The Economic Impact of Visitation to Anne Arundel County and Annapolis, MD

The Contribution of Travel & Tourism to the Anne Arundel County Economy in 2018
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Tourism and Impact

- $1.5 Billion Tourism Spending
  - $325 Million Lodging
  - $245 Million Food & Beverage
  - $484 Million Shopping
  - $232 Million Transportation
  - $251 Million Entertainment and Recreation

Jobs and Wages

- 17,375 Total Visitor Supported Jobs
  - 12,907 Direct Jobs
  - 2,179 Indirect Jobs
  - 2,289 Induced Jobs

Tax Revenue Generated

- $196 Million Total State and Local Tax
  - $83 Million Sales Taxes
  - $20 Million Lodging Taxes
  - $7 Million Rental car and other licenses & fees

- $147 Million Total Federal Tax
  - $68 Million Social Security
  - $50 Million Personal Income
  - $21 Million Other Fed Taxes

Total Economic Impact

- $1.2 Billion Total Economic Impact
  - $772 Million Direct
  - $174 Million Indirect
  - $221 Million Induced

Total Wages and Proprietor Income

- $758 Million Total Wages and Proprietor Income
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- $1.2 Billion Total Economic Impact
  - $772 Million Direct
  - $174 Million Indirect
Anne Arundel County welcomed **6.3 million visitors in 2018**, an increase of **3.3% vs 2017**. In total, these visitors spent more than **$1.5 billion** on lodging, food & beverage, entertainment, shopping, and transportation, an increase of **2.7% over 2017 spending totals**. Visitation to Annapolis reached **2.2 million in 2018** or roughly **35% of total visitation to the county** and visitors to Annapolis spent **$513 billion** on local goods and services.

Of the **$1.5 billion** in visitor spending, nearly **$1.2 billion was retained in the Anne Arundel County economy**, providing an array of businesses with revenue, supporting jobs for county citizens, and producing revenue for state and local governments. Tourism’s 2018 contribution to Anne Arundel County Gross Domestic Product (GDP) grew by **3.3%** from a 2017 value of **$1.1 billion**. Tourism’s benefit to businesses that directly served visitors (e.g. hotels, restaurants, entertainment venues, etc.) reached **$748 million** 2018. The remaining **$382 million** accrued to the supply chain of those business and other downstream businesses.

Tourism supported more than **17,370 jobs for residents throughout Anne Arundel County** when accounting for direct, indirect and other downstream jobs. This represents an increase of **2.4% over 2017**, outperforming the **2.2% growth in total county employment over the same period.** In terms of direct jobs, tourism is the 13th largest employer in the county and it makes up approximately **3.1% of total county jobs**, including government.

Visitor spending generated **$435 million** in direct wages to Anne Arundel County employees. The re-spending of travel-generated revenues by businesses and employees generates additional impacts throughout the county. In 2018, these induced impacts led to **$221 billion** in additional value added to a large variety of sectors including business services, real estate, finance and health and human services.

Anne Arundel County tourism generated close to **$343 million in tax receipts during 2018**, an increase of **2.8% versus 2017 totals**. Of that total, the Maryland state government received nearly **$115 million**, an increase of **2.9%**, and local governments accrued nearly **$81.4 million**, an increase of **2.1% vs. 2017 figures**. The largest single tax generated by visitors is state sales tax at almost **$83 million** in 2018.

In the absence of tourism in Anne Arundel County, taxing authorities would need to generate an average of **$955 in additional state & local taxes from each of the county’s 205,395 households** to maintain current levels of tax receipts.
In 2018 Anne Arundel County Welcomed 6.3 Million Visitors

- Visitation to Anne Arundel County reached 6.3 million in 2018. Of these visitors, approximately 35%, or 2.2 million, visited Annapolis.

- Anne Arundel County visitor volume was up 3.3% from 6.1 million in 2017. These gains came despite visitor volume declines of -1.4% to the state of Maryland over the same period.

- Visitor volume to the county was significantly higher in Q2 and Q3 of 2018 than in Q1 and Q4, following typical season patterns for the area. Annapolis, in particular, experiences heightened visitor activity in the middle of the year - 58% of Annapolis visitors arrived in Q2 or Q3. This compares to only 51% of visitors arriving in Q2 or Q3 elsewhere in the county.

- Visitor volume to Annapolis made up only 30% of county visitation in Q1 but over 40% in Q3.

<table>
<thead>
<tr>
<th>2018 Quarter</th>
<th>Anne Arundel County Total</th>
<th>Annapolis Only</th>
<th>Annapolis Share of County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>1.5 Million</td>
<td>456,375</td>
<td>30.3%</td>
</tr>
<tr>
<td>Q2</td>
<td>1.8 Million</td>
<td>642,100</td>
<td>35.9%</td>
</tr>
<tr>
<td>Q3</td>
<td>1.7 Million</td>
<td>629,642</td>
<td>40.1%</td>
</tr>
<tr>
<td>Q4</td>
<td>1.4 Million</td>
<td>464,614</td>
<td>32.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6.3 Million</strong></td>
<td><strong>2.2 Million</strong></td>
<td><strong>34.9%</strong></td>
</tr>
</tbody>
</table>

Source: Rockport Analytics, UberMedia, DK Shifflet
Of Anne Arundel County's 6.3 million visitors, 55% stayed overnight and 45% visited for day trips. Overnight trip volume increased to nearly 3.4 million in 2018, 3.5% higher than 2017. Day trips advanced slightly slower (2.9%) over the period reaching 2.7 million.

