

The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences in San Diego County, CA (Fiscal Year 2010)

Direct Economic Activity	Arts and Culture Organizations	+	Arts and Culture Audiences	=	Total Industry Expenditures
Total Industry Expenditures	\$272,357,906		\$392,652,110		\$665,010,016

Spending by Arts and Culture Organizations and Their Audiences Supports Jobs and Generates Government Revenue

Total Economic Impact of Expenditures (Direct & Indirect Impacts Combined)	Economic Impact of Organizations	+	Economic Impact of Audiences	=	Total Economic Impact
Full-Time Equivalent (FTE) Jobs Supported	11,202		9,172		20,374
Household Income Paid to Residents	\$253,771,000		\$258,024,000		\$511,795,000
Revenue Generated to <u>Local</u> Government	\$11,094,000		\$18,888,000		\$29,982,000
Revenue Generated to <u>State</u> Government	\$13,931,000		\$26,104,000		\$40,035,000

Event-Related Spending by Arts and Culture Audiences Totaled \$392.7 million (excluding the cost of admission)

Attendance to Arts and Culture Events	Resident* Attendees	+	Non-Resident* Attendees	=	All Cultural Audiences
Total Attendance to Arts and Culture Events	7,547,668		1,578,895		9,126,563
Percentage of Total Attendance	82.7%		17.3%		100%
Average Event-Related Spending Per Person	\$39.39		\$60.39		\$43.02
Total Event-Related Expenditures	\$297,302,641		\$95,349,469		\$392,652,110

Nonprofit Arts and Culture Event Attendees Spend an Average of \$43.02 Per Person (excluding the cost of admission)

Category of Event-Related Expenditure	Resident* Attendees	Non-Resident* Attendees	All Cultural Audiences
Meals and Refreshments	\$19.33	\$23.33	\$20.02
Souvenirs and Gifts	\$7.77	\$9.39	\$8.05
Ground Transportation	\$3.80	\$6.04	\$4.19
Overnight Lodging (one night only)	\$1.14	\$14.12	\$3.39
Other/Miscellaneous	\$7.35	\$7.51	\$7.37
Average Event-Related Spending Per Person	\$39.39	\$60.39	\$43.02

* For the purpose of this study, residents are attendees who live within San Diego County; non-residents live outside that area.

Source: *Arts & Economic Prosperity IV: The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences in San Diego County*. For more information about this study or about other cultural initiatives in San Diego County, visit ArtPulse's web site at www.sdfas.org.

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About This Study

The *Arts & Economic Prosperity IV* study was conducted by Americans for the Arts to document the economic impact of the nonprofit arts and culture industry in 182 communities and regions (139 cities and counties, 31 multi-city or multi-county regions, and ten states, and two individual arts districts)—representing all 50 U.S. states and the District of Columbia. The diverse communities range in population (1,600 to more than 3 million) and type (rural to urban). The project economists, from the Georgia Institute of Technology, customized input-output analysis models for each participating study region to provide specific and reliable economic impact data about their nonprofit arts and culture industry—specifically (1) full-time equivalent jobs, (2) household income, and (3) local and (4) state government revenue.

Surveys of Nonprofit Arts and Culture ORGANIZATIONS

Each of the 182 study regions attempted to identify its comprehensive universe of nonprofit arts and culture organizations using the Urban Institute's National Taxonomy of Exempt Entity (NTEE) coding system, a definitive classification system for nonprofit organizations recognized as tax exempt by the Internal Revenue Code. In addition, the study partners were encouraged to include other types of eligible organizations if they play a substantial role in the cultural life of the community or if their primary purpose is to promote participation in, appreciation for, and understanding of the visual, performing, folk, and media arts. These include government-owned or government-operated cultural facilities and institutions, municipal arts agencies and councils, private community arts organizations, unincorporated arts groups, living collections (such as zoos, aquariums, and botanical gardens), university presenters, and arts programs that are embedded under the umbrella of a non-arts organization or facility (such as a community center or church). In short, if it displays the characteristics of a nonprofit arts and culture organization, it is included. *For-profit businesses (e.g., Broadway and motion picture theaters) and individual artists were excluded from this study.*

Nationally, detailed information was collected from 9,721 eligible organizations about their fiscal year 2010 expenditures in more than 40 expenditure categories (e.g., labor, local and non-local artists, operations, materials, facilities, and asset acquisition), as well as about their event attendance. Response rates for the 182 communities averaged 43.2 percent and ranged from 5.3 percent to 100 percent. It is important to note that each study region's results are based solely on the actual survey data collected. No estimates have been made to account for non-respondents. Therefore, the less-than-100 percent response rates suggest an understatement of the economic impact findings in most of the individual study regions.

