AMERICANS for the ARTS

Arts & Economic Prosperity III

The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences In the CITY OF FREDERICK, MD

Arts and Economic Prosperity III was conducted by Americans for the Arts, the nation's leading nonprofit organization for advancing the arts in America. Established in 1960, we are dedicated to representing and serving local communities and creating opportunities for every American to participate in and appreciate all forms of the arts.

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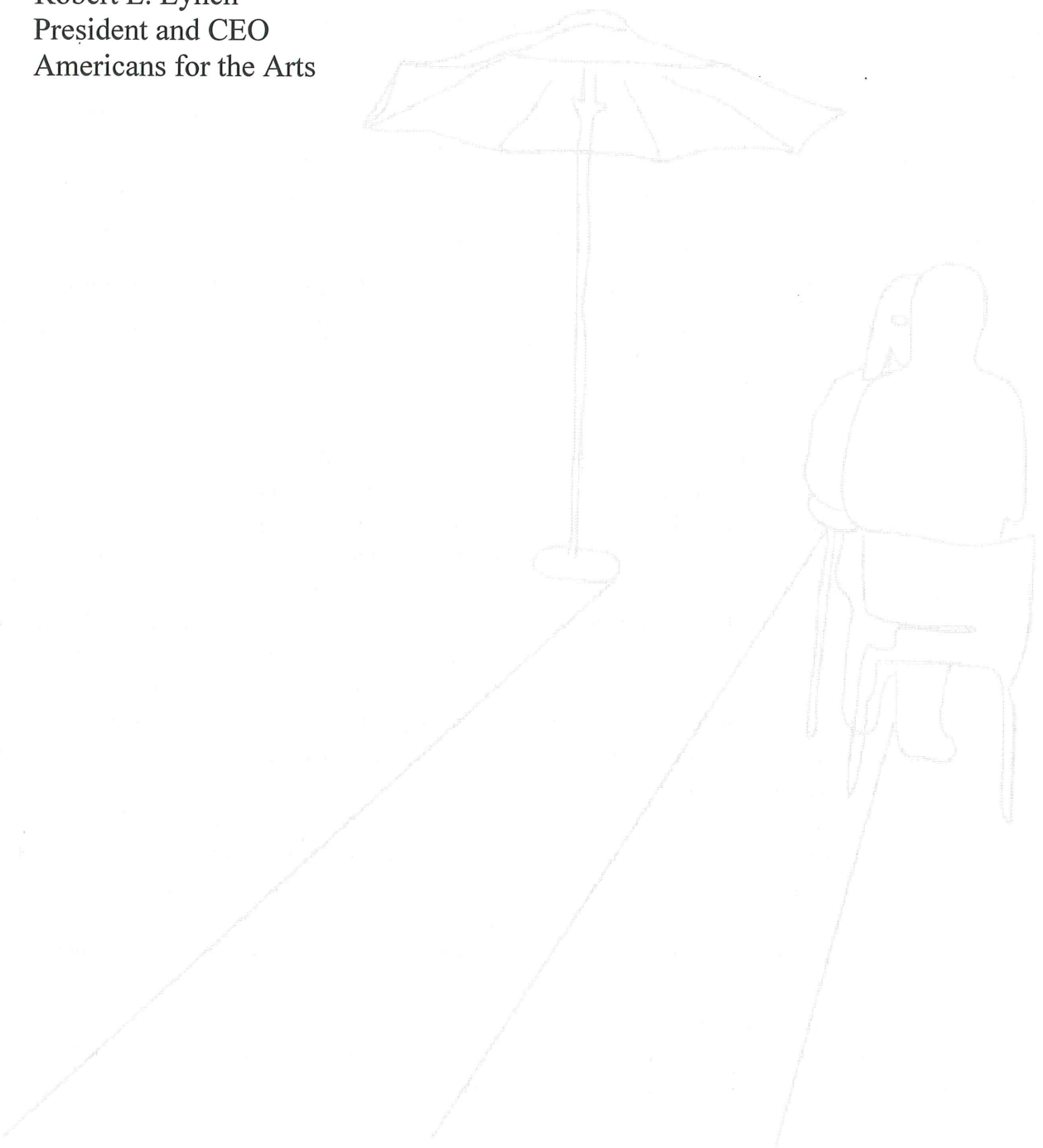
"Understanding and acknowledging the incredible economic impact of the nonprofit arts and culture, we must always remember their fundamental value. They foster beauty, creativity, originality, and vitality. The arts inspire us, sooth us, provoke us, involve us, and connect us. But they also create jobs and contribute to the economy."

—Robert L. Lynch
President and CEO
Americans for the Arts



The Arts Mean Business

ROBERT L. LYNCH, PRESIDENT AND CEO, AMERICANS FOR THE ARTS

The key lesson from *Arts & Economic Prosperity III* is that communities that invest in the arts reap the additional benefit of jobs, economic growth, and a quality of life that positions those communities to compete in our 21st century creative economy. In my travels across the country, business and government leaders often talk to me about the challenges of funding the arts and other community needs amid shrinking resources. They worry about jobs and the economic performance of their community. How well are they competing in the high-stakes race to attract new businesses? Is their region a magnet for a skilled and creative workforce? I am continually impressed by their commitment to doing what is best for their constituents and to improving quality of life for all. The findings from *Arts & Economic Prosperity III* send a clear and welcome message: leaders who care about community and economic development can feel good about choosing to invest in the arts.

