited heritage areas, and volunteers worked 201,580 hours in heritage areas

Heritage areas have formalized relationships with 1,412 partners, and
3,016 informal relationships with partners

Heritage areas and their partners managed 840 educational programs,
and 740,329 people participated in educational programs.

Heritage areas awarded 382 grants totaling \$4,084,597
which leveraged \$ 53,481,221 in additional funds.

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ECONOMIC IMPACT of HERITAGE TOURISM SPENDING 2005



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National Heritage Areas highlighted in this report are:

- Augusta Canal
- Delaware and Lehigh
- Essex
- Lackawanna Heritage Valley
- National Coal



These five National Heritage Areas attracted over 5.5 million tourists in 2005...

TOURISM SPENDING IN NATIONAL HERITAGE AREAS:

Creating Jobs And Spurring Local Economic Activity

Community leaders, residents, businesses, and local governments are joining together in 27 Congressionally-designated National Heritage Areas (NHAs) across the United States to preserve, promote and celebrate their region's heritage, culture, and natural resources for the benefit of current and future generations.

An important element of the NHA's work is to draw in visitors to heritage sites, facilities and other attractions. In 2005, five heritage areas -- Augusta Canal NHA in Georgia, the Delaware and Lehigh NHC and the Lackawanna Heritage Valley in Pennsylvania, the Essex NHA in Massachusetts and the National Coal Heritage Area in West Virginia -- participated in a study to assess the characteristics of the visitors to their sites and estimate the impact of these visitors on their local economies.

These five NHAs alone attracted more than 5.5 million tourists in 2005. An estimated **68.3 million visitors visited the entire 27 National Heritage Areas** in the same year. The impact of this tourism activity is significant to the local economies of each region.

Based on surveys of the five National Heritage Areas, it can be estimated that:

- Visitors to the entire NHA network generated **\$8.5 billion** in direct and indirect sales last year.
- These sales were enough to support more than **152,324 jobs**, which paid nearly **\$3.2 billion in wages and salaries**.
- The total direct and indirect value-added to the community from the **heritage tourism** related activity, in the form of personal income to workers, profits and rents to businesses, and indirect business taxes paid to government, is estimated to have **reached \$5 billion in 2005**.

National Heritage Areas Participating in the Economic Impact Study

Augusta Canal National Heritage Area

Visitors to and residents of ACNHA experience 8.5 miles of the Canal's towpath and waterway on foot, by bicycle, canoe, kayak, or guided tour aboard a replica "Petersburg" canal cargo boat. Built in 1845 to harness the water and power of the Savannah River, the canal's history tells the stories of the people who built it and the progress it brought to the region. That history is told through a film, exhibits, and activities at the Augusta Canal Interpretive Center. www.augustacanal.com



Delaware & Lehigh National Heritage Corridor

D&L is a 165-mile thread of American history flowing through eastern Pennsylvania. The corridor incorporates the communities built around the Lehigh, Delaware, and Susquehanna Rivers and its historic canals, railroads, roads, towpaths, trails, and farmlands. It attracts visitors and residents to this extraordinary collection of natural, cultural and recreational resources. www.delawareandlehigh.org



Essex National Heritage Area

ENHA covers 500 square miles of eastern Massachusetts north of Boston, including thousands of historic sites and miles of intact landscapes and coastal areas. Its seaports, towns, mills, museums, beaches, farms, wildlife refuges, and natural trails promote the area's rich maritime, industrial and farming traditions as classic New England and American experiences. www.essexheritage.org



Lackawanna Heritage Valley

The area covered by the LHV, which encompasses the watershed area of the Lackawanna River in northeastern Pennsylvania, was an immigrant destination that fueled America's Industrial Revolution through coal mining, iron and steel production, railroading, and manufacturing. The Valley's sites, including the Steamtown National Historic Site, tell the stories of industrial growth, immigrant traditions and cultures, and the Valley's unique contribution to the American experience. www.lhva.org