In San Diego County, 206 of the approximately 741 total eligible nonprofit arts and culture organizations identified by ArtPulse participated in this study—an overall participation rate of 28 percent. The organizations that participated are listed below:

100th Anniversary of Naval Aviation Foundation; A Reason To Survive (ARTS); Alta Vista Gardens ; America's Finest City Dixieland Jazz Society; Antique Gas and Steam Engine Museum; ArtPower! at UC San Diego; Asian Story Theater; Athenaeum Music & Arts Library; Bach Collegium San Diego; Balboa Theater; Balletquette Dance Theatre Company, INC; Bon Temps Social Club of San Diego; Bonita History Museum; Borrego Art Institute; Borrego Springs Performing Arts Center; Cabrillo Festival, Inc; California Ballet Association, Inc.; California Center for the Arts Foundation; California Institute of Contemporary Arts; California Surf Museum; Camaraderie Capoeira Institute Incorporated; Carlsbad Music Festival; Carlsbad-Oceanside Art League; Casa Familiar, Inc; Celebrating Life; Center for World Music; Chicana Federation of San Diego County; Children's Acting School and Theater, Inc.; Children's Discovery Museum; Christian Community Theatre; Chula Vista Nature Center ; City Ballet, Inc; City of San Diego Commission for Arts and Culture; Civic Youth Orchestra; Class ACT ; Classics for Kids; Coastal Communities Concert Band Foundation; Common Ground Theatre; Convivio; Coronado Community Theatre; Coronado Promenade Concerts; Coronado School of the Arts ; Culture Shock Dance Troupe, Inc.; Cygnet Theatre Company; Del Mar Village Association; Distinction Gallery (Art Hatch); Diversionary Theatre Productions, Inc.; Downtown Encinitas Mainstreet Association; East County Youth Symphony; El Cajon Historical Society; Encinitas Historical Society; Encinitas School of Music; Escondido Arts Partnership Municipal Gallery; Escondido History Center; Evoke Dance Theatre; Fallbrook Art Center; Fallbrook Music Society; Fallbrook Players; Fallbrook School of the Arts; Fern Street Community Arts, Inc.; FilmOut San Diego; Finest City Performing Arts, Inc.; Friends of East County Arts inc; Front Porch Gallery; Gaslamp Quarter Historical Foundation; Grossmont Community Concert Association; Helix Instrumental Music Association; Heritage of the Americans Museum; Horseless Carriage Foundation; Indian Fine Arts Academy of San Diego; ion Theatre Company; Italian Art and Cultural Association of San Diego; Japanese American Historical Society; Japanese Friendship Garden; Japanese-American Cultural Center of Vista; Jean Isaacs San Diego Dance Theatre; Kalusugan Community Services; La Jolla Historical Society; La Jolla Music Society; La Jolla Playhouse; La Jolla Symphony & Chorus; Lamb's Players Theatre; Little Italy Association of San Diego; Los Bilingual Writers; Lux Art Institute; Lyric Opera of San Diego (Birch North Park Theatre); Macchellaui Educational Research; Mainly Mozart; Malashock Dance; Maritime Museum of San Diego; Media Arts Center San Diego; Mingei International Museum; Mira Mesa Theatre Guild; Mo'olelo Performing Arts Company; Mojalet Dance Collective; Mojalet Dance Collective; Moonlight Cultural Foundation; MOXIE Theatre; Museum of Contemporary Art San Diego; Museum of Coronado History and Art; Museum of Making Music; Museum of Photographic Arts; Musicians for Education; NAMM Foundation ; New Village Arts; North Coast Reparatory Theater; North Coast Singers; North Park Main Street; NTC Foundation; Ocean Hills Society for the Performing Arts; Oceanside Community Service Television (KOCT); Oceanside Cultural Arts Foundation; Oceanside Museum of Art; Olaf Wieghorst Museum; Olaf Wieghorst Museum Foundation; On Stage Productions; Orchestra Nova; Pacific Lyric Association; Pacific Southwest Railway Museum; Pacific Southwest Wildlife Arts, Inc.; PASACAT; Patio Playhouse; Patricia Rincon Dance Collective; Persian Cultural Center; Playwrights Project; Poinsettia Center for the Arts; Positive Action Community Theatre (PACT); Poway Center for the Performing Arts Foundation ; Poway Performing Arts Company; Rancho San Diego Music Foundation; Ravi Shankar Foundation; Resounding Joy, Inc.; Reuben H. Fleet Science Center; Roynon Museum of Paleontology; San Diego Academy of Ballet and Ballet Theatre; San Diego Air & Space Museum; San Diego Archaeological Center; San Diego Art Institute; San Diego Asian American Reparatory Theatre; San Diego Asian Film Foundation; San Diego Automotive Museum; San Diego Ballet; San Diego Botanic Gardens ; San Diego Center for Jewish Culture; San Diego Chamber Music Workshop; San Diego Chamber Orchestra; San Diego Children's Choir; San Diego Chinese Center; San Diego Chinese Historical Society and Museum; San Diego Civic Light Opera Association; San Diego Civic Youth Ballet; San Diego Dance Theater; San Diego Early Music Society; San Diego Film Foundation; San Diego Guild of Puppetry, Inc.; San Diego Hall of Champions; San Diego Historical Society; San Diego Junior Theatre; San Diego Model Railroad Museum; San Diego Museum of Art; San Diego Museum of Man; San Diego Natural History Museum; San Diego North Coast Singers; San Diego Opera Association; San Diego Repertory Theatre; San Diego Shakespeare Society; San Diego Symphony; San Diego Theater Scene; San Diego Theaters, Inc; San Diego Watercolor Society; San Diego Women's Chorus; San Diego Writers, Ink; San Diego Young Artists Music Academy, Inc.; San Diego Young Artists Symphony; San Diego Youth Symphony and Conservatory; San Dieguito Art Guild ; San Dieguito Heritage Museum; Save Our Heritage Organization; Scripps Ranch Theatre; Spreckels Organ Society; Sushi Performance & Visual Art; Swedish Women's Educational Association; Synergy Arts Foundation; The AJA Project; The Hutchins Consort ; The New Children's Museum; The Old Globe; The PGK Project, Inc.; Timken Museum of Art; TranscenDANCE Youth Arts Project; United Jewish Federation of San Diego; USS Midway Museum; Vantage Theatre; Veterans Memorial Center, Inc.; Villa Musica; Visions Art Museum; Vista Ranchos Historical Society; Voice of San Diego; Warbirds West Air Museum; Water Conservation Garden; Westwind Brass; Woman's History Museum; World Beat Cultural Center; Write Out Loud; and Young Audiences of San Diego.

