



THE ECONOMIC BENEFITS OF THE BLUE RIDGE NATIONAL HERITAGE AREA

March, 2014

ABSTRACT

The BRNHA Partnership supports significant economic activity in Western North Carolina while remaining committed to heritage conservation and cultural preservation. In 2013, the economic activity of BRNHA and visitation to the region contributed \$2.39 billion to the economy, supported approximately 30,000 jobs, and generated \$176.5 million in state and local taxes.

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Introduction and Executive Summary

The Blue Ridge National Heritage Area (BRNHA) was designated by Congress and the President in November, 2003 in recognition of the unique character, culture, and natural beauty of the mountains and foothills of Western North Carolina. The Blue Ridge National Heritage Area has great significance, not only to the state of North Carolina, but also to the history of our nation.¹ BRNHA is one of 49 National Heritage Areas (NHAs) which have been designated by Congress. NHAs conserve nationally significant landscapes and promote and protect their natural, historic, cultural, and recreational resources.²

The BRNHA Partnership, a 501(c) 3 nonprofit that serves as the management entity for the federal designation, supports responsible tourism and economic development, placing special emphasis on the preservation and promotion of the region's natural heritage and its living traditions of agriculture, Cherokee heritage, craft, and music. It works in partnership with a variety of state, regional, and local organizations.

Leveraging funds and long-term support for projects, BRNHA partnerships foster pride of place and an enduring stewardship ethic.³

This report examines the economic benefits and impact of the BRNHA Partnership and its heritage tourism partners. The BRNHA Partnership supports significant economic activity in Western North Carolina while remaining committed to heritage conservation and cultural preservation. Results of the modeling projected the economic benefit of the BRNHA on North Carolina's economy at \$2.39 billion annually. The economic activity supports approximately 30,000 jobs and \$176.5 million annually in state and local taxes from sources such as employee compensation, proprietor income, indirect business tax, households, and corporations.

BRNHA Partnership operations and visitor spending from those travelling to heritage destinations in Western North Carolina supported \$2.2 billion of economic impact within the region in 2013. The economic impact of visitor spending supported nearly 28,000 jobs and generated \$167 million in local and state taxes.

The BRNHA Partnership collaborates with communities and stakeholder organizations to identify opportunities to make heritage relevant to the region. To that extent, local partnerships are essential for the BRNHA Partnership to carry out its mission. The Blue Ridge National Heritage Area Partnership preserves, interprets and develops the unique natural, cultural, and historical resources of 25 Western North Carolina counties for the benefit of present and future generations and in so doing, sustains the heritage and stimulates improved economic opportunity in the region.⁴

"BLUE RIDGE NATIONAL HERITAGE AREA IS AN EXAMPLE OF AN ORGANIZATION THAT DIRECTLY BENEFITS OUR ECONOMIC LANDSCAPE IN WESTERN NORTH CAROLINA." – ROB TIGER, PRESIDENT, CLAY COUNTY COMMUNITIES REVITALIZATION ASSOCIATION

¹ <http://www.blueridgeheritage.com/about>

² <http://www.nps.gov/history/heritageareas/FAQ/>

³ <http://www.blueridgeheritage.com/about>

⁴ The twenty-five counties included in the economic input-output model were Alleghany, Ashe, Avery, Buncombe, Burke, Caldwell, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Surry, Swain, Transylvania, Watauga, Wilkes, Yadkin, and Yancey.

BRNHA spans a large geographic area with a high-concentration of rural communities. The geographic scope of Western North Carolina presents a unique challenge for the BRNHA Partnership to balance where and how its financial resources are allocated. Promoting rural tourism and economic development is a continual effort. By working in conjunction with local businesses and civic leaders, the BRNHA Partnership enhances the effectiveness of federal dollars by routinely leveraging grants and awards by undertaking the timely implementation of projects in a more entrepreneurial environment.⁵

The variety of activities and heavy partner involvement makes evaluation of the BRNHA Partnership and most all heritage programs challenging. Utilizing existing information about visitor characteristics, awareness of heritage areas, visitor use patterns, and evaluations of programs and facilities provides a foundation for data collection. Estimates of visitor spending and local economic impacts help to position the BRNHA Partnership within the regional tourism market and local economy.