Most visitors to Anne Arundel County originate from within the U.S. with only 3% of visitors traveling from abroad in 2018. The number of international visitors grew by 3.5% from 2017, outperforming the 3.2% growth in domestic visitor volume.

International visitors stay longer and spend more locally than their domestic counterparts. International visitors spent about $745 per trip in 2018, a decrease of nearly 1% versus the previous year. Domestic travelers spent about $227 per trip in 2018, on par with 2017 levels.

Gains in international visitation have come despite international inbound headwinds to the US over the last few years. The strengthening dollar has made travel to the U.S. relatively more expensive for many foreign visitors in many key inbound visitor markets.
Visitors to Anne Arundel County traveled primarily from neighboring states or other states along the Atlantic seaboard. As highlighted below, longer-haul travelers from states such as Florida, Texas and California comprise a significant share of visitor activity as well.

Top-10 Origin States: Anne Arundel

<table>
<thead>
<tr>
<th>State</th>
<th>Estimated Number of Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virginia</td>
<td>1,230,066</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>662,109</td>
</tr>
<tr>
<td>Washington, DC</td>
<td>521,985</td>
</tr>
<tr>
<td>New York</td>
<td>456,211</td>
</tr>
<tr>
<td>Florida</td>
<td>376,496</td>
</tr>
<tr>
<td>New Jersey</td>
<td>310,101</td>
</tr>
<tr>
<td>North Carolina</td>
<td>268,655</td>
</tr>
<tr>
<td>Texas</td>
<td>227,855</td>
</tr>
<tr>
<td>California</td>
<td>175,216</td>
</tr>
<tr>
<td>Georgia</td>
<td>161,642</td>
</tr>
</tbody>
</table>
Index Scores of Origin States

Index numbers are a way of expressing the difference between two measurements by designating one number as the "base", giving it the value 100 and then expressing the second number as a percentage of the first. Example: If the population of a town increased from 20,000 in 1988 to 21,000 in 1991, the population in 1991 was 105% of the population in 1988. Therefore, on a comparative 1988 = 100 base, the population index for the town was 105 in 1991. An "index", as the term is generally used when referring to statistics, is a series of index numbers expressing a series of numbers as percentages of a single number.

2018 State of Origin Index Scores

The base used for comparison in our analysis was the origin state of all Anne Arundel County visitors. The index value represents the percentage that Annapolis visitation lies above or below that average for each origin state in the country. So for example, Annapolis has an index score of 109 for DC so Annapolis’ share of DC visitors was 9% greater than Anne Arundel County’s share as a whole.

Source: Rockport Analytics, Uber Media, DK Shifflet

Highest Indexing Origin Markets: Annapolis

<table>
<thead>
<tr>
<th>State</th>
<th>Index Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delaware</td>
<td>251</td>
</tr>
<tr>
<td>Maryland</td>
<td>231</td>
</tr>
<tr>
<td>Virginia</td>
<td>116</td>
</tr>
<tr>
<td>Washington, DC</td>
<td>109</td>
</tr>
<tr>
<td>South Carolina</td>
<td>105</td>
</tr>
<tr>
<td>Ohio</td>
<td>103</td>
</tr>
<tr>
<td>Oregon</td>
<td>103</td>
</tr>
<tr>
<td>Montana</td>
<td>102</td>
</tr>
<tr>
<td>West Virginia</td>
<td>101</td>
</tr>
<tr>
<td>Wyoming</td>
<td>101</td>
</tr>
</tbody>
</table>

Index Score

- 75 and Less
- 76 to 80
- 81 to 85
- 86 and Greater
Anne Arundel County Visitor Spending Eclipsed $1.5 Billion in 2018

Total visitor spending increased 2.7% in 2018 as the amount spent per visitor declined by -0.6%

- The 6.3 million visitors to Anne Arundel County spent a total of $1.5 billion on various goods and services in 2018, a 2.7% increase over 2017. The spending categories that experienced the most growth in 2018 were entertainment & recreation, lodging, and transportation.

- The average amount spent per Anne Arundel County visitor in 2018 was $244, this is a slight decline from 2017 when spending per visitor was $246. Declines were driven by a decline in international spend per trip and relatively slow price growth across key travel and tourism commodities like transportation, food and lodging.

- Despite the slow growth in retail/shopping in 2018, spending in this category makes up more than a third of visitors’ trip budgets. 2018 visitor spending was fueled by increased consumer confidence and rising household income.

- Nearly 12% of the average county-wide trip budget was devoted to transportation (gasoline and other passenger transportation); this spending pattern is vastly different from the 5% of Annapolis-only visitors, who are more likely to be getting around by foot.
One-Third of AAC Visitor Spending Occurred In Annapolis @ $513 Million in 2018

Annapolis visitor spending reached $513 million

- The 2.2 million visitors to Annapolis spent nearly $513 million on various goods and services in the local economy in 2018. This represents an average of $234 per visitor and 33% of total visitor spending in the county over the period.

