

**ECONOMIC IMPACT OF CULTURAL  
ORGANIZATIONS IN HAMPTON ROADS, VIRGINIA**

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IN HAMPTON ROADS, VIRGINIA  
EXECUTIVE SUMMARY**

Recent research based upon data from a comprehensive survey of cultural organizations in Hampton Roads finds that the region's cultural organizations impact the local economy in a variety of ways, some of which are listed below.

- Provide: 3851 full-time jobs  
2198 part-time jobs  
1281 s pay greater than \$30,000 per year  
(One-third of full-time jobs)
  
- Pay: \$ 134.1 million in salaries  
\$ 14.1 million in local taxes
  
- Receive: \$ 223.7 million in earned income  
\$ 40.7million in contributions  
\$ 26.5 million in grants (local, state, national,  
foundations)  
\$ 5.7 million in donated volunteer time
  
- Spend: \$ 19.7 million directly in Hampton Roads
  
- Create: \$ 193.4 million in audience spending
  
- Each dollar cultural organizations spend in Hampton Roads has a multiplier effect of 2.47.
  
- Have a combined impact: \$ 563.9 million Hampton Roads (jobs + direct spending + local tax revenue + volunteer time + visitor spending) or \$ 368 per capita.

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## I. INTRODUCTION

This study focuses on the economic impact that cultural organizations have on the economy of Hampton Roads, Virginia. The Cultural organizations are defined here as representing a wide range of endeavors such as artist groups, museums, historical foundations, and organizations for the performing arts. An accurate description of the effect that cultural organizations have on the community is useful for policy analysis purposes at all tiers of government because cultural organizations rely heavily on support from a variety of government funds. Further, cultural organizations increase the quality of life in regions and act as an important factor in the location decisions of new businesses and individuals. Further cultural organizations provide part-time and seasonal employment for students and add to the educational experience for students in local primary and secondary schools.

This study attempts to assess part of the total impact of the cultural and artistic organizations in Hampton Roads. In order to investigate the role of cultural organizations in the local economy, this study focuses on the jobs created by such employment and the resultant spending in other sectors of the economy with an input/output model. This approach allows for an estimation of the direct impact of these organizations on employment, spending, and taxes and to estimate the indirect impact of the employment payroll expenses of these organizations on the overall spending in the region and on the taxes that result from this additional spending. Further, audience information will allow for an estimate of ancillary effects on the economy from audience spending. The following report represents a summary of the third estimation of the economic impact of cultural

organizations on the Hampton Roads economy. Previous studies presented the results of surveys of cultural organizations in 1993 and 1999 data. In order to allow for comparisons over time the same methodology is used in the present study as in the earlier studies. In the current study the spending effect was also estimated. Audience spending was first estimated in the 1999 study.

Important factors such as quality of life, measured by improvements in property values, which no doubt may be in part attributed to cultural organizations are not included in this analysis. These excluded impacts are important. As such, the results reported in this analysis are expected to be conservative estimates which provide a lower bound of the true economic impact. Further, the chosen methodology allows for a useful comparison of the current findings to the conclusions found in the earlier studies. For example, when we consider the same organizations answering the same questions in the 1993, 1999 and 2004 surveys we may conclude that between 1999 and 2004 that volunteer time, payroll, local spending and grant income have all increased to these organizations but while a decrease in part-time employment is offset by an increase in full time employment for those organizations. The original report was prepared in the fall of 1993 by this author and Professor George Julnes.

The primary data source for this analysis is from a survey of organizations associated with The Cultural Alliance of Hampton Roads during the summer of 2004. The paper is organized into sections covering: the survey methodology; the summary statistics of the survey responses; the implications of these findings for understanding the impact of

this sector on the Hampton Roads economy. Appendices to the paper provide data tables and charts, the survey instrument, and a list of responding organizations.

## II. METHODOLOGY

This study involved a collaboration of the Cultural Alliance of Greater Hampton Roads, a cultural umbrella organization, and staff from Old Dominion University. Discussions on assessing the importance of the cultural sector of the region led to the decision to develop a survey of cultural organizations as a cost-effective means of estimating economic impact.

### A. SURVEY INSTRUMENT

The survey instrument was only slightly modified from the 1999 survey. New to the survey this year was a question on the regranting budget of cultural organizations was asked but was not used in the final estimations due to the lack of a critical number of responses. Because there were several audiences interested in information about the cultural organizations in the region, it was determined that a multi-purpose instrument in which some of the questions asked would be used in this economic analysis and other questions included for other purposes would be used. The survey was sent to individuals and organizations on the mailing list of **Sketches**, a publication of the Cultural Alliance of Grater Hampton Roads, which includes virtually all cultural and artistic organizations. Appendix II provides a copy of the survey instrument. The sections used for this analysis provide information on the taxes paid by the organization, the employment distribution for

both full and part-time employment, the income earned, by source, the total operating expenses and audience information.