The study assesses the economic contribution of the BRNHA Partnership and its partners to the region by measuring employment and revenue generation and economic impacts through a protocol comprised of qualitative interviews, secondary data analysis, and input/output modeling.

The analysis of the economic benefit of the BRNHA Partnership and its partners consisted of two specific spending areas where the organization provides the greatest economic contribution to Western North Carolina.

Visitor Expenditures: The economic impact of visitors to heritage destinations in the BRNHA region is the greatest source of economic benefit quantified in this analysis. Visitor spending becomes business receipts, which in turn pays wages, salaries, and taxes. The initial direct round of visitor spending flows through the BRNHA regional economy supporting additional economic activity, creating more jobs, and generating more tax revenue.

Operational and Grant-making Expenditures: The economic impact of the BRNHA Partnership's organizational spending and staff includes wages, utilities, and professional fees paid by the BRNHA Partnership on an annual basis. The economic value of BRNHA-secured federal funding circulates through the regional economy in the form of knowledge transfer and increased spending by organizations receiving the specific grant funding. Through grants and other program activities, the BRNHA Partnership shares best practice information, encourages regional thinking, and connects local partners with a variety of resources across the region. This spending attempts to quantify the BRNHA Partnership's role as a catalyst for economic development opportunities in Western North Carolina. The economic analysis completed for the operational and grant-making impact uses actual expenditures and BRNHA employment to model estimates of employment, income, tax revenue, and other economic variables.

⁵ <http://www.nationalheritageareas.us/documents/White-Paper-on-NHA-Evaluations.pdf>

Table 1: BRNHA Overview

Year Designated as an NHA	Size of Region (sq. miles)	National Register Properties (2012)	National Historic Landmarks	National Natural Landmarks	National Park Units	Area Population (2012)
2003	10,515	523	3	5	4	1,224,218

Research Protocol

The analysis within utilizes recommendations from previous research. The research protocol utilizes existing BRNHA data collection processes and resembles the National Park Service methodology utilized in economic impact studies for National Park Service entities and National Heritage Areas.^{6,7}

The input/output modeling procedure is replicated, however the data collected and assumptions within are unique to the region. Extensive data collection focused specifically on visitation and associated spending patterns to the BRNHA region. The analysis is unique to the BRNHA region.⁸

As with all economic analysis, we must be aware the results are dependent on the data sources utilized to conduct the analysis.⁹ Collecting visitor data is a challenge to the existing resources of the BRNHA Partnership. Approximations of visit data for different facilities are not standardized. As with all economic impact assessments, data and estimates are based on the best information presently available.

The research for the BRNHA impact study utilizes heritage area visitor spending patterns applied to the most recent National Park Visitor spending estimates.¹⁰ No inflation adjustments were made to the visitor spending amounts.

The research team assembled for this project included Chris Cavanaugh of Magellan Strategy Group. Magellan Strategy Group facilitated the data collection process. The firm’s local knowledge of the regional tourism market was extremely beneficial to the overall study’s objectives. Visitation data was

⁶ Cui, Yue, Mahoney, E. & Herbowicz, T. 2013. Economic benefits to local communities from national park visitation, 2011. Natural Resource Report NPS/NRSS/EQD/NRTR—2013/631. National Park Service, Fort Collins, Colorado.

⁷ The Economic Impact of National Heritage Areas. Rep. National Park Service. Tripp Umbach, 18 Feb. 2013. Web. 14 Jan. 2014.

⁸ The detailed data collection process allowed the research team to conduct separate analyses on the economic benefits of visitation. One analysis including National Park Service visitation and another analysis exploring the visitation to a representative sample of heritage attractions and events in the BRNHA region.