Surveys of Nonprofit Arts and Culture AUDIENCES

Audience-intercept surveying, a common and accepted research method, was conducted in all 182 of the study regions to measure event-related spending by nonprofit arts and culture audiences. Patrons were asked to complete a short survey while attending an event. Nationally, a total of 151,802 valid and usable attendees completed the survey for an average of 834 surveys per study region. The randomly selected respondents provided itemized expenditure data on attendance-related activities such as meals, souvenirs, transportation, and lodging. Data were collected throughout 2011 (to guard against seasonal spikes or drop-offs in attendance) as well as at a broad range of both paid and free events (a night at the opera will typically yield more spending than a weekend children's theater production or a free community music festival, for example). The survey respondents provided information about the entire party with whom they were attending the event. With an overall average travel party size of 2.69 people, these data actually represent the spending patterns of more than 408,000 attendees, significantly increasing the reliability of the data.

In San Diego County, a total of 813 valid and usable audience-intercept surveys were collected from attendees to nonprofit arts and culture performances, events, and exhibitions during 2011.

Studying Economic Impact Using Input-Output Analysis

To derive the most reliable economic impact data, input-output analysis is used to measure the impact of expenditures by nonprofit arts and culture organizations and their audiences. This is a highly regarded type of economic analysis that has been the basis for two Nobel Prizes. The models are systems of mathematical equations that combine statistical methods and economic theory in an area of study called econometrics. They trace how many times a dollar is re-spent within the local economy before it leaks out, and it quantifies the economic impact of each round of spending. This form of economic analysis is well suited for this study because it can be customized specifically to each study region. To complete the analysis for San Diego County, project economists customized an input-output model based on the local dollar flow between 533 finely detailed industries within the economy of San Diego County. This was accomplished by using detailed data on employment, incomes, and government revenues provided by the U.S. Department of Commerce (County Business Patterns, the Regional Economic Information System, and the Survey of State and Local Finance), local tax data (sales taxes, property taxes, and miscellaneous local option taxes), as well as the survey data from the responding nonprofit arts and culture organizations and their audiences.