## **B. RESPONDENTS**

As mentioned above the survey was sent to names on the mailing list of **Sketches**. Approximately 300 surveys were mailed out. Of those returned or posted on the internet 55 surveys provided useful information that are included in this report. Hence the response rate remains approximately 15 percent-very close to the earlier studies. This response is not unusual given the large number of small organizations that may not have had the records or resources to provide answers to some of the more complicated questions of this relatively detailed instrument. Follow up telephone calls by members of the Cultural Alliance of Greater Hampton Roads and by individuals at Old Dominion University successfully obtained responses from almost all large organizations responding to the 1999 survey. Experts at the Cultural Alliance estimate that the study accounts for over 90 percent of the economic impact. This conclusion is reached because there are a few very large organizations such as the well-known museums in the area and the well-known performing organizations. Appendix II provides a list of responding organizations grouped by the cultural emphasis of the organizations.

## **III. ANALYSIS OF ECONOMIC IMPACT**

This section first considers the direct impact of the cultural organizations using the descriptive statistics that summarize survey responses from the cultural organizations. The

economic impact will be defined as spending in the local economy that may be attributable to the existence of the cultural organizations. Following this, an input/output economic model is used to consider the additional indirect impacts that these organizations have on the Hampton Roads economy.

#### A. DESCRIPTIVE STATISTICS

In this section summary statistics from the survey are presented. We first consider the employment distribution found in Table I. As shown in the table, there are approximately 2200 part-time jobs and approximately 3800 full-time. The combined employment is 6049. The present number represents a drop in total employment to a level almost the same as 1993. The data also indicates that most of the full-time jobs remain in Williamsburg. The Williamsburg share grew to 76 percent in the recent survey which is up from 70%. It is not surprising then that the shares in Norfolk would fall (14% in 1999 compared to 11% in 2004. The city with the next largest share of total employment is Virginia Beach. See Table I for the list of jobs by city. The shares in), followed by Norfolk (14%) and then Virginia Beach (9%).

Table II considers the income sources from the responding cultural organizations by city. We see that for Norfolk contributed income is slightly greater than earned income, both of which are greater than grant income. The same pattern occurred in 1999 and is also evident in the City Virginia Beach. The largest income source in the region is the earned income generated in Williamsburg of approximately \$170 million. The wide

variation in these figures reflects the diversity in income sources likely generated by the type of organizations in each city. Williamsburg primarily being a tourist area would be expected to show a larger dollar amount of earned income and Norfolk, with the Virginia Symphony, Virginia Opera, museums and theatric organizations would be expected to rely heavily on contributed income.

Direct spending in the Hampton Roads area is another way in which the cultural organizations impact the economy. The 55 respondents report that they spent \$19.7 million during the 2004 fiscal year covered by the survey. This figure is down by about \$800 thousand from the 1999 results. One possible reason for the drop in Hampton Roads spending is that, according to anecdotal evidence from representatives of the Cultural Alliance, many performing organizations are using less elaborate staging and will run a fewer number of plays/performances/concerts for a longer period of time.

Table IV presents information on the impact of volunteer contributions to cultural organizations by city. Of note are the relatively large figures associated with the city of Virginia Beach and Norfolk. The city of Virginia Beach had nearly twice the number of volunteer hours as the City of Norfolk. Dividing estimated value by hours contributed yields an estimated wage rate equivalent of \$11.05. The current estimate is approximately \$2.50 per hour greater than the \$8.65 per hour estimate of volunteer time in 1999.

Table V includes information on the taxes paid by the survey respondents. The employment tax represents FICA payments to the federal government; the other taxes go either directly or indirectly to the local government (each city/county in the Commonwealth

of Virginia chooses its local sales tax option). In this case, note that 22.2 percent of the Sales tax goes to benefit the city due to the one- percent local option. Local governments that results from these cultural organizations is the sum of Admissions tax, Property tax, Permit tax, and the 1% sales tax, yielding a total tax revenue of \$5,014,493. This figure ignores a very important source of revenue for one local government. In the city of Williamsburg meal tax and room tax revenues contribute significantly to the fiscal health of that community. By using data from the Web site for the City of Williamsburg it is estimated that the tax revenue to be \$8,970,000 associated with Cultural Organizations. Of course any estimate should be cautioned by the allocation of visitors that go to amusement parks such as Bush Gardens also pay these taxes. There is no way to estimate precisely what proportion of the visitors that attend Bush Gardens or other amusement parks do not also attend one of the many cultural activities in the area. Approximately 1.4 million individuals went to attractions in Jamestown, Yorktown and Colonial Williamsburg (see Table VIII) and that the attendance at Busch Gardens was estimated to be approximately 2.4 million.<sup>1</sup> Without any method of estimating the net new visitors the allocating the tax revenue to each source is difficult. However, the total tax revenue created must be due to, at least in a very large part due to the close juxtaposition of cultural organizations. The almost 9 million in tax revenue from the two sources for the City of Williamsburg is therefore found my presuming visitors engage in some sort of activity that may be associated with culture. Note that the tax estimate could even be a

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<sup>1</sup> See Web site discussing Park Attendance:  
<http://www.coastergrotto.com/theme-park-attendance.jsp>

lower bound when one considers the number of people that attend a for profit park such as Bush Gardens but also attend museums in Norfolk and Virginia Beach on a vacation.