⁹ In most cases, we lack a clear definition of which visitors to the destination region should be considered heritage area visitors. In a previous study, Stynes et al. research identified that on average, 57% of visitors to an NHA reported that one or more of the attractions in the heritage area was the primary purpose of their trip. Visitation data for this analysis was deliberate in the attempt to include a sample of data collection sites to limit potential for over-estimating visitor counts.

¹⁰ Cui, Yue, Mahoney, E. & Herbowicz, T. 2013. Economic benefits to local communities from national park visitation, 2011. Natural Resource Report NPS/NRSS/EQD/NRTR—2013/631. National Park Service, Fort Collins, Colorado.

collected from a representative set of heritage tourism destinations in the BRNHA region, as well as public data provided by the National Park Service.

Visitor segments to the BRNHA region were classified as local day-trip, non-local day-trip, and overnight hotel/motel guests. This analysis utilizes visitor segment type and associated spending patterns. This report provides the estimated economic impacts of visitor spending within the BRNHA region. Visitor spending and impacts are estimated from data collected within the region (recreation visits) and include two analyses, one with National Park Service visitation included and without.

Direct effects refer to businesses selling goods and services directly to visitors. The direct effects include visitor spending and business receipts which in turn are used to pay wages, salaries, and taxes.¹¹

Secondary effects include: indirect effects, attributed to local businesses spending part of their receipts on goods and services they require to serve customers, including investment in new equipment and structures; induced effects resulting from sales to related industries within the local region; and induced effects which account for the consumption spending of the wage and salary income directly generated by the visitors to the NHA. Impacts of NHA operations and grant-making are also included in the overall analysis.

Effects are estimated at the regional level. Spending directly associated with BRNHA visits occurs in the 25 counties comprising the BRNHA region. Impacts of this spending on the local economy are estimated using local input-output models for the geography.

¹¹ The analysis does not quantify direct costs such as maintenance and repair expenditures associated with visitor use.

Economic Benefits of BRNHA Partnership Operations and Regional Visitation

The direct output of BRNHA Partnership operations and visitor spending within the region is approximately \$2.39 billion while supporting \$774 million in labor income (this includes all forms of employment income, including wages and benefits and proprietor income). The economic activity supports more than 30,000 jobs in Western North Carolina. The direct output consists of BRNHA Partnership operations and grant-making as well as visitor spending on lodging, restaurants and bars, amusements, and retail spending.

The state and local tax revenue generated by all visitor spending and BRNHA Partnership operations is approximately \$176.5 million. The primary sources are from taxes on production and imports such as sales and property tax.

Table 2: Economic Significance of BRNHA Partnership Operations and Visitor Spending

	Output	Labor Income	Employment (jobs)
<i>Direct Effects</i>	\$1,551,654,719	\$533,909,399	22,170
<i>Indirect & Induced</i>	\$844,432,682	\$240,514,611	7,911
<i>Total Effects</i>	\$2,396,087,402	\$774,424,011	30,081

**Totals may not add due to rounding.*

Table 3 illustrates the industry sectors with the largest number of jobs supported by BRNHA Partnership operations and visitation to the region. Industries such as food services, hotels, and retail stores represent the largest number of jobs while the ripple effect illustrates that jobs in real estate are also supported by the spending attributable to the BRNHA Partnership and visitors to heritage attractions in the region.

Table 3: Industry Sectors by Employment

Industry Sectors	Employment (jobs)	Output (\$millions)
Food services and drinking places	10,728	609,860,872
Hotels and motels, including casino hotels	6,131	645,774,163
Other amusement and recreation industries	3,006	186,468,602
Retail Stores - General merchandise	1,579	92,186,224
Retail Stores - Food and beverage	1,105	53,832,398
Real estate establishments	691	91,760,883
Retail Stores - Gasoline stations	492	54,232,641
Transit and ground passenger transportation	491	29,356,726
Services to buildings and dwellings	488	24,577,843
Employment services	405	12,888,781

