

# ECONOMIC IMPACT REPORT

FIRST OPERATING YEAR OF THE MAXWELL CENTER



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# OVERVIEW

This report is prepared by Visit Goldsboro, the department of travel and tourism for the City of Goldsboro & Wayne County. The intent of the report is to determine how the Maxwell Center has positively impacted our local economy by generating new dollars that would not have been captured locally, if not for the venue's existence. The report is based on the data collected from the following:

- Maxwell Center's internal reports for contracted events during first operating year (March 1, 2018 – February 2019)
- Collaboration with local hotels to document actualized room nights based on contracted events
- Goldsboro-Wayne County travel and tourism market research
- Visit NC's 2017 Visitor Profile Study (2018 data available later this year)

The data revealed that the during its first operating year, the Maxwell Center generated an estimated

**\$5,313,960**

of new revenue into the Wayne County economy from visitor expenditures,

which translates into approximately **\$358,692** of sales tax and **\$7,042** occupancy tax revenues.

*The figures in this report are estimates and not exact totals based on the data made available to the Visit Goldsboro office at the time of reporting. This report is subject to errors, but is presented with the utmost integrity at the time of completion.*

# Executive Summary

Total event days within first year	200 events
Est. total of patrons visiting the venue	50,000 +
Est. total of events generating room nights	63 events
Est. total of patrons to those events	14,727 patrons
Average travel party size	2.1 people
Est. total of overnight travel parties	7,012 parties
Est. total of daytripper travel parties	7,715 parties
Average pick up rate of overnight stays per event	18%
Est. room nights generated first operating year	1,262 nights (7,012 x 18%)
Average Daily Rate for top hotels in Wayne County for 2018	\$93
Est. total hotel revenue generated from Maxwell Center events	\$117,366
Average spend of overnight travel parties	\$595
Average spend of daytripper travel parties	\$148
Est. economic impact of Maxwell Center's first operating year	\$5,313,960
<b>(7,012 travel parties x \$595 average spend of overnight travel parties)</b> + <b>(7,715 parties x \$148 average spend of daytripper travel parties)</b>	
Est. sales tax revenue generation	\$358,692
<b>(\$5,313,960 est. economic impact x 6.75% sales tax rate)</b>	
Est. occupancy tax revenue generation	\$7,042
<b>(\$107,270 hotel revenue x 6% occupancy tax rate)</b>	

# Approach

Having opened its doors to the public on March 1, 2018, the Maxwell Center was built with the intent of growing the local tourism economy. The following narrative explains Visit Goldsboro's approach to measuring how the Maxwell Center contributed to the Wayne County economy during its first operating year.

The Maxwell Center provided an internal report to the Visit Goldsboro office listing the contracted events with confirmed room nights and those that potentially generated room nights within the time frame of March 2018 – February 2019. Based on the contracts and discussion with meeting planners, the Maxwell Center also included room night estimates and number of attendees associated with each event. The Visit Goldsboro office cross referenced the list with area hotels, who verified room night pick up with their internal reporting. Furthermore, using hotel market research available to the Visit Goldsboro office by both third party reports and first-hand knowledge, the team was able to deduce an average hotel pick up rate of 18%. Meaning, 18% of the travel parties visiting the Maxwell Center for their event decided to stay the night in local hotels.

Once the pick up rate was determined, the Visit Goldsboro staff was able to calculate the estimated hotel night stays generated by the Maxwell Center. Based on that figure, hotel and occupancy tax revenues were calculated. By sourcing data from the Visit NC's 2017 Visitor Profile Study, Visit Goldsboro then determined average travel party size and visitor expenditures specific to our region. The visitor profile data combined with the Visit Goldsboro's analysis of internal reports, the economic impact was determined.