National Coal Heritage Area

The NCHA spans 11 counties in southern West Virginia. Its mission is to preserve, protect, and interpret lands, structures, and communities associated with the coal mining heritage. Visitors and residents learn the local and regional histories and traditions of the area and NCHA also serves to promote the economic and civic vitality of the region. www.coalheritage.org



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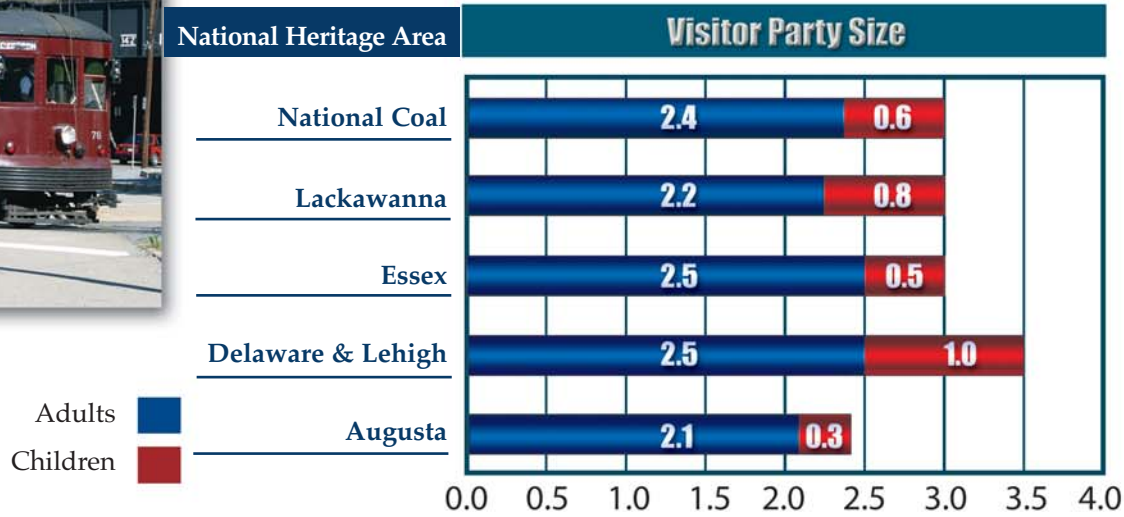
...an estimated 68.3 million visited the entire 27 National Heritage Areas in the same year.

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Overall, most visitors to each of the participating NHAs were adults, outnumbering children from a range of 2.5 to 1 at Delaware and Lehigh to seven to one at Augusta Canal.



Adults outnumbered children in each of these highlighted National Heritage Areas

Four of the participating NHAs surveyed visitors about how they became aware of the NHA and its attractions in a broad range of ways.

- At three of the sites – and particularly at Augusta Canal and Delaware and Lehigh – word of mouth was the main method of making visitors aware of the NHA.
- Essex NHA had the largest share of visitors aware of the NHA through visitor or welcome centers – more than one in three visitors heard about the NHA in that way.
- Lackawanna NHA had the highest percentages of visitors hearing about the NHA and its sites through brochures, newspaper and magazines, and the Internet.

How Visitors Learned About NHA or Its Attraction										
National Heritage Area	Friends, Word of Mouth, Live Near	Brochure	Road Sign, Billboard	Visitor or Welcome Center	Newsletter, Guidebook	Newspaper, Magazine, Print Ad	TV, Radio	Internet	National Park Service	Other
Augusta	65%	10%	3%	6%	2%	6%	2%	3%		2%
Essex	27%	12%	4%	35%	0%	4%		8%	9%	2%
Lackawanna	36%	19%	7%	4%		16%	5%	12%		
Delaware & Lehigh	61%	11%	2%		8%	7%	1%	9%		2%