Table 4: Economic Impact of BRNHA Partnership Operations and Visitor Spending

	Output	Labor Income	Employment (jobs)
<i>Direct Effects</i>	\$1,450,428,849	\$493,917,170	20,421
<i>Indirect & Induced</i>	\$791,546,285	\$225,971,347	7,431
<i>Total Effects</i>	\$2,241,975,134	\$719,888,517	27,852

**Totals may not add due to rounding.*

Economic impacts in Table 4 exclude spending by local visitors, estimating the impact of BRNHA Partnership operations and the expenditures of attraction visitors who do not reside within the BRNHA region.

Excluding \$191 million dollars spent by local residents within the BRNHA region reduces the total visitor spending to \$1.9 billion for the impact analysis. Local visitors represent about 25% of all visits but less than 10% of all visitor spending. The total effects of visitor spending excluding local residents is \$2.24 billion in sales, \$719 million in labor income, and 27,852 jobs. The economic sectors most directly affected are lodging, restaurants, retail trade, and amusements. The state and local tax revenue generated by non-local visitor spending and BRNHA Partnership operations is approximately \$164.1 million.

Visitation to the Blue Ridge National Heritage Area - Regional Benefits

The natural beauty of North Carolina’s mountain and foothill region has proven to be one of this area’s greatest economic assets, drawing tourists to enjoy its many state and national recreation areas, including the Nantahala National Forest, the Pisgah National Forest, the Blue Ridge Parkway, the Appalachian National Scenic Trail, the Great Smoky Mountains National Park, ten state parks, and more than 264,000 acres of old-growth forest. The region is also home to the 56,000-acre Qualla Boundary, the home of the Eastern Band of Cherokee Indians, a federally recognized Native American Tribe with about 14,000 registered members.¹²

Visitor spending accounts for the greatest benefit for BRNHA-related economic contribution within the 25-county region of Western North Carolina.¹³ Visitation data was calculated by BRNHA’s regional partners and data made available through the National Park Service. The list of partner sites selected for participation provides a geographic and experiential diversity representing the BRNHA’s focus of fostering sustainable tourism related to craft, music, agricultural, natural, and Cherokee heritage.

Table 5: List of Partners and Attractions Included in the BRNHA Visitation Analysis

Attraction	Location
Asheville Art Museum	Asheville
Biltmore Estate	Asheville
Chimney Rock Park at Chimney Rock State Park	Chimney Rock
Cradle of Forestry	Brevard
Craft Fair of the Southern Highlands	Asheville
Grandfather Mountain	Linville
John C. Campbell Folk School	Brasstown
MerleFest	Wilkesboro
Mount Airy Museum of Regional History	Mount Airy
Nantahala Outdoor Center	Multiple
North Carolina Arboretum	Asheville
Oconaluftee Indian Village	Cherokee
Penland School of Crafts	Penland
Stecoah Valley Cultural Arts Center	Stecoah
Tweetsie Railroad	Blowing Rock
Unto These Hills Outdoor Drama	Cherokee
Wilkes Heritage Museum	Wilkesboro

¹² "Tourism." Western North Carolina Vitality Index. Web. 21 Jan. 2014. <<http://www.wncvitalityindex.org/employment-sectors/tourism>>.

¹³ Visitor spending is not exclusive to work directly attributable to the BRNHA. The efforts of the partners are acknowledged in the visitation analysis. A 2011 visitor survey reported that 57% of visitors to the BRNHA were aware of the Blue Ridge National Heritage Area before coming to the Blue Ridge Parkway Visitor Center.

The three-year average total of visitors to the selected sample of BRNHA partner sites and attractions was approximately 2,598,254 visitors.¹⁴ These visitors spend money in the BRNHA region, creating a positive ripple effect on the economy. Based on the average number of visitors to the BRNHA partner sites, \$405,771,436 in total economic output is supported annually by visitor spending.