- The spending distribution among visitors is very different when comparing Annapolis to the rest of the county:
  - Annapolis’ vibrant restaurant and shopping scene tends to attract more visitor dollars in those categories than in the rest of the county. Annapolis food and beverage (F&B) spending made up nearly 55% of total F&B spending in the county and retail made up nearly 43% of retail spending in the county.
  - Despite higher hotel class offerings and higher ADRs in Annapolis compared to the rest of the county, Annapolis’ share of county lodging spending is only 18.9%. This is primarily driven by many visitors to BWI area hotels that may spend part of there trip budget outside of the county (i.e., in Baltimore City or surrounding counties).
  - Annapolis also tends to have a lower share of transportation spending than the share in other categories due to the walkable nature of Annapolis and less of a need for rental cars, ride share services and gasoline purchases.

<table>
<thead>
<tr>
<th>Spending Categories</th>
<th>Anne Arundel County 2018</th>
<th>Annapolis 2018</th>
<th>Annapolis Share of County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food &amp; Beverage (F&amp;B)</td>
<td>$245.1</td>
<td>$133.8</td>
<td>54.6%</td>
</tr>
<tr>
<td>Lodging</td>
<td>$324.6</td>
<td>$61.4</td>
<td>18.9%</td>
</tr>
<tr>
<td>Entertainment &amp; Rec</td>
<td>$250.8</td>
<td>$84.4</td>
<td>33.7%</td>
</tr>
<tr>
<td>Transporation</td>
<td>$232.0</td>
<td>$25.32</td>
<td>10.9%</td>
</tr>
<tr>
<td>Retail/Shopping/Other</td>
<td>$483.7</td>
<td>$206.9</td>
<td>42.8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,536.2</strong></td>
<td><strong>$512.8</strong></td>
<td><strong>33.4%</strong></td>
</tr>
</tbody>
</table>

Source: D.K. Shifflet, UberMedia, STR, AirDNA, Visit Annapolis & Anne Arundel County, Rockport Analytics
Tourism’s Economic Progression in Anne Arundel County

Tourism Contribution to the Anne Arundel County Economy

- Retained in the Local Economy: $1.2 billion
- Direct Tourism Industry GDP: $772 million
- Indirect & Induced Tourism Industry GDP: $396 million
- Total Tourism-Supported Jobs*: 17,375

Value to Anne Arundel County Businesses

- Expenditures include:
  - Hotel, food and beverage (F&B), rental homes, shopping, recreation, etc.
  - From out-of-state visitors to Annapolis & Anne Arundel County: U.S. & international
  - On leisure & business trips
  - Overnight or day trips

- In 2018, Anne Arundel County retained about 76 cents of every tourism dollar spent by visitors.
- Leakages refer to goods & services that are imported into Anne Arundel County from outside due to insufficient local supply.

Expenditures include:

- Direct Tourism refers to businesses that serve Anne Arundel County visitors (e.g. hotels, restaurants, retail, entertainment)
- Indirect & Induced Tourism includes construction, business services, wholesale trade, personal services, etc.
### Anne Arundel County: 2018 Visitor Economic Impact Summary