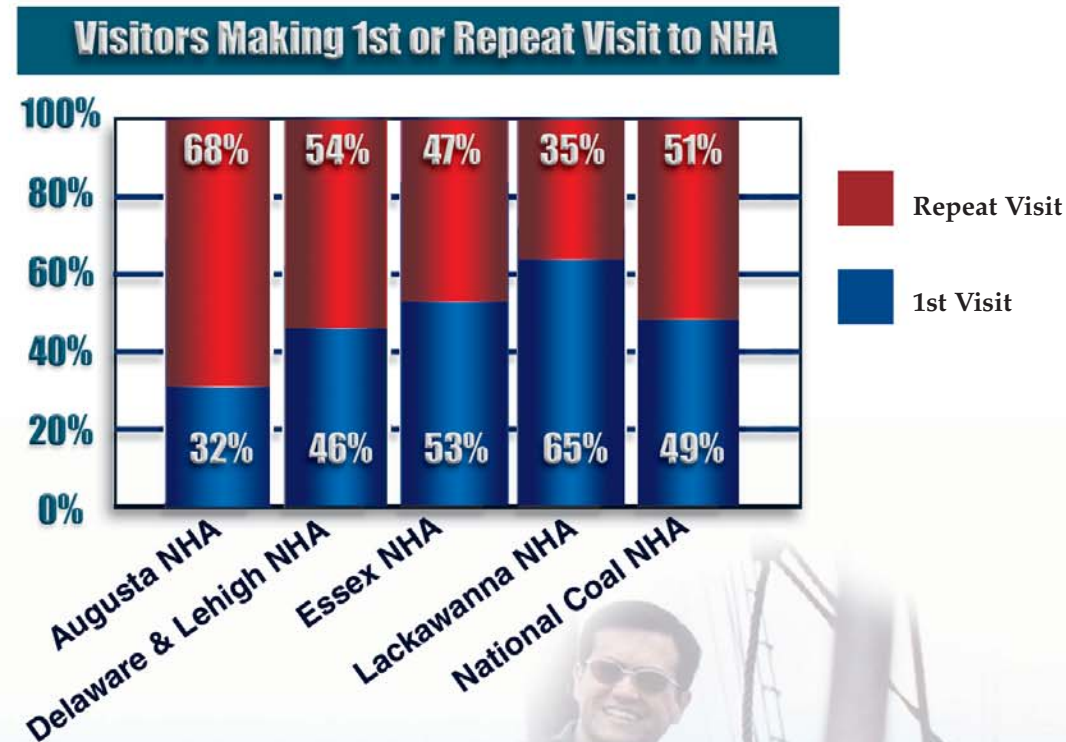
Characteristics of National Heritage Areas Participating in Survey

National Heritage Area	State	Year Designated as NHA	Size of Region (in sq. miles)	National Register Properties	National Historic Landmarks	National Natural Landmarks	National Park Units	Area Population 2000 Census
Augusta Canal NHA	GA	1996	614	31	5	1	0	289,063
Delaware and Lehigh NHA	PA	1988	2,602	252	12	3	1	1,554,843
Essex NHA	MA	1996	501	607	24	1	2	723,419
Lackawanna NHA	PA	2000	350	64	1	1	1	253,000
National Coal NHA	WV	1996	5,256	64	2	0	1	487,000