Table 6: Annual Economic Benefit of Visitation to BRNHA – Not Including NPS Visitation

	Output	Labor Income	Employment (jobs)
<i>Direct Effects</i>	\$262,783,989	\$90,377,623	3,754
<i>Indirect & Induced</i>	\$142,987,447	\$40,726,013	1,339
<i>Total Effects</i>	\$405,771,436	\$131,103,636	5,093

**Totals may not add due to rounding.*

An important component of visitation also considered in this analysis is the close operational relationship between the BRNHA and the National Park Service entities located within the region. Visitation to National Park sites is captured in annual estimates provided by the National Park Service.¹⁵ The BRNHA region includes the North Carolina sections of the Blue Ridge Parkway and the Great Smoky Mountains National Park, the two most visited National Park units, and the Pisgah and Nantahala National Forests, two of the most visited national forests in the U.S.¹⁶ With National Park Service visitation included in the analysis, the three year annual average of BRNHA recreational visitors was 15,332,700.

Table 7: Annual Economic Benefit of Visitation to BRNHA – Including NPS Visitation

	Output	Labor Income	Employment (jobs)
<i>Direct Effects</i>	\$1,550,728,889	\$533,332,310	22,154
<i>Indirect & Induced</i>	\$843,791,001	\$240,330,491	7,904
<i>Total Effects</i>	\$2,394,519,890	\$773,662,801	30,059

**Totals may not add due to rounding.*

The economic spending analysis demonstrates that visitors from outside the region staying overnight represent the largest economic benefit to the economy of the local region and the state. Although overnight visitors comprise only an estimated 44% of BRNHA visitation, overnight visitors account for approximately 75% of the visitation spending. This is driven primarily by the increased spending of fresh dollars for purchases related to lodging, accommodations, restaurants, transportation, etc.

¹⁴ Annual tourism projections were utilized from 2010, 2011 and 2012.

¹⁵ The National Park Service visitation represented in the analysis includes visitation in North Carolina only. These sites include Carl Sandburg NHS, Blue Ridge Parkway (recreation visitors only), and Great Smoky Mountains National Park (Oconaluftee Entrance, NC and recreation visitors only).

¹⁶ "Tourism." Western North Carolina Vitality Index. Web. 21 Jan. 2014. <<http://www.wncvitalityindex.org/employment-sectors/tourism>>.

Operations and Grant-making

This analysis quantifies the economic impact of the BRNHA Partnership through its operating activities. This impact is represented by the spending of the organization and the employees it supports. Though not as great an economic benefit on the regional economy, the technical resources of the BRNHA Partnership staff serve as economic catalysts for the Western North Carolina economy.

The BRNHA Partnership helps communities leverage their heritage and cultural assets for economic opportunities. The National Heritage Area designation provides credibility to rural economic development projects and helps make available additional funding sources at the state and federal level. We estimate the impact of this benefit through the quantification of grants and other funding support provided by the BRNHA Partnership to its regional partners.

Table 8: Annual Impacts of BRNHA Partnership Operations and Grant-making

	Direct Effect	Indirect Effect	Induced Effect	Total Effect
Economic	\$925,830	\$226,553	\$415,128	\$1,567,511
Employment	16	2	4	22

The BRNHA Partnership is active in the region providing grants and seed-funding to partners. Grant opportunities are provided by the BRNHA Partnership to regional partners for collaborative projects aligned with the mission of the organization. Grant-making by the BRNHA provides an infusion of funds to assist with the development of projects. Grants are quantified as increased payroll related spending within the BRNHA region.¹⁷ BRNHA grants often help partners leverage other funding and resources to achieve greater impacts; this leveraging effect is not quantified in this study.

Focusing on Partners

The BHRNA organization is a partner that provides leverage to communities by serving as a conduit for funding and a resource for visibility. Over the past ten years, the BRNHA has awarded 111 grants totaling \$1.8 million to projects that preserve, interpret, and develop the heritage resources of Western North Carolina. Grant-making has focused on five facets of the region's heritage – agriculture, Cherokee, craft, music, and natural heritage – which were the basis for the Blue Ridge National Heritage Area designation in 2003.