<table>
<thead>
<tr>
<th>2018 Metric</th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Visitor Volume</td>
<td></td>
<td></td>
<td></td>
<td>6.27 Million</td>
</tr>
<tr>
<td>2018 Y/Y Growth</td>
<td></td>
<td></td>
<td></td>
<td>3.3%</td>
</tr>
<tr>
<td>Total Visitor Spending</td>
<td></td>
<td></td>
<td></td>
<td>$1.54 Billion</td>
</tr>
<tr>
<td>2018 Y/Y Growth</td>
<td></td>
<td></td>
<td></td>
<td>2.7%</td>
</tr>
<tr>
<td>Economic Impact (GDP)</td>
<td>$772.0M</td>
<td>$174.4M</td>
<td>$221.1M</td>
<td>$1.17B</td>
</tr>
<tr>
<td>2018 Y/Y Growth</td>
<td>3.1%</td>
<td>4.0%</td>
<td>3.2%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Wages</td>
<td>$435.5M</td>
<td>$117.5M</td>
<td>$113.1M</td>
<td>$666.1M</td>
</tr>
<tr>
<td>2018 Y/Y Growth</td>
<td>3.0%</td>
<td>4.0%</td>
<td>3.2%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Jobs</td>
<td>12,907</td>
<td>2,179</td>
<td>2,289</td>
<td>17,375</td>
</tr>
<tr>
<td>2018 Y/Y Growth</td>
<td>2.9%</td>
<td>1.6%</td>
<td>0.7%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Tax Receipts Total</td>
<td></td>
<td></td>
<td></td>
<td>$342.9M</td>
</tr>
<tr>
<td>Tax Receipts Federal</td>
<td></td>
<td></td>
<td></td>
<td>$146.7M</td>
</tr>
<tr>
<td>Tax Receipts State and Local</td>
<td></td>
<td></td>
<td></td>
<td>$196.2M</td>
</tr>
</tbody>
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Source: D.K.Shifflet, Visit Annapolis & Anne Arundel County, UberMedia, IMPLAN, STR, Maryland Comptroller, Anne Arundel County Office of Finance, Rockport Analytics.
<table>
<thead>
<tr>
<th>Rank</th>
<th>Industry</th>
<th>2018 Tourism-Supported Direct Jobs</th>
<th>2018 Reported*</th>
<th>2018 Tourism-Extracted**</th>
<th>% of Total Employment</th>
<th>18-17 Y/Y Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Government</td>
<td>0</td>
<td>95,523</td>
<td>95,523</td>
<td>22.9%</td>
<td>0.7%</td>
</tr>
<tr>
<td>2</td>
<td>Professional, Scientific &amp; Tech services</td>
<td>0</td>
<td>38,737</td>
<td>38,737</td>
<td>9.3%</td>
<td>3.1%</td>
</tr>
<tr>
<td>3</td>
<td>Retail trade</td>
<td>2,681</td>
<td>39,762</td>
<td>37,081</td>
<td>8.9%</td>
<td>-0.8%</td>
</tr>
<tr>
<td>4</td>
<td>Health &amp; social services</td>
<td>0</td>
<td>36,487</td>
<td>36,487</td>
<td>8.7%</td>
<td>2.3%</td>
</tr>
<tr>
<td>5</td>
<td>Accommodation &amp; Food Services</td>
<td>6,190</td>
<td>30,909</td>
<td>24,719</td>
<td>5.9%</td>
<td>-1.4%</td>
</tr>
<tr>
<td>6</td>
<td>Construction</td>
<td>0</td>
<td>24,656</td>
<td>24,656</td>
<td>5.9%</td>
<td>5.2%</td>
</tr>
<tr>
<td>7</td>
<td>Administrative &amp; waste services</td>
<td>0</td>
<td>24,096</td>
<td>24,096</td>
<td>5.8%</td>
<td>3.6%</td>
</tr>
<tr>
<td>8</td>
<td>Other services</td>
<td>0</td>
<td>20,949</td>
<td>20,949</td>
<td>5.0%</td>
<td>1.6%</td>
</tr>
<tr>
<td>9</td>
<td>Transportation &amp; Warehousing</td>
<td>1,316</td>
<td>20,715</td>
<td>19,399</td>
<td>4.6%</td>
<td>15.4%</td>
</tr>
<tr>
<td>10</td>
<td>Real estate &amp; rental</td>
<td>235</td>
<td>19,154</td>
<td>18,919</td>
<td>4.5%</td>
<td>3.0%</td>
</tr>
<tr>
<td>11</td>
<td>Manufacturing</td>
<td>0</td>
<td>13,970</td>
<td>13,970</td>
<td>3.3%</td>
<td>7.0%</td>
</tr>
<tr>
<td>12</td>
<td>Finance &amp; insurance</td>
<td>0</td>
<td>13,283</td>
<td>13,283</td>
<td>3.2%</td>
<td>-1.5%</td>
</tr>
<tr>
<td>13</td>
<td><strong>Anne Arundel County's Tourism Industry</strong></td>
<td>12,907</td>
<td>-</td>
<td>12,907</td>
<td>3.1%</td>
<td>2.4%</td>
</tr>
<tr>
<td>14</td>
<td>Wholesale Trade</td>
<td>0</td>
<td>12,959</td>
<td>12,959</td>
<td>3.1%</td>
<td>-1.1%</td>
</tr>
<tr>
<td>15</td>
<td>Arts, Entertainment &amp; Recreation</td>
<td>2,485</td>
<td>11,856</td>
<td>9,371</td>
<td>2.2%</td>
<td>5.5%</td>
</tr>
<tr>
<td>16</td>
<td>Educational services</td>
<td>0</td>
<td>5,927</td>
<td>5,927</td>
<td>1.4%</td>
<td>3.7%</td>
</tr>
<tr>
<td>17</td>
<td>Management of companies</td>
<td>0</td>
<td>3,826</td>
<td>3,826</td>
<td>0.9%</td>
<td>6.0%</td>
</tr>
<tr>
<td>18</td>
<td>Information</td>
<td>0</td>
<td>3,679</td>
<td>3,679</td>
<td>0.9%</td>
<td>1.5%</td>
</tr>
<tr>
<td>19</td>
<td>Utilities</td>
<td>0</td>
<td>699</td>
<td>699</td>
<td>0.2%</td>
<td>-22.0%</td>
</tr>
<tr>
<td>20</td>
<td>Ag, Forestry, Fish &amp; Hunting</td>
<td>0</td>
<td>384</td>
<td>384</td>
<td>0.1%</td>
<td>2.9%</td>
</tr>
<tr>
<td>21</td>
<td>Mining</td>
<td>0</td>
<td>349</td>
<td>349</td>
<td>0.1%</td>
<td>-21.9%</td>
</tr>
</tbody>
</table>

Total County Employment: 12,907 jobs, 418,428, 418,428, 100%, 2.2%

* 2018 Reported by the Bureau of Economic Analysis. Includes both Full & Part-Time Jobs.
** 2018 Tourism Extracted: Tourism’s direct contribution to jobs in each industry is removed and placed in "Anne Arundel County's Tourism Industry"
Anne Arundel County Tourism 2018: Economic Impact  
(Value Added/GDP)