## **B. VISITATION**

Table VII presents a visitation matrix that corresponds to results from the last set of questions on the survey. Data from this table is useful for the computation of the visitor spending effects discussed in Section C below. Due to the fact that not all organizations responded to the visitation questions we should view the data presented in Table VII as suggestive of visitation patterns. The data indicates that for the cities of Hampton, Newport News, and Isle of Wight County that most of visitors were from their own communities. Data for Portsmouth indicates that most of their visitors came from the city of Virginia Beach. The second largest visitor source for Portsmouth was from own residents at almost 16% followed closely by Norfolk visitors at 12.5%. The city with the largest out-of-region but within state visitors was Virginia Beach at 14% followed by Newport News and Hampton at 9% and 8.3% respectively. Almost 86% of individuals attending cultural activities within the city of Norfolk are from Hampton Roads. Williamsburg had by far the largest percentage of their visitors from out-of-state at almost 90%. Virginia Beach had the second largest percentage of visitors from out-of-state at approximately 29%.

## **C. ESTIMATION OF TOTAL IMPACT AND INPUT/OUTPUT ANALYSIS**

The total economic impact of the cultural organizations is determined by the sum of direct spending by the cultural organizations and spending that is created by other firms that trade with the organizations and income created by spending by visitors to the cultural activities. I decided to use the same spending multiplier as in the earlier studies and use a spending multiplier of 2.47. It should be pointed out that this is a relatively large multiplier but is within the range considered reasonable. The size of the multiplier is a reflection of the share of part-time employment that is less than in the 1999 study but is still significant when compared to other industries. This technique allows for a comparison of the earlier results. Further, the results from other studies suggest that the magnitude of the multiplier is not out of line with other studies.<sup>2</sup> The employment multiplier for spending of public funds in Downtown Norfolk was calculated to be approximately 1.7.<sup>3</sup> Other long run multipliers have been estimated in Tayloe Murphy Institute (now Weldon-Cooper Center) report in 1984.<sup>4</sup> Another study, using a similar model as the one used here, obtained a long-run multiplier for port related activities for the Commonwealth of Virginia of 2.49.<sup>5</sup> The calculated multipliers were obtained with a combination of location quotient and regression

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<sup>2</sup> Nonprofit Arts and Cultural Organizations in Metro Atlanta, 1997 Economic Impact Study, Arts and Business Council of Atlanta, Inc., Appendix A (March, 1998)

<sup>3</sup> Christopher B. Colburn, Public Spending in Downtown Norfolk, report prepared for the Greater Norfolk Corporation, November 1991.

<sup>4</sup> Philip J. Grossman, Economic Base Analysis: Theory and Application, Tayloe Murphy Institute, University of Virginia, June 1984.

<sup>5</sup> Gilbert R. Yochum and Vinod B. Agarwal, The Economic Impact and Rate of Return of Virginia's Ports on the Commonwealth: 1988, College of Business and Public Administration, Old Dominion University, 1988.

analysis. First, location quotients were estimated that compares the employment in a sector to total regional employment to the average employment ratio in the United States for the same sector. If that ratio is greater than one then the sector is defined as a basic industry. That is, the basic industry is one in which relative employment is greater than the national average. For comparison purposes we note that museums are found to be a basic industry in Virginia, which suggests that employment generated by the cultural organizations are basic. In their study a basic industry is one that employees relatively more in the local economy than is relatively employed in the nation. The multiplier calculated by the Tayloe Murphy Institute was 2.37.<sup>6</sup> Finally, a study of the economic impact of cultural organizations in Atlanta used a multiplier of 2.49, slightly less than the one employed here.<sup>7</sup> Hence it may be concluded that the multiplier computed in this, while large, is not out-of-line with other employment multipliers. Another reason to continue to use the multiplier is that the share of total employment that is part time remains relatively high as compared to other industries. Over a third of the jobs are part-time. Spending multipliers are larger when there is a large concentration of part-time employment because the spending categories that stimulate additional income in a region, according to the RIMS II model, have a larger relative effect for lower income households.

The choice of the spending multiplier is determined by the input/output model employed. The I/O model used is RIMS II (Regional Input/Output Modeling System II)

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<sup>6</sup>Grossman, op. sit. Data for Planning District 20, page 33.

<sup>7</sup> Nonprofit Arts and Cultural Organizations in Metro Atlanta, 1997 Economic Impact Study, Arts and Business Council of Atlanta, Inc., Appendix A, March, 1998.

developed for Virginia by the United States Department of Commerce in 1992. RIMS II is the same model used in the previous economic impact of cultural organization studies. The RIMS model is one of the most widely used input/output models.<sup>8</sup> The spending multiplier is obtained by dividing resulting spending increase by the contributing demand increase. The spending multiplier is equal to 2.475. That is, a job generating one additional dollar in spending in the Hampton Roads economy from employment in one of the cultural organizations in the survey is expected to generate \$2.475 in additional spending in the region. Using the same multiplier as in the previous studies also allows for comparisons across studies.

The direct economic impact may there be estimated as follows. The payroll from the survey is estimated to approximately \$134.1 million. With a multiplier of 2.47 the spending associated with income created by the cultural organizations is therefore equal to \$331.2 million. Next the local spending for supplies in Hampton Roads of \$19.7 million is combined with the tax revenue of 14.1 million. Therefore the economic impact of the cultural organizations, without audience spending, is equal to \$365 million. The comparable economic impact from the 1993 study was approximately \$274 million and the economic impact from the 1999 study was \$338 million. Hence we may conclude that, before consideration of visitor spending, the economic impact grew by approximately 8 percent. Note that even if the estimated tax revenue from the Williamsburg area were to be

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<sup>8</sup>For a description of the RIMS II model see Cartwright and Beemiller, "RIMS II Regional Input Output Modeling System: A Brief Description," Bureau of Economic Analysis, Department of Commerce, Washington D.C.

cut in half, the impact would have grown by 6.5 percent between 1999 and 2004.