Funds for the BRNHA Partnership's matching grants program are provided by the federal government through the National Park Service, representing fresh dollars to the regional economy. Examples of the economic benefits of projects supported by BRNHA grants include the Yadkin Valley Heritage Corridor, the Old-Time Music Heritage Hall, and the Cherokee Homestead Exhibit.

¹⁷ Grants not affiliated with capital improvements or construction are included in the input-output model as salary and therefore have no direct or indirect economic effects associated with them. This protocol provides a conservative estimate on the regional effects of grants facilitated by the BRNHA.

Yadkin Valley Heritage Corridor

The Yadkin Valley Heritage Corridor (YVHC) is a multi-county stakeholder organization establishing a heritage and recreational corridor to link, protect, and preserve the major historic, natural, and cultural assets of the region. It includes the counties of Caldwell, Wilkes, Surry, and Yadkin, as well as the towns of Wilkesboro, North Wilkesboro, Ronda, Jonesville, Boonville, East Bend, Elkin, and Pilot Mountain.



Yadkin Valley is an excellent example of how economic activity can be supported and generated through the stewardship and support of the BRNHA Partnership. An independent organization focused on promoting a sense of place in the Yadkin Valley, the Yadkin Valley Heritage Corridor benefited at the early stages from seed funding awarded by the BRNHA Partnership in the form of a \$20,000 BRNHA grant to Wilkes County to fund an economic impact and feasibility study for the proposed four-county corridor.

The 2008 study estimated the annual economic impact of Yadkin Valley Heritage Corridor tourism would be between \$4.1 and \$6.4 million. It was also estimated that the development of the Yadkin Valley Corridor would positively generate \$324,000 in state tax receipts and \$259,000 in local tax receipts and support approximately 75 new jobs in the area annually.¹⁸

In 2012, analysis prepared for the North Carolina Division of Tourism, Film and Sports Development estimated that the total visitation to the Yadkin Valley Heritage Corridor area of Caldwell, Surry, Wilkes, and Yadkin counties generated an economic impact of \$240.99 million in 2011. Tourism activity in the YVHC region generated 1,890 jobs and a combined payroll of \$34.96 million. State and local tax revenue generated \$18.85 million.¹⁹

Much positive momentum has been generated by the YVHC and the BRNHA Partnership, but the partners agree there is still work to be done. Not every project has been completed nor has every project started due to the availability of funding or human resource capabilities. Identifying and launching the most impactful and far-reaching opportunities to support its community partners will have a positive economic effect in Western North Carolina. The BRNHA and its partners work together to maximize their resources and the existing strengths of the region.

PROMOTING RURAL TOURISM AND ECONOMIC DEVELOPMENT IS A CONTINUAL EFFORT. IDENTIFYING AND LAUNCHING NEW OPPORTUNITIES TO SUPPORT ITS COMMUNITY PARTNERS WILL HAVE A POSITIVE EFFECT ON THE CONTRIBUTION OF BRNHA AND TOURISM IN WESTERN NORTH CAROLINA. – HELEN RUTH ALMOND, FORMER PROJECT COORDINATOR OF THE YADKIN VALLEY HERITAGE CORRIDOR

¹⁸DESS Business Research, L.L.C. The Proposed Yadkin River Heritage Corridor Project: Comparable Case Analyses, Developing Visitation Estimates, Sales Forecasts, Marketing Strategy, Management Strategy and Branding. Rep. 2007. Print.

¹⁹"Tourism Brings \$240 Million to Region." Yadkin Valley. Web. 23 Jan. 2014. <<http://www.goyadkinvalley.com/content/tourism-brings-240-million-region>>.

Old-Time Music Heritage Hall

The Old-Time Music Heritage Hall in Mount Airy, NC provides an opportunity for visitors and residents to learn more about the musicians whose powerful art brought thousands to Surry County to learn and set the stage for the lively old-time music scene that continues today.