<table>
<thead>
<tr>
<th>Industry (NAICS)*</th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>in millions of dollars</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation &amp; food services</td>
<td>$358.6</td>
<td>$12.4</td>
<td>$13.1</td>
<td>$384.2</td>
</tr>
<tr>
<td>Arts- entertainment &amp; recreation</td>
<td>$167.5</td>
<td>$1.1</td>
<td>$3.5</td>
<td>$172.1</td>
</tr>
<tr>
<td>Retail trade</td>
<td>$122.3</td>
<td>$3.9</td>
<td>$21.2</td>
<td>$147.5</td>
</tr>
<tr>
<td>Real estate &amp; rental</td>
<td>$66.2</td>
<td>$33.5</td>
<td>$71.6</td>
<td>$171.3</td>
</tr>
<tr>
<td>Transportation &amp; Warehousing</td>
<td>$57.4</td>
<td>$13.4</td>
<td>$7.0</td>
<td>$77.8</td>
</tr>
<tr>
<td>Ag, Forestry, Fish &amp; Hunting</td>
<td>$0.0</td>
<td>$0.1</td>
<td>$0.1</td>
<td>$0.2</td>
</tr>
<tr>
<td>Mining</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.1</td>
</tr>
<tr>
<td>Utilities</td>
<td>$0.0</td>
<td>$2.6</td>
<td>$4.6</td>
<td>$7.2</td>
</tr>
<tr>
<td>Construction</td>
<td>$0.0</td>
<td>$3.3</td>
<td>$1.7</td>
<td>$4.9</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>$0.0</td>
<td>$0.8</td>
<td>$0.3</td>
<td>$1.1</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>$0.0</td>
<td>$10.8</td>
<td>$10.4</td>
<td>$21.3</td>
</tr>
<tr>
<td>Information</td>
<td>$0.0</td>
<td>$6.7</td>
<td>$5.5</td>
<td>$12.1</td>
</tr>
<tr>
<td>Finance &amp; insurance</td>
<td>$0.0</td>
<td>$13.7</td>
<td>$10.8</td>
<td>$24.6</td>
</tr>
<tr>
<td>Professional- scientific &amp; tech services</td>
<td>$0.0</td>
<td>$26.4</td>
<td>$9.1</td>
<td>$35.5</td>
</tr>
<tr>
<td>Management of companies</td>
<td>$0.0</td>
<td>$16.3</td>
<td>$2.1</td>
<td>$18.5</td>
</tr>
<tr>
<td>Administrative &amp; waste services</td>
<td>$0.0</td>
<td>$21.5</td>
<td>$6.6</td>
<td>$28.1</td>
</tr>
<tr>
<td>Educational services</td>
<td>$0.0</td>
<td>$0.3</td>
<td>$2.4</td>
<td>$2.7</td>
</tr>
<tr>
<td>Health &amp; social services</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$36.1</td>
<td>$36.1</td>
</tr>
<tr>
<td>Other services</td>
<td>$0.0</td>
<td>$7.1</td>
<td>$14.5</td>
<td>$21.6</td>
</tr>
<tr>
<td>Non NAICs</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
</tr>
<tr>
<td><strong>Total 2018</strong></td>
<td><strong>$772.0</strong></td>
<td><strong>$174.4</strong></td>
<td><strong>$221.1</strong></td>
<td><strong>$1,167.5</strong></td>
</tr>
<tr>
<td><strong>Total 2017</strong></td>
<td><strong>$748.5</strong></td>
<td><strong>$167.7</strong></td>
<td><strong>$214.3</strong></td>
<td><strong>$1,130.5</strong></td>
</tr>
<tr>
<td><strong>Y/Y Growth</strong></td>
<td><strong>3.1%</strong></td>
<td><strong>4.0%</strong></td>
<td><strong>3.2%</strong></td>
<td><strong>3.3%</strong></td>
</tr>
</tbody>
</table>

**Direct**

Businesses that serve Anne Arundel County visitors

**Indirect**

Supply Chain businesses that often do not fully appreciate the benefits visitors bring to Anne Arundel County

**Induced**

Tourism-supported workers spend much of their wages locally creating benefits to virtually all local businesses

* North American Industrial Classification System (NAICS). For specific industry definitions, see www.census.gov
Tourism Supports Anne Arundel County Jobs in Many Different Sectors

Anne Arundel County Tourism: 2018 Economic Impact (Employment)