An estimate of the role of visitor spending is now presented. The analysis follows the methodology performed in the 1999 study.

Because the survey instrument was not designed to question audience spending patterns other information must be used to estimate the impact on spending. The important question is would the spending have occurred in the absence of attendance to the cultural activity? If the answer to this question is yes, it is not appropriate to attribute the spending to the cultural activity, if the answer is no the spending may be attributed to the cultural activity.

A detailed audience survey was not conducted for this research. However, Professors Agarwal and Yochum, also of Old Dominion University, conducted an economic impact study of the Virginia International Arts Festival (hereafter VIAF) that surveyed audiences.<sup>9</sup> Their estimates will be used in the estimate of the spending impact of audiences. Therefore, it will be assumed that the characteristics of both out of region and regional audiences of the Virginia International Arts Festival are the same as the audience of cultural organizations in general.

When adjusted to reflect current prices local spending per cultural activity is estimated to be \$11.55 while the spending from visitors from outside the state of Virginia is estimated to spend \$154 per cultural activity. The VIAF study found that 88 percent of the

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<sup>9</sup> Agarwal, Vinod and Yochum, Gilbert, Economic Impact of Virginia Waterfront International Arts Festival: 1998, Bureau of Research, College of Business and Public Administration, Old Dominion University, Prepared for Siddall, Matus and Coughter, November, 1998.

surveyed audience was from Hampton Roads. The VIAF study found that 43.3 percent of audience indicated they would have done nothing if they had not attended the VIAF. After subtracting for admission fees and attendance to other events (to avoid double counting) the 22% of the spending of 52.50 or \$11.55 per person may be attributable to the cultural activity. From Table VII we may compute that the total number of reported local visitors was estimated to be 976,743, the total number of visitors from within our region is estimated to be 132,063. The out of state visitors was estimated to be 524,595. Note that this figure does not include Colonial Williamsburg. The Colonial Williamsburg estimated visitors to be 729,000 in 2004. Further they provide evidence that 88 percent of their visitors are from out of state. Hence when we sum the impact from the visitors a figure of \$193,395,695 is arrived at as the estimate of visitor spending. This is the sum of non-Hampton Roads and Hampton Roads residents.

#### **D. TOTAL IMPACT AND COMPARISON TO EARLIER ESTIMATES**

In this section the implications of our multiplier analysis are discussed. Table IX provides a comparison of the results from the 1993 1999 and 2005 economic impact studies. Of note is the decline in full-time employment from responding organizations. This result, as discussed above, is expected given the increase in part-time employment at the lower end of the wage distribution in recent years. A marked increase has occurred for all other categories. Total employment has risen by 25 percent and salaries have risen by 19 percent. The data also indicates a large increase in local tax revenue (200 percent). This result is likely due to the combination higher earned income figures for the

organizations and the opening of venues that may generate a significant amount of local sales tax revenue. Direct spending by the organizations has increased by 64 percent since the 1993 study.

In Table X a comparison of full-time employment in cultural organizations is compared to industries and private companies of a similar size. The data indicates that cultural organizations employ slightly less than the largest grocery store, Fool Lion, and more than the largest Hospitals in the area. Further, if we consider total employment (the sum of full and part-time) data from the Virginia employment commission suggests that the cultural industry employees approximately twice the number in the telecommunications industry in Hampton Roads.<sup>10</sup>

As a final indicator of the fiscal health and growth of the cultural organizations between the time of the 1999 and 2004 study years we provide a chart which compares changes in employment, payroll, volunteer time and grant income for the same organizations. This allows for a direct comparison as effects such as the entry and exit of organizations is eliminated. Note that there were approximately 17 organizations that answered each the questions in 1999 and 2004 but also note that the same organizations do are present in each category. The data indicated that between the year 1999 and 2004, for same question same organization responders, payroll, local spending, volunteer time, and grant income all increased. The data also indicated that the part-time job decline was offset by full-time job growth for these cultural organizations. Hence we may again

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<sup>10</sup> Virginia Employment Commission web site: <http://velma.virtualmi.com> and Opportunity Inc, State of the Workforce Report: Hampton Roads: 2005, p. 21.

conclude that the cultural organizations in Hampton Roads collectively represent a growing and significant sector of the Hampton Roads economy.

It should be pointed out that the estimates computed in this study do not provided an estimate of any external benefits that may occur from the existence of the cultural organizations, such as benefits to educational institutions or benefits from viewing artistic achievements. These effects are not obtainable from the database we have gathered.