Findings From The 2005 Heritage Tourism Visitors Survey

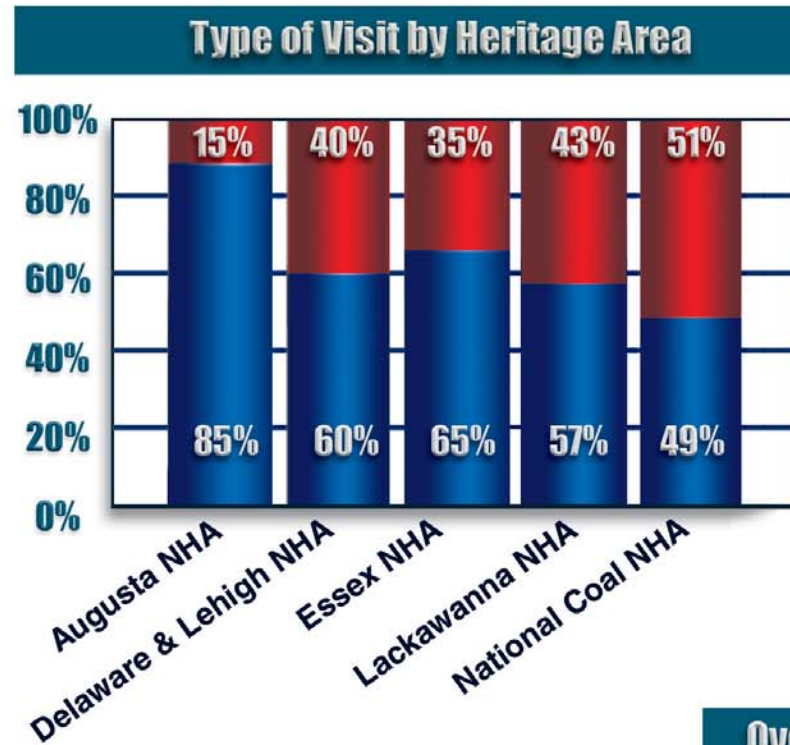
A significant percentage of 2005 visitors to venues in the five heritage areas had visited heritage area sites before.

- The Augusta Canal NHA – which primarily serves local residents – had the highest percentage of repeat visitors, with 68% having visited the NHA's attractions before.
- Most of the visitors to Lackawanna NHA, in comparison, are first-time visitors: 35% of visitors to its sites were repeat visitors.
- The mix of first-time and repeat visitors at the remaining three NHAs was close to equal.



There is considerable variance among the five heritage areas in the mix of overnight and day trip visitors in 2005.

- Slightly more than half of those visiting National Coal NHA sites were overnight visitors to the area, the highest share of the five sites.
- Augusta Canal NHA, with sites that attract local visitors on a repeat basis, had a very high percentage of day trips.