<table>
<thead>
<tr>
<th>Industry (NAICS)*</th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation &amp; food services</td>
<td>6,190</td>
<td>313</td>
<td>323</td>
<td>6,826</td>
</tr>
<tr>
<td>Retail trade</td>
<td>2,681</td>
<td>62</td>
<td>398</td>
<td>3,140</td>
</tr>
<tr>
<td>Arts- entertainment &amp; recreation</td>
<td>2,485</td>
<td>80</td>
<td>83</td>
<td>2,648</td>
</tr>
<tr>
<td>Transportation &amp; Warehousing</td>
<td>1,316</td>
<td>178</td>
<td>83</td>
<td>1,578</td>
</tr>
<tr>
<td>Real estate &amp; rental</td>
<td>235</td>
<td>393</td>
<td>125</td>
<td>753</td>
</tr>
<tr>
<td>Ag, Forestry, Fish &amp; Hunting</td>
<td>0</td>
<td>3</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Mining</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Utilities</td>
<td>0</td>
<td>6</td>
<td>9</td>
<td>15</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>36</td>
<td>17</td>
<td>53</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
<td>9</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>0</td>
<td>58</td>
<td>51</td>
<td>109</td>
</tr>
<tr>
<td>Information</td>
<td>0</td>
<td>30</td>
<td>22</td>
<td>51</td>
</tr>
<tr>
<td>Finance &amp; insurance</td>
<td>0</td>
<td>132</td>
<td>134</td>
<td>266</td>
</tr>
<tr>
<td>Professional- scientific &amp; tech services</td>
<td>0</td>
<td>238</td>
<td>85</td>
<td>323</td>
</tr>
<tr>
<td>Management of companies</td>
<td>0</td>
<td>121</td>
<td>16</td>
<td>137</td>
</tr>
<tr>
<td>Administrative &amp; waste services</td>
<td>0</td>
<td>392</td>
<td>104</td>
<td>496</td>
</tr>
<tr>
<td>Educational services</td>
<td>0</td>
<td>10</td>
<td>60</td>
<td>70</td>
</tr>
<tr>
<td>Health &amp; social services</td>
<td>0</td>
<td>0</td>
<td>481</td>
<td>481</td>
</tr>
<tr>
<td>Other services</td>
<td>0</td>
<td>114</td>
<td>290</td>
<td>404</td>
</tr>
<tr>
<td>Non NAICs</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total 2018</strong></td>
<td><strong>12,907</strong></td>
<td><strong>2,179</strong></td>
<td><strong>2,289</strong></td>
<td><strong>17,375</strong></td>
</tr>
</tbody>
</table>

In 2018, more than 12,900 Anne Arundel County jobs were directly supported by tourism. An additional 4,470 downstream jobs were supported by tourism across a multitude of sectors. Many of the county’s indirect and induced tourism-supported workers may not realize the importance of visitors to various sectors throughout the county.

Tourism is the 13th largest employer in the county, directly supporting 5.4% of the county’s total private non-farm employment.

2018 Direct tourism employment increased by 2.9% over 2017 levels, outperforming the growth in total county employment which advanced by 2.2%.

* North American Industrial Classification System (NAICS). For specific industry definitions, see www.census.gov

Source: Rockport Analytics, IMPLAN
### Anne Arundel County Tourism 2018: Economic Impact (Wages)

<table>
<thead>
<tr>
<th>Industry (NAICS)*</th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>in millions of dollars</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation &amp; food services</td>
<td>$435.5</td>
<td>$117.5</td>
<td>$113.1</td>
<td>$666.1</td>
</tr>
<tr>
<td>Retail trade</td>
<td>$212.4</td>
<td>$8.9</td>
<td>$8.4</td>
<td>$229.7</td>
</tr>
<tr>
<td>Arts- entertainment &amp; recreation</td>
<td>$82.7</td>
<td>$2.3</td>
<td>$13.8</td>
<td>$98.8</td>
</tr>
<tr>
<td>Transportation &amp; Warehousing</td>
<td>$69.6</td>
<td>$0.6</td>
<td>$1.8</td>
<td>$72.0</td>
</tr>
<tr>
<td>Real estate &amp; rental</td>
<td>$40.1</td>
<td>$11.3</td>
<td>$4.9</td>
<td>$56.3</td>
</tr>
<tr>
<td>Ag, Forestry, Fish &amp; Hunting</td>
<td>$30.7</td>
<td>$14.5</td>
<td>$5.4</td>
<td>$50.7</td>
</tr>
<tr>
<td>Mining</td>
<td>$0.0</td>
<td>$0.1</td>
<td>$0.1</td>
<td>$0.2</td>
</tr>
<tr>
<td>Utilities</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
</tr>
<tr>
<td>Construction</td>
<td>$0.0</td>
<td>$0.7</td>
<td>$1.4</td>
<td>$2.1</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>$0.0</td>
<td>$2.5</td>
<td>$1.2</td>
<td>$3.7</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>$0.0</td>
<td>$0.5</td>
<td>$0.2</td>
<td>$0.7</td>
</tr>
<tr>
<td>Information</td>
<td>$0.0</td>
<td>$5.6</td>
<td>$5.0</td>
<td>$10.6</td>
</tr>
<tr>
<td>Finance &amp; insurance</td>
<td>$0.0</td>
<td>$3.2</td>
<td>$1.8</td>
<td>$5.0</td>
</tr>
<tr>
<td>Professional- scientific &amp; tech services</td>
<td>$0.0</td>
<td>$8.3</td>
<td>$6.3</td>
<td>$14.7</td>
</tr>
<tr>
<td>Management of companies</td>
<td>$0.0</td>
<td>$20.8</td>
<td>$7.2</td>
<td>$28.1</td>
</tr>
<tr>
<td>Administrative &amp; waste services</td>
<td>$0.0</td>
<td>$14.1</td>
<td>$1.8</td>
<td>$15.9</td>
</tr>
<tr>
<td>Educational services</td>
<td>$0.0</td>
<td>$16.6</td>
<td>$5.0</td>
<td>$21.6</td>
</tr>
<tr>
<td>Health &amp; social services</td>
<td>$0.0</td>
<td>$0.3</td>
<td>$2.6</td>
<td>$2.9</td>
</tr>
<tr>
<td>Other services</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$32.2</td>
<td>$32.3</td>
</tr>
<tr>
<td>Non NAICs</td>
<td>$0.0</td>
<td>$6.7</td>
<td>$13.5</td>
<td>$20.2</td>
</tr>
</tbody>
</table>