**APPENDIX I**  
**TABLES AND CHARTS**

Table I: Respondents and Employment by City

Table II: Employment Distribution

Table III: Income of Cultural Organizations by City

Table IV: Volunteer Contributions by City

Table V: Taxes Paid by Cultural Organizations by City

Table VI: Tax revenue directly paid or created by responding cultural organizations

Table VII: Matrix of Visitors to Responding Organizations

Table VIII: Respondents and Audience

Table IX: Comparison of 1993, 1999, and 2004 Economic Impact Results

Table X: Comparison of the Cultural Industry in Hampton Roads to selected Industries

Chart I: Comparison of same responders in selected categories

TABLE I: RESPONDENTS AND EMPLOYMENT BY CITY

City	Respondents	Full Time	Part Time
Chesapeake	2	1	1
Hampton	4	64	69
Jamestown	1	0	3
Isle of Wright	2	193	506
Newport News	2	118	76
Norfolk	28	426	538
Poquoson	1	0	0
Portsmouth	3	29	88
Suffolk	2	0	1
Virginia Beach	7	87	92
Williamsburg	2	2932	821
Yorktown	2	1	3
Totals	56	3851	2198

TABLE II: EMPLOYMENT DISTRIBUTION

Income Category	Full-time	Part-time
Less than \$5,000	282	1390
\$5,000-\$10,000	287	449
\$10,000-\$15,000	407	223
\$15,000-\$20,000	629	84
\$20,000-\$30,000	977	34
\$30,000-\$40,000	602	12
\$40,000-\$50,000	332	5
Greater than \$50,000	335	1
Total Employment	3851	2198

**TABLE III: INCOME OF CULTURAL ORGANIZATIONS BY CITY**

<b>City</b>	<b>Earned Income</b>	<b>Contributions</b>	<b>Grant Income</b>
Chesapeake	0	0	55000
Hampton	2675000	685870	70977
Jamestown	14950	14800	12910
Isle of Wright	10235766	1759530	4586769
Newport News	7064065	377901	793849
Norfolk	13880007	9742609	3313423
Poquoson	0	0	0
Portsmouth	663184	186116	1102900
Suffolk	29000	26000	9888
Virginia Beach	17618659	1666043	892995
Williamsburg	170290238	25613400	12355333
Yorktown	53000	66000	40000
<b>Totals</b>	<b>222523869</b>	<b>40138269</b>	<b>23234044</b>

TABLE IV: VOLUNTEER CONTRIBUTIONS BY CITY

City	Number of Volunteers	Hours Contributed	Estimated Value
Chesapeake	14	144	10800
Hampton	243	14157	150095
Jamestown	9	1440	10800
Isle of Wright	1000	37050	659135
Newport News	1011	62502	1058243
Norfolk	4575	85106	909110
Portsmouth	258	7958	51300
Suffolk	80	600	0
Virginia Beach	9596	293453	2745657
Williamsburg	1023	8080	80800
Yorktown	80	5434	26000
Totals	17889	515924	5701940

TABLE V: TAXES PAID BY CULTURAL ORGANIZATIONS BY CITY

City	Admission Tax	Property Tax	Sales Tax	Local Permit Tax	Employment Tax	Unemployment Compensation Tax	Other Tax
Chesapeake	0	0	0	0	0	0	0
Hampton	108798	0	13032	0	0	0	0
Jamestown	0	1256	250	120	1434	0	0
Isle of Wright					582920	9214	
Newport News	0	0	65000	5464	272189.31	1500	0
Norfolk	646005	879	93463	48463	1213884	97249.22	109028
Poquoson							
Portsmouth	11822	0	4	385	0	0	0
Suffolk	0	0	30	0	1333	0	0
Virginia Beach	430768	866	67841	42116	34119	156.16	0
Williamsburg	0	1603782	6915748	299428	5831309	1042913	0
Yorktown	0	0	1063	150	0	0	5700
Totals	1197393	1606783	7156431	396126	7937188.31	1151032.38	114728

**TABLE VI: TAX REVENUE DIRECTLY PAID OR  
CREATED BY RESPONDING CULTURAL ORGANIZATIONS**

City	Sales, Local Permit, Property, Admission Tax
Chesapeake	0
Hampton	111694
Jamestown	1432
Isle of Wright	0
Newport News	19908
Norfolk	716117
Poquoson	0
Portsmouth	12208
Suffolk	7
Virginia Beach	488826
Williamsburg	3440043
Yorktown	386
<b>Totals</b>	<b>1590318</b>

TABLE VII: MATRIX OF VISITORS TO RESPONDING ORGANIZATIONS

City	Hampton	Isle of Wight	Newport News	Norfolk	Portsmouth	Virginia Beach	Will/JCC/York
Chesapeake	8514	150	9399	22883	12586	15627	673
Gloucester	709	0	6486	1592	389	0	617
Hampton	34055	67	29379	6590	4068	2694	808
Eastern Shore	709	0	55	975	142	0	199
Franklin	0	0	289	923	213	0	155
Isle of Wight	709	600	4583	1321	1144	0	79
James City	4257	0	0	2625	776	0	0
Newport News	11352	0	76868	8158	5784	3233	1361
Norfolk	10642	0	9796	54679	13936	12394	632
Poquoson	1419	0	3229	1248	524	0	182
Portsmouth	2838	0	5005	9850	17736	2154	209
Smithfield	709	0	0	1223	81	0	166
South Hampton	0	0	0	11644	241	0	70
Suffolk	1419	0	6348	3532	4496	2157	221
Virginia Beach	15609	0	16631	38162	22361	267284	1897
Williamsburg	0	0	20213	36274	133	1080	3202
York	1419	0	11997	3091	1793	1076	1633
Other Region	0	0	1320	63001	78	0	4658
Total HR	94360	817	201598	266647	86481	307699	14994
Out of Region	9933	0	24697	5762	4452	74904	12315
Out of State	15609	0	47844	36267	21270	156275	245521
Total	119902	817	274139	308676	112203	538878	272830

**Note:** the above data is limited and should be viewed as suggestive due to the lack of information from some organizations.