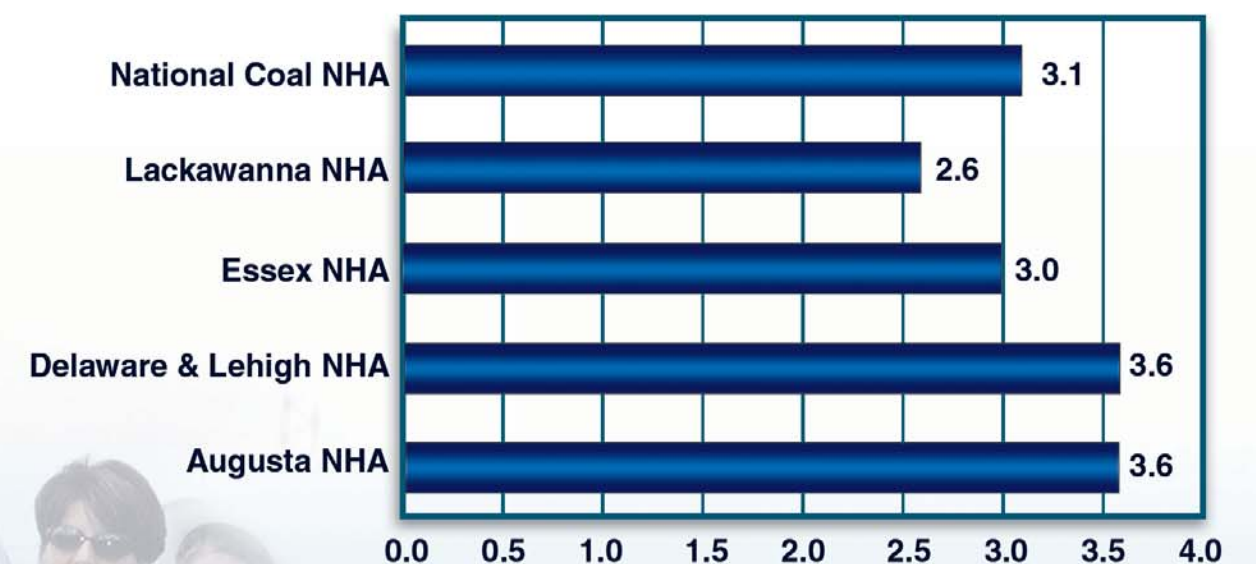


Overnight visitors at all five NHAs tended to stay in the area for more than two nights. Four of the NHAs had overnight visitors staying for three or more nights, on average.

Overnight Trip
Day Trip

ANHA

Overnight Visitor's Length of Stay (Nights)



Visitors were surveyed on the size of the party, or group, in which they were traveling. The average size of a visitor party at three of the participating NHAs was three.

- Delaware and Lehigh NHA had the largest average party size, at 3.5 visitors per party.
- Augusta Canal NHA had an average party size of 2.4, about one person less per visitor group than Delaware and Lehigh.

Estimating the Economic Impact of Visitor Spending



These results from the five National Heritage Areas were used to estimate the economic impact of visitor spending at all NHA sites:

- Based on the results of the surveys, it is estimated that visitors to the five surveyed NHA's across the country during **2005 generated about \$5.438 billion in sales**. Most of the spending by visitors to NHAs tends to occur at hotels, restaurants, amusements, and retail shops.
- The estimated direct economic impact of this spending **generated the equivalent of 116,192 jobs and nearly \$2.055 billion in wages and salaries**.
- The estimated total **direct "value added" of this spending to the community**, which includes personal income (wages and salaries), profits and rents, and indirect business taxes, was **\$3.1 billion**.
- The estimated total **economic impact of all NHA visitors in 2005** – including both direct and indirect impacts – was **more than \$8.5 billion** in spending, which supported an estimated **152,324 jobs and nearly \$3.185 billion in personal income**. The total value added to the NHAs' local areas was **more than \$5 billion**.



¹ To estimate economic impact of all areas, this study extrapolated the five National Heritage Areas impact to all sites using a multiplier based on total visitors at 25 of the 27 NHAs (total visitation numbers are not available for two NHAs).