**Total 2018**  
$435.5 | $117.5 | $113.1 | $666.1

**Total 2017**  
$422.9 | $113.0 | $109.6 | $645.5

**Y/Y Growth**  
3.0% | 4.0% | 3.2% | 3.2%

- In 2018, visitor spending generated a total of $666.1 million in wages for Anne Arundel County employees.
- The 4,470 indirect and induced jobs supported by tourism, generated $230.6 million in indirect and induced wages.
- Given the increases in direct and total tourism employment, wages also increased. Compared to 2017, direct wages grew by 4.0% and total wages by 3.2%.
- Most of these local wages will continue to circulate through Anne Arundel County as consumers spend their dollars on goods and services in the local economy.

*North American Industrial Classification System (NAICS). For specific industry definitions, see www.census.gov*
2018 Visitor Statistics & Economic Impact: Anne Arundel County & Annapolis

Anne Arundel County
- Total Visitors: 6.3 Million
- Total Spending: $1.5 Billion
- Total Jobs Supported: 17,375
- Total Wages: $666.1 Million
- Total Value Added: $1.2 Billion

Annapolis
- Total Visitors: 2.2 Million
- Total Spending: $512.8 Million
- Total Jobs Supported: 5,954
- Total Wages: $214.0 Million
- Total Value Added: $369.5 Million

Source: Rockport Analytics, UberMedia, DK Shifflet, STR, IMPLAN
In 2018, more than 4,500 jobs in Annapolis were directly supported by visitor spending. This is more than a third (35%) of tourism-supported direct County jobs.

In 2018, visitor spending generated a total of $139 million in direct wages for Annapolis employees. An additional $75 million was also paid as indirect and induced wages.

In 2018, the direct economic activity supported by tourism in Annapolis generated about $240 million in GDP, a third of all the direct value added attributable to tourism in the County.
Tourism-Supported State & Local Tax Receipts Reach $196 million in 2018

- Tourism-supported taxes totaled nearly $343 million in 2018, an increase of 2.8% from 2017. Local taxes saw an increase of 2.1% from 2017, while overall state tax collections increased by 2.9%.

- Tourism contributed nearly $82.8 million to Maryland sales tax receipts, up 2.8% from 2017 collections. Sales taxes represent more than 72% of tourism-related taxes collected by the state.

- Hotel taxes in the county remained relatively flat compared to 2017, increasing 1%. Overall tax collections in Anne Arundel County rose 2.1%.

- In the absence of tourism in Anne Arundel County, state and local taxing authorities would need to generate an average of approximately $955 in additional local taxes from each of the county’s 205,395 households to maintain current levels of receipts.

Source: Rockport Analytics, IMPLAN, Maryland Comptroller, Anne Arundel County Office of Finance
Sales taxes paid by Anne Arundel County visitors made up nearly three-quarters of state tax receipts attributed to tourism.

Nearly every dollar of visitor spending is subject to the Maryland sales tax. In 2018, sales taxes collected in the County totaled $462 million. Tourism-supported sales tax collections reached nearly $82.8 million, growing by 2.8% from 2017. These collections represent nearly 18% of state sales taxes collected within the county over the period.

Tourism-supported corporate income taxes and other business taxes comprise approximately 8% of state taxes. Personal income and social insurance taxes make up roughly 19% of tax revenues. Rental car facility charges and other household taxes & fees make up and additional 1.4%.

State Taxes Generated by Tourism 2018
$114.8 Million

Source: Rockport Analytics, IMPLAN, Maryland Comptroller, Anne Arundel County Office of Finance
Lodging taxes reach nearly $20.4 million in 2018

Hotel taxes grew slightly in 2018 (1.0%) compared to 2017. However, hotel taxes still comprised 25% of local tourism-supported taxes.

Tourism’s contribution to Anne Arundel County property taxes reaches more than $54.3 million in 2018

Property taxes are calculated by the IMPLAN model. The model allocates a portion of total property tax receipts based upon tourism’s contribution to residential wages (for residential property taxes) and commercial revenue (for commercial property taxes).

Additional visitor transaction taxes generated more than $6.7 million in local collections in 2018

These transaction taxes include rental car charges & fees, admissions & amusement taxes, and other licenses, fines & fees.

Local Taxes Generated by Tourism 2018
$81.4 Million

- Property Taxes $54,330 67%
- Hotel Tax $20,383 25%
- Rental Car Charges and Fees $3,947 5%
- Admissions and Amusement Tax $1,686 2%
- Other Licenses, Fines & Fees $1,033 1%

Source: Rockport Analytics, IMPLAN, Maryland Comptroller, Anne Arundel County Office of Finance
How Do Visitors Benefit Anne Arundel County? Putting Tourism in Perspective…

- Tourism supports 3% of all jobs in Anne Arundel County.
- Tourism is Anne Arundel County’s 13th largest employer.
- The average wage of both full and part-time workers supported by tourism was $38,330 in 2018.
- Jobs supported by tourism were responsible for 5% of County private, non-farm jobs.