TABLE VIII: RESPONDENTS AND AUDIENCE

<b>City</b>	<b>Audience</b>	<b>Paid</b>
Hampton	463316	394154
Isle of Wight	3100	100
Newport News	528029	246569.4
Norfolk	1493106	557248
Portsmouth	163552	5600
Suffolk	29287	11741
Virginia Beach		
	1297555	665109
Will/JCC/York	1399012	612711
Total	5376957	2493232

**TABLE IX: COMPARISON OF 1993, 1999, AND 2004 ECONOMIC IMPACT RESULTS\***

	<b>1993</b>	<b>1999</b>	<b>2005</b>
I. Employment:			
A: Total	6063	7617	6049
B. Full-time	4021	3450	3851
C. Part-time	2042	4167	1281
II. Salaries:	\$103.8 mil	\$123.3 mil	\$134.1 mil
III. Local Taxes:	\$2.7 mil	\$8.1 mil	\$14.1
IV. Income:			
A. Earned	\$75.1 mil	\$194.8 mil	\$223.7 mil
B. Contributions	\$19.0 mil	\$38.1 mil	\$40.7 mil
C. Grants	\$8.2 mil	\$18.3 mil	\$26.5 mil
D. Volunteer Time	\$3.8 mil	\$6.4 mil	\$5.7
V. Spending in Hampton Roads	\$13.1 mil	\$21.5 mil	\$19.7
VI. Combined Impact Without audience:	\$274.9 mil	\$338.9 mil	\$365.0 mil
VII. Combined Impact: With Audience:	NA	\$510.2 mil	\$563.9 mil

\* Note that changes may be due to economic changes and/or changes in respondents between surveys.

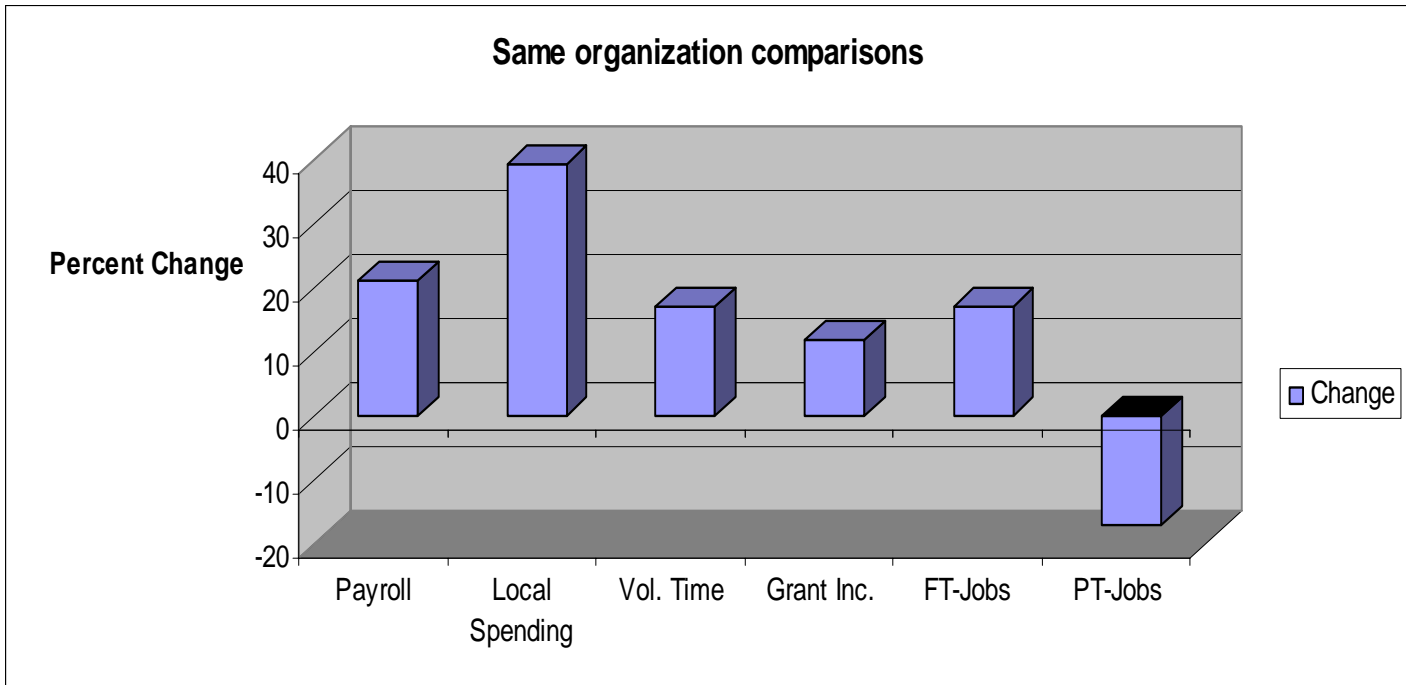
NA – not applicable due to inclusion of spending by audience in 1999 study and not in the 1993 study.