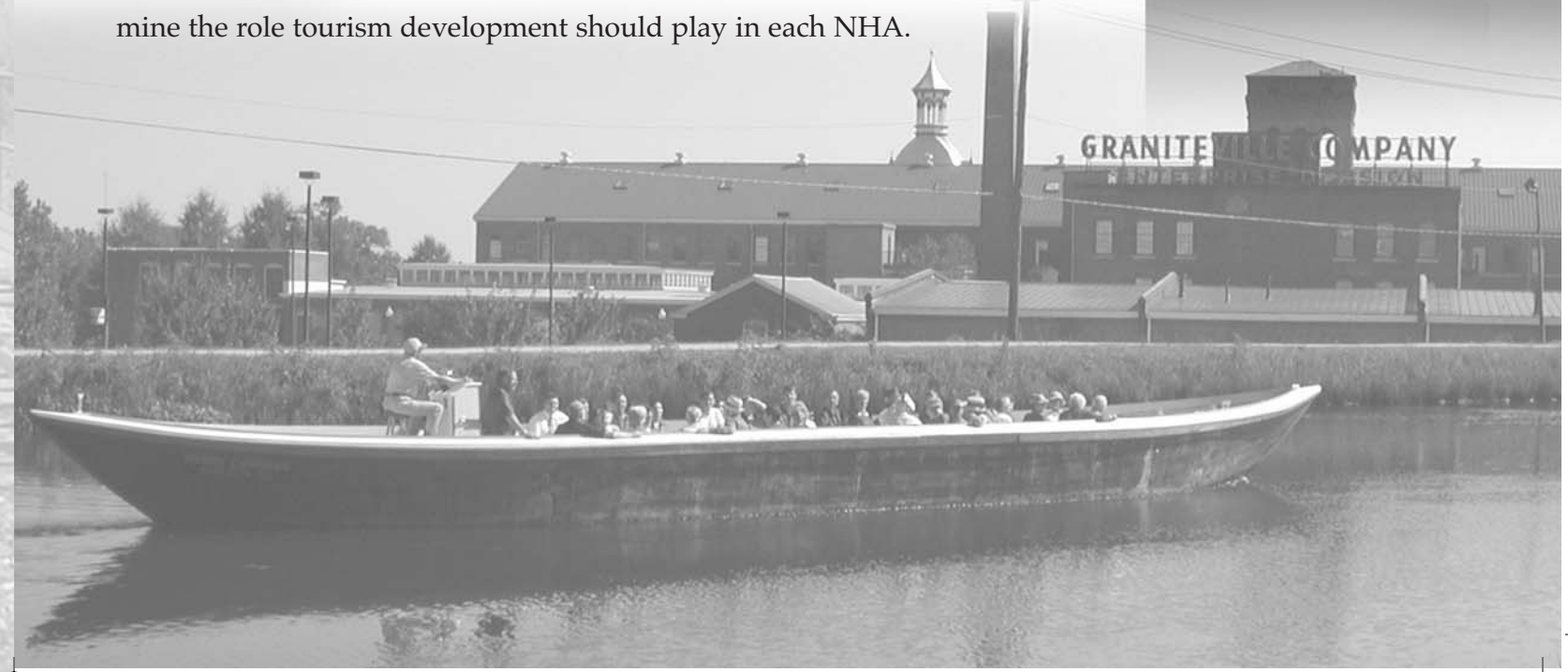
Alliance of National Heritage Areas

The national partnership network of the Alliance of National Heritage Areas (ANHA) works to preserve, promote and celebrate the regional heritage assets, cultural treasures and natural resources of communities across the country.

NHAs and their partners integrate community resources to conserve valuable assets for community and economic development, also referred to as heritage development. As they work to protect historic, cultural and natural resources, NHAs encourage development for tourism and other economic opportunities.

NHAs and their partners reflect the rich diversity of their communities – from historic preservation, outdoor recreation, museums, performing arts, folk life and crafts, and scenic and working landscapes, to grassroots community-building activities – which, when combined, create an overall visitor experience greater than it's individual parts. Often this civic vitality translates into a value and interest, which extends beyond the NHA's borders attracting visitors and creating a tourism component to the area's development.

Just as each NHA is unique, so is the role that visitor spending plays in each NHA. For some, the tourism component is vital to the NHA's sustainability. For others, tourism revenue is a supplement to a thriving NHA focused more on education, preservation, and improving the quality of life for local residents. It is, therefore, at the community's discretion to determine the role tourism development should play in each NHA.



Introduction

A. Summary of what they are and do.

B. Various impacts they have on their communities, and role visitor spending plays in those.

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Purpose of the
Heritage
Tourism
Economic
Impact Study



The goals of National Heritage Areas are ambitious. NHAs aim to:

- Conserve natural resources, landscapes, and historical sites and structures.
- Strengthen community identity and economic vitality.
- Educate residents and visitors about its region’s history.
- Attract heritage tourism.

This study focuses on only one aspect of the NHAs’ impact: the impact of heritage tourism on the local economy. Tourism visitors to NHA sites generate jobs and income for the local economy through their spending on lodging, food, souvenirs and other retail purchases, local travel, and other goods and services. The heritage tourism visitor survey results, and the economic impact analysis of those results, can be useful in many ways. For example:

- The process can guide marketing and promotional decisions by providing important information on the visitor mix (e.g., local v. non-local visitors, age and gender demographics) and on how visitors became aware of the NHA sites and attractions.
- It can help identify how the NHA contributes to the region’s quality of life, such as by providing activities, attractions, and events that are heavily used by local residents or by generating economic activity by attracting tourists from outside the region to those same venues.
- It can illustrate for partners and funders the return on investment from just one aspect of the NHA’s work: its attraction of heritage tourists.
- It can highlight the relationship between each NHA and the broader regional and statewide tourism efforts.