Promoting a Healthy Job Market

- Anne Arundel tourism contributed more than $196 million in tax revenue to state and local coffers in 2018.
- In 2018, sales taxes paid by visitors to Anne Arundel County made up more than 42% of state and local tax receipts attributed to tourism.
- Another $27 million was raised from taxes such as hotel taxes, rental car fees, and other licenses & fees.

Contributing to Public Education & Other Gov Services

- Without tourism, Anne Arundel’s 205,395 households would need to pay an additional $955 in local taxes annually to maintain current levels of tax receipts.
- In 2018, the total economic impact generated by visitors to the County represented approximately 4% of the County’s private sector GDP.

Benefiting County Businesses

- Visitors generated top-line revenue totaling nearly $1.5 billion benefiting a broad array of Anne Arundel County businesses.
- County businesses that directly served visitors saw value-added of $772 million in 2018.
- County tourism supply chain businesses racked up value-added of $396 million.

Providing Tax Revenue to Support State & Local Government

- For every $1 spent by Anne Arundel County visitors in 2018 the local economy retained about 76 cents.
- About 43 cents of each visitor dollar went towards paying AAC workers a total of $666 million in wages and salaries.
- About 13 cents of each visitor dollar went towards the payment of state and local taxes.

Helping to Relieve the Tax Burden of County Households

- For every $1 spent by Anne Arundel County visitors in 2018 the local economy retained about 76 cents.
- About 43 cents of each visitor dollar went towards paying AAC workers a total of $666 million in wages and salaries.
- About 13 cents of each visitor dollar went towards the payment of state and local taxes.

Capturing and Retaining the Expenditures Made By Visitors

- Estimate based on the 2018 average cost per public school student in Anne Arundel County of $13,662 as reported by the Maryland Department of Legislative Services
- Estimate based on the 2018 starting salary of an entry-level teacher in Anne Arundel County of $45,891 as reported by the Maryland Department of Education
- Estimate based on the 2018 starting salary of an entry-level Deputy Sheriff in Anne Arundel County of $46,750 as reported by the Anne Arundel County Sheriff’s Office
- Estimate based on the 2018 starting salary of an entry-level firefighter in Anne Arundel County of $39,418 as reported by the Anne Arundel County Government
- The 2018 estimate of the number of households in Anne Arundel County as reported by the US Census Bureau
- The most recent BEA County-level GDP figures available is for calendar year 2015.
The Economic Impact of Visitation to Anne Arundel County and Annapolis, MD

Background & Methodology
Study Overview
The economic impact of tourism in Annapolis and Anne Arundel County was commissioned by Visit Annapolis & Anne Arundel County. The research was conducted by Rockport Analytics, an independent market research & consulting company, using a time-tested approach that has been applied to many state, regional, county and metropolitan destinations across the United States. The goal of the study was to measure and analyze the full economic contribution that visitors make to the Anne Arundel County economy. The study covered the 2017-18 calendar years with a focus on 2018 and the changes in tourism performance between 2017 and 2018. The analysis seeks to translate the contribution made by visitors to Anne Arundel County and Annapolis GDP, jobs, wages, and tax receipts.

Methodology
The spending and associated impacts estimated at the county level include both in-state and out-of-state visitation. A visitor is defined as anyone traveling over 50 miles one way for either business or leisure purposes and includes both day trips and overnight stays.

Visitor volume and spending were estimated using a number of sources including DK Shifflet & Associates Directions syndicated traveler program and mobile location data from UberMedia. These data sources were then reconciled with Bureau of Labor Statistics (BLS) reported employment data, BEA reported Earnings and Employment, reported tax receipts from Anne Arundel County Office of Finance and the MD Comptroller, and other secondary sources such as STR, AirDNA and Dun & Bradstreet. Results from a recently conducted visitor intercept survey also provided key checks in estimated visitor per diems and stay patterns in Annapolis.

An economic model of Anne Arundel County is also critical to estimating how traveler spending resounds through the state and county-level economies. Rockport Analytics has chosen the IMPLAN model for Anne Arundel County (www.implan.com), a non-proprietary economic model that has become the standard for most economic impact assessments in the United States. This model is critical to measuring the direct, indirect, and induced impacts of visitation to the state.

1 UNWTO definition of a visitor includes anyone, regardless of origin, who stayed overnight or traveled more than 50 miles one way on a day trip.
IMPLAN also measures how much of each tourism dollar remains in the county economy. Total traveler spending generally exceeds the direct impact of tourism. This is because not all goods and services purchased by travelers are supplied by firms located in Anne Arundel County. The IMPLAN model accounts for these import “leakages” to suppliers located outside of the county. Generally, the more diversified a local economy, the lower are import leakages and the higher the retention and multiplier of visitor spending.

The total economic impact of travelers is separated into three distinct effects: direct, indirect, and induced. The direct impacts represent the value added of those sectors that interact directly with, or touch, the visitor. The indirect impact represents the benefit to local suppliers to those direct sectors. This would include, for example, Anne Arundel County-based food suppliers to restaurants. The induced impact adds the effect of tourism-generated wages as they are spent throughout Anne Arundel County’s economy such as when an employee from a hotel spends on grocery items for their household.

Leakages refer to goods and services that must be imported into the county due to insufficient in-state capacity.