**TABLE X: COMPARISON OF FULL TIME EMPLOYMENT OF THE CULTURAL INDUSTRY TO SELECTED FIRMS AND INDUSTRIES**

<b>Private Sector Firm</b>	<b>Employment</b>
<b>Food Lion</b>	<b>&gt;4,000</b>
<b>Cultural Organizations</b>	<b>3851</b>
<b>Legal Occupations</b>	<b>3,232</b>
<b>Sentara Norfolk</b>	<b>&gt;3,000</b>
<b>Bank of America</b>	<b>&gt;2,500</b>

**Sources:** Virginia Employment Commission web site: <http://velma.virtuallmi.com> and Opportunity Inc, State of the Workforce Report: Hampton Roads: 2005, p. 21.

CHART I  
COMPARISON OF SAME RESPONDERS IN SELECTED CATEGORIES



## APPENDIX II

### ORGANIZATIONS IN THE 2004 SURVEY

Chesapeake Fine Arts  
Casemate Museum  
Hampton Convention Center  
Isle of Wight Recreation Facilities  
Isle of Wight Arts League  
Mariners Museum  
Waterman Museum  
US Army Transportation Museum  
Bay Youth Orchestra  
Bus Con Art Sup  
Chrysler Museum  
d'Art Center  
Feldman Chamber  
Fuzz and Stuff Puppets  
Governor School for Arts  
Nauticus  
Nor Botanical Gar  
Norfolk Chamber Consort  
Schola Constorum  
Voices of Norfolk  
Friends of Cheve Thel  
Tidewater Arts Assoc  
Virginia Ballet  
Virginia Children Chorus  
Virginia Chorale  
Virginia Opera  
Virginia STAGE  
Virginia Symphony  
Virginia Waterfront Arts Fest  
Virginia ZOO  
WHRO  
Young Audience  
Academy of Music  
Poquoson Island Players

Port Museum (Children Museum)  
Todi Music Fest  
Suffolk Art League  
Suffolk Museum  
Virginia Marine Science Museum  
Virginia Musical Theater  
Virginia Beach Arts and Hum  
Virginia Beach Cultural Arts  
Colonial Williamsburg Foundation  
Commission All for Performing  
Cultural Alliance  
Contemporary Art Center  
Puppet Arts Center  
Norfolk Com Arts  
Yorktown Arts Found  
Virginia Living Museum  
Virginia Air and Space Museum  
Jamestown-Yorktown Foundation  
Pungo Strawberry Festival  
Neptune Festival  
Norfolk Festevents

**ECONOMIC IMPACT OF HAMPTON ROADS CULTURAL ORGANIZATIONS**

Please complete the survey as completely as possible and return **DATE**. All information will be treated with complete confidentiality and no organization's statistics will be released without their consent. If you have questions please call **Dr. Christopher Colburn** at 683-4341 or e-mail at [ccolburn@odu.edu](mailto:ccolburn@odu.edu).

\_\_\_\_\_  
Name of Organization

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Address

\_\_\_\_\_  
City

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Name and title of person completing form

Figures are for the past year, ending \_\_\_\_\_(month and year)

**I. TYPE OF ORGANIZATION** (Place "P" for you primary involvement and "X" for any secondary involvements):

Performing Arts	Visual Arts	Museum	Festival Presenter
___ Presenting	___ Gallery	___ Science	___ Private/non-profit
___ Performing	___ Studio/Gallery	___ Historic	___ City agency
___ Education	___ Guild or Association	___ Art	
		___ Other	

Other (please specify) \_\_\_\_\_

Are you a government agency? Yes \_\_\_ No \_\_\_ Or Private Non-profit \_\_\_ Yes \_\_\_ No Other Yes \_\_\_ No \_\_\_

Please specify. \_\_\_\_\_

If you are a government agency, what is your most recent re-granting budget? \$ \_\_\_\_\_

**II. TAXES PAID**

Admission/Entertainment Tax	\$ _____
Property Tax	\$ _____
Sales Tax	\$ _____

Local Permit Tax (including licensing fees) \$ \_\_\_\_\_  
 Employer Tax \$ \_\_\_\_\_  
 Unemployment Compensation Tax \$ \_\_\_\_\_  
 Other Taxes (name) \$ \_\_\_\_\_

**III. EMPLOYEES**

Annual payroll (excluding benefits):\$ \_\_\_\_\_ Including benefits, if available:\$ \_\_\_\_\_

Number of Employees and Earnings:

Full-time Employees	Part-time Employees	
_____	_____	under \$5,000
_____	_____	between \$5,000 and \$9,999
_____	_____	between \$10,000 and \$14,999
_____	_____	between \$15,000 and \$19,999
_____	_____	between \$20,000 and \$29,999
_____	_____	between \$30,000 and \$39,999
_____	_____	between \$40,000 and \$49,999
_____	_____	over \$50,000

**VOLUNTEERS**

Number of volunteers \_\_\_\_\_ Hours contributed \_\_\_\_\_ Estimated Value \$ \_\_\_\_\_

Clerical hours volunteered \_\_\_\_\_

Fund raising hours volunteered \_\_\_\_\_

Professional hours volunteered \_\_\_\_\_

**IV. SUPPLIES AND SERVICES PURCHASED IN THE HAMPTON ROADS AREA**

We are interested in the money that you spent in the Hampton Roads region. Please estimate your expenses for local services and supplies, including consultants, **contractors (including performers, artists, interpreters, workshops, leaders, etc.)**, media, maintenance, insurance, and materials.