The BRNHA Partnership awarded the Surry Arts Council two separate grants in 2009 and 2011 totaling nearly \$34,000. The second BRNHA grant awarded in 2011 helped relocate the Heritage Hall to the renovated Earle Theatre in downtown Mount Airy with a permanent exhibit showcasing artifacts from local music legends.



Today, the Old-Time Music Heritage Hall employs three local workers to maintain the facility and to assist visitors at the exhibits. Operating the hall generates approximately \$130,000 of economic activity annually, not including visitor spending. The funds from the BRNHA Partnership have served as a catalyst for development of the facility and have been pivotal in its "reuse." For example, The Old-Time Music Heritage Hall is now open 7 days a week to welcome visitors from far and wide.

The initial BRNHA grant provided the seed money for renovations, but the technical consultation and professional advice of the BRNHA Partnership played a major role in providing reassurance and expert guidance. Beyond the initial funding, approximately \$150,000 has been spent for capital renovations including roofing, HVAC, new seats, screen, lights, sound equipment, electrical, painting, marquee, and flooring.

SINCE 2009, A NEW HOTEL HAS BEEN DEVELOPED IN MOUNT AIRY AND SEVERAL NEW RESTAURANTS HAVE ALSO OPENED TO SUPPORT THE GROWING NUMBER OF TOURISTS. PROMOTING SUSTAINABLE CULTURAL TOURISM IS THE FOCUS OF SURRY ARTS COUNCIL AND THE BRNHA IS A VALUED PARTNER. – TANYA JONES, EXECUTIVE DIRECTOR OF THE SURRY ARTS COUNCIL

Cherokee Homestead Exhibit

An initial BRNHA grant supported the creation of a Cherokee winter house, a centerpiece of a larger outdoor exhibit that portrays a typical Cherokee homestead from late 16th century to the 18th century. Located in downtown Hayesville next to the Clay County Historical and Arts Museum, the Nelson Heritage Park opened to the public in October, 2010, and has since drawn thousands of visitors.



Two BRNHA grants have helped catalyze the development of the outdoor Cherokee Homestead Exhibit. The BRNHA Partnership provided a \$25,000 grant to build the Winter House, but the technical support and guidance was also invaluable for sustainability planning and marketing. For the Clay County Communities Revitalization Association (CCCRA), the operating intangibles of the BRNHA Partnership are just as important as the monetary assistance.

The CCCRA partnered with the Eastern Band of Cherokee Indians and Western Carolina University to ensure authenticity and develop education programs for schoolchildren, college students, and the general public. More than 3,000 local students have participated in educational programs offered through CCCRA. A second BRNHA grant awarded in 2011 helped CCCRA develop curriculum materials and launch an annual Cherokee Heritage Festival to strengthen the site's use as an outdoor classroom.

The Clay County Historical and Arts Museum, adjacent to the Winter House, has experienced record numbers of visitors the past two years.

THE BRNHA GRANT GAVE OUR ORGANIZATION CREDIBILITY, ALLOWING US TO APPROACH OTHER FUNDERS. IT BECAME EASIER TO CONVINCING OTHERS THAT WE WERE SPENDING THE MONEY WISELY. WE RECEIVED GRANTS FROM CHEROKEE PRESERVATION FOUNDATION, THE CONSERVATION FUND, THE CREATING NEW ECONOMIES FUND, AND NORTH CAROLINA ARTS COUNCIL. THE INITIAL BRNHA GRANT WAS THE CATALYST. – [ROB TIGER, CCCRA PRESIDENT](#)

Appendix – Analysis of Visitation and Operations

Visitation inputs

Visitor expenditures are best viewed as the initial monetary activity that stimulates the production process and initiates realistic measurement of economic benefit or impact.²⁰ Collecting visitation data is a challenge for the BRNHA and heritage areas in general.