This report summarizes the results of surveys at five of the 27 National Heritage Areas across the country. It also uses the results from those five sites, combined with visitor data from all the sites, to estimate the total economic impact of the entire National Heritage Area network.

The Money Generation Model

To estimate the impact of heritage tourism spending on local economies, ANHA used the Money Generation Model (MGM2). MGM2 was developed for the National Park Service by a team at the Department of Community, Agriculture, Recreation and Resource Studies at Michigan State University. The model was designed specifically to assess the economic impact of national parks and heritage areas. Detailed information on MGM2, including the results of an earlier analysis of NHA sites in 2004, can be found at <http://web4.msue.msu.edu/mgm2/default.htm>.

2005 NHA Heritage Tourism Visitor Survey and Analysis Methodology

Onsite surveys were conducted at sites in five NHAs from June to November of 2005 to gather information on visitor characteristics and collect data to estimate the economic impact of tourist visitors at NHA sites. Staff from each of the participating NHA staff conducted the surveys. The number of surveys at each NHA ranged from a low of 438 to a high of 590, with an average of 526 surveys per NHA. Though the surveys followed the survey design and procedures developed by the Michigan State University team, they were modified as necessary to reflect the unique characteristics of each NHA, its sites, and its visitors.

Analysis of visitor characteristics and economic impact also followed the MGM2 approach. Put simply, the economic impact is estimated in this way:

Economic Impact = Number of Visitors x Spending per Visit x Economic Multipliers

The number of visitors was derived from annual visit counts at each NHA. Visitor spending estimates were based on MGM2 spending profiles, except where the individual NHA’s surveys generated NHA-specific spending data. Multipliers, which are used to measure the secondary effects of local spending, were calculated using MGM2 formulas.

Economic
Impact of
Heritage
Tourism
Spending



While the survey of the five NHAs was not a random sample of all heritage sites, the five are fairly representative of the full range of NHAs in terms of the size and characteristics of the visitor populations, the mix of attractions, and the economic characteristics of their locations. Therefore, survey results provide detailed information on the impact of those sites on their local economies, but also provide an indication of the likely economic impact of all the NHA sites.

- The study determined that visitors to the five surveyed NHAs generated **\$440.6 million in sales**. This spending directly generated an estimated **9,415 jobs**, with **total personal income** (wages and salaries) of **\$166.5 million**. The direct **value added to the local economy** of this spending (through personal income, profits and rents, and indirect business taxes) was **nearly \$251.2 million**.
- The direct *and* indirect economic impact of visitor spending at the five NHAs : **\$689.1 million in sales, generating 12,343 jobs**. These jobs produced **\$258.1 million in personal income** and nearly **\$406.2 million** in total value added **to the economy**.

Economic Impact of Heritage Tourism Spending 2005

	Total of Five Surveyed NHAs	Projected Estimate for All NHA Sites (based on total visitors)
Heritage Area Visitors		
Heritage Area Visits	5,534,534	68,301,409
Direct and Total Effects of Heritage Area Visitor Spending		
Direct Economic Effects		
Sales (\$000's)	\$ 440,617	\$ 5,437,634
Personal Income (\$000's)	\$ 166,521	\$ 2,055,030
Jobs	9,415	116,192
Value added (\$000's)	\$ 251,170	\$ 3,099,672
Total Economic Effects		
Sales (\$000's)	\$ 689,104	\$ 8,504,204
Personal Income (\$000's)	\$ 258,096	\$ 3,185,148
Jobs	12,343	152,324
Value added (\$000's)	\$ 406,161	\$ 5,012,413