\$ \_\_\_\_\_

**V. FINANCES**

A. Income

1. Total earned income including admissions, sales, fees for service, advertising, etc.

\$ \_\_\_\_\_

2. Total contributed income, including fundraisers, special events, corporate contributions and foundations. Please do not include one-time major contributions to capital campaigns.

\$ \_\_\_\_\_

3. Grant income

City Arts Commissions	\$ _____
State Arts commissions	\$ _____
National Endowments for the Arts	\$ _____
National Endowment for the Humanities	\$ _____
Private Foundations	\$ _____
Other	\$ _____

4. Total operating income \$ \_\_\_\_\_

B. Total operating expenses \$ \_\_\_\_\_

- C. How much was spent on capital improvements or additions to physical plant (building costs) in the past year?

\$ \_\_\_\_\_ How many? \_\_\_\_\_

In the past 5 years? (estimate) \$ \_\_\_\_\_

- D. Do you have an endowment fund? Yes\_\_\_ No\_\_\_

How long has it been in existence? \_\_\_\_\_

What is the current balance? \$ \_\_\_\_\_

**VI. AUDIENCE**

We are interested in knowing as much as we can about the audience **that** is served by your organization and its services (e.g., visitors, audience, attendees, and students).

What is your source of information about your audience (e.g., surveys, casual observation, and mailing lists):

\_\_\_\_\_

We realize that providing exact numbers for the following questions might be very cumbersome. Please try to provide overall numbers that are as accurate as possible and return this survey with whatever estimates are available. Also, in answering the following questions about your audience, and, considering the source of information listed above, please indicate for the following questions whether your answers **are** based on: a) hard numbers in your records, b) formal estimates based on concerted efforts to learn about your audience, or c) rough estimates based on informal observations or conversations. Please check all that apply and briefly explain.

Actual count \_\_\_\_\_ Formal estimate \_\_\_\_\_ Rough estimate \_\_\_\_\_

Total number of audience in the past year \_\_\_\_\_; for year ending \_\_\_\_\_

Number of audience charged a fee \_\_\_\_\_; number of audience served free \_\_\_\_\_

Please give the total number of your audience who reside in the following communities: City zip-codes in parenthesis.

	Adult	Senior	Preschool	Grades	College
	Citizens	Children	K-12	Students	
Chesapeake	_____	_____	_____	_____	_____
Gloucester /Mathews	_____	_____	_____	_____	_____
Hampton	_____	_____	_____	_____	_____
Eastern Shore	_____	_____	_____	_____	_____
Franklin	_____	_____	_____	_____	_____
Isle of Wight County	_____	_____	_____	_____	_____
James City County	_____	_____	_____	_____	_____
Newport News	_____	_____	_____	_____	_____
Norfolk	_____	_____	_____	_____	_____
Poquoson	_____	_____	_____	_____	_____
Portsmouth	_____	_____	_____	_____	_____

Smithfield	_____	_____	_____	_____	_____
Southampton County	_____	_____	_____	_____	_____
Suffolk	_____	_____	_____	_____	_____
Virginia Beach	_____	_____	_____	_____	_____
Williamsburg	_____	_____	_____	_____	_____
York County	_____	_____	_____	_____	_____
Elsewhere in Region (within 50-mile radius)	_____	_____	_____	_____	_____
Out-of-Region (but in-state)	_____	_____	_____	_____	_____
Out-of-State	_____	_____	_____	_____	_____

**Education Programs – Audience Figures**

	Adult	Senior	Preschool Citizens	Grades Children	College K-12	Students
Chesapeake	_____	_____	_____	_____	_____	_____
Gloucester/Mathews	_____	_____	_____	_____	_____	_____
Hampton	_____	_____	_____	_____	_____	_____
Eastern Shore	_____	_____	_____	_____	_____	_____
Franklin	_____	_____	_____	_____	_____	_____
Isle of Wight County	_____	_____	_____	_____	_____	_____
James City County	_____	_____	_____	_____	_____	_____
Newport News	_____	_____	_____	_____	_____	_____
Norfolk	_____	_____	_____	_____	_____	_____
Poquoson	_____	_____	_____	_____	_____	_____
Portsmouth	_____	_____	_____	_____	_____	_____
Smithfield	_____	_____	_____	_____	_____	_____

Southampton County	_____	_____	_____	_____	_____
Suffolk	_____	_____	_____	_____	_____
Virginia Beach	_____	_____	_____	_____	_____
Williamsburg	_____	_____	_____	_____	_____
York County	_____	_____	_____	_____	_____
Elsewhere in Region (within 50-mile radius)	_____	_____	_____	_____	_____
Out-of-Region (but in-state)	_____	_____	_____	_____	_____
Out-of-State	_____	_____	_____	_____	_____

**THANK YOU FOR TAKING THE TIME TO COMPLETE THIS SURVEY.**