The percentage of visitors by segment type is represented in Table 9. Recent research specific to the Blue Ridge National Heritage Area was compiled to develop the visitor segment percentages. The number of overnight visits to attractions within the BRNHA trends higher than national averages quantified for use in the National Park Service studies.²¹ Based on confidential data collected by the partner sites, as well as additional research completed by the research team, visitor segments for the analysis assume 25% of the visitors to the BRNHA region as local day-visitors, 31% day visitors from beyond the region, and 44% of visitors staying overnight.

Average daily spending and spending estimates by visitor type (Table 10) were calculated from the 2011 National Park Service economic impact study.²² The BRNHA report utilizes spending estimation methodology updated from the 2012 Economic Impact of National Heritage Areas report.²³

Table 9: BRNHA Visitor Segmentation and Spending

Visitor Segment	% of Total Visitation	Average Daily Spending
Local Day ²⁴	25%	\$49.85
Non-Local Day ²⁵	31%	\$75.01
Overnight ²⁶	44%	\$239.13

²⁰ "Assessing the Economic Impact of Travel and Tourism" www.Gwu.edu. Ed. JR Brent Ritchie and Charles R. Goeldner. The George Washington University. Web. 14 Jan. 2014. <<http://home.gwu.edu/~frectli/material/Book1-9DCF%20TourImpChap31%2094.pdf>>.

²¹ For example, in a recent visitor survey published in 2011 among visitors to the Blue Ridge Parkway Visitor Center in Asheville, NC, 54% of respondents were visiting from outside the region with an overnight stay, while 18% were day visitors from Asheville or Western North Carolina.

²² Cui, Yue, Mahoney, E. & Herbowicz, T. 2013. Economic benefits to local communities from national park visitation, 2011. Natural Resource Report NPS/NRSS/EQD/NRTR—2013/631. National Park Service, Fort Collins, Colorado.

²³ The Economic Impact of National Heritage Areas. Rep. National Park Service. Tripp Umbach, 18 Feb. 2013. Web. 14 Jan. 2014. <http://www.nationalheritageareas.us/pdf/The-Economic-Impact-of-National-Heritage-Areas-Final-Report.pdf>.

²⁴ Local day users are defined as those visitors living within the geographic region of the BRNHA and visiting a heritage attraction, site, or facility for the day.

²⁵ Non-local day visitors are defined as those visitors living outside the geographic region of the BRNHA and visiting a heritage attraction, site, or facility for the day.

²⁶ Overnight visitors are defined as those visitors living outside the geographic region of the BRNHA and visiting a heritage attraction, site, or facility for multiple days, including an overnight stay.

The 2011 visitor survey also reports that 57% of visitors to the BRNHA were aware of the Blue Ridge National Heritage Area before coming to the Visitor Center. The report notes the recognition of the Blue Ridge name in general may contribute to the awareness levels. Additional research among NHAs states approximately two-thirds of the associated economic impacts would be lost to the regions in the absence of the heritage attractions. Testing visitor awareness levels of NHAs is a challenging task.²⁷

Table 10: BRNHA Spending Estimates by Visitor Type

	Motel, hotel, B&B	Camping fees	Restaurants & bars	Amusements	Groceries	Gas & oil	Local transportation	Retail Purchases
Local day-trip spending allocation	0%	0%	30%	10%	15%	26%	0%	20%
Non-local day-trip spending allocation	0%	0%	26%	12%	10%	32%	2%	19%
Overnight spending allocation	39%	0%	24%	7%	6%	11%	1%	11%

Operational and Grant-making support

The operational impact of the BRNHA is estimated from the total number of employees, full-time and part-time. Employment or spending is modeled within IMPLAN Sector 424, Grantmaking, Giving, and Social Advocacy Organizations.

Grants funded by the BRNHA are modeled as IMPLAN sector 5001, Employee Compensation.

²⁷ In most cases, we lack a clear definition of which visitors to the destination region should be considered “heritage area visitors.”

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