Most of us appreciate the intrinsic benefits of the arts—their beauty and vision; how they inspire, sooth, provoke, and connect us. When it comes time to make tough funding choices, however, elected officials and business leaders also need to have strong and credible data that demonstrate the economic benefits of a vibrant nonprofit arts and culture industry.

Arts & Economic Prosperity III is our third study of the nonprofit arts and culture industry's impact on the nation's economy. Because of their rigor and reliability, results from the 1994 and 2002 studies have become the most frequently used statistics to demonstrate the value of arts and culture locally, statewide, and nationally. This new study is our largest ever, featuring findings from 156 study regions (116 cities and counties, 35 multi-county regions, and five statewide studies). Data were collected from an impressive 6,080 nonprofit arts and culture organizations and 94,478 of their attendees across all 50 states and the District of Columbia.

By every measure, the results are impressive! Nationally, the nonprofit arts and culture industry generates $166.2 billion in economic activity annually—a 24 percent increase in just the past five years. That amount is greater than the Gross Domestic Product of most countries. This spending supports 5.7 million full-time jobs right here in the U.S.—an increase of 850,000 jobs since our 2002 study. What's more, because arts and culture organizations are strongly rooted in their community, these are jobs that necessarily remain local and cannot be shipped overseas.

Our industry also generates nearly $30 billion in revenue to local, state, and federal governments every year. By comparison, the three levels of government collectively spend less than $4 billion annually to support arts and culture—a spectacular 7:1 return on investment that would even thrill Wall Street veterans.

Arts & Economic Prosperity III has more good news for business leaders. Arts and culture organizations—

businesses in their own right—leverage additional event-related spending by their audiences that pumps vital revenue into restaurants, hotels, retail stores, and other local businesses. When patrons attend a performing arts event, for example, they may park their car in a toll garage, purchase dinner at a restaurant, and eat dessert after the show. Valuable commerce is generated for local merchants. This study shows that the typical attendee spends $27.79 per person, per event, in addition to the cost of admission. When a community attracts cultural tourists, it harnesses even greater economic rewards. Non-local audiences spend twice as much as their local counterparts ($40.19 vs. $19.53). Arts and culture is a magnet for tourists, and tourism research repeatedly shows that cultural travelers stay longer and spend more. Whether serving the local community or out-of-town visitors, a vibrant arts and culture industry helps local businesses thrive.

Right now, cities around the world are competing to attract new businesses as well as our brightest young professionals. International studies show that the winners will be communities that offer an abundance of arts and culture opportunities. As the arts flourish, so will creativity and innovation—the fuel that drives our global economy.

Arts & Economic Prosperity III is great news for those whose daily task is to strengthen the economy and enrich quality of life. No longer do business and elected leaders need to choose between arts and economic prosperity. Nationally, as well as locally, the arts mean business!

The Economic Impact of the Nonprofit Arts and Culture Industry in the City of Frederick, MD

Arts & Economic Prosperity III provides compelling new evidence that the nonprofit arts and culture are a significant industry in the City of Frederick—one that generates $10 million in local economic activity. This spending–$3.4 million by nonprofit arts and culture organizations and an additional $6.6 million in event-related spending by their audiences—supports 239 full-time equivalent jobs, generates $4.5 million in household income to local residents, and delivers $848,000 in local and state government revenue. This economic impact study sends a strong signal that when we support the arts, we not only enhance our quality of life, but we also invest in the City of Frederick's economic well-being.

In 2007, Americans for the Arts published *Arts & Economic Prosperity III*, the most comprehensive study of its kind ever conducted. It documents the economic impact of the nonprofit arts and culture industry in 116 cities and counties, 35 multi-county regions, and five states—representing all 50 states and the District of Columbia. The diverse study regions range in population (4,000 to 3 million) and type (rural to urban). Researchers collected detailed expenditure and attendance data from 6,080 nonprofit arts and culture organizations and 94,478 of their attendees to measure total industry spending. Project economists customized input/output analysis models to calculate specific and reliable findings for each study region. This study focuses solely on the economic impact of nonprofit arts and culture organizations and event-related spending by their audiences. Not included in this study are spending by individual artists and the for-profit arts and culture sector (e.g., Broadway or the motion picture industry).

This report presents the findings of a new study measuring the economic impact of the nonprofit arts and culture industry in the City of Frederick, MD. The methodology used is identical to the national study methodology, providing the ability to compare the results with those of the national study participants.

Defining Economic Impact

This study uses four measures to define economic impact:

Full-Time Equivalent (FTE) Jobs describes the total amount of labor employed. Economists measure FTE jobs, not the total number of employees, because it is a more accurate measure that accounts for part-time employment.

Resident Household Income (often called Personal Income) includes salaries, wages, and entrepreneurial income paid to local residents.

Revenue to Local and State Government includes revenue from taxes (i.e., income, property, or sales) as well as funds from license fees, utility fees, filing fees, and similar sources.

ECONOMIC IMPACT OF THE ENTIRE NONPROFIT ARTS AND CULTURE INDUSTRY IN THE CITY OF FREDERICK

Total spending by nonprofit arts and culture organizations and their audiences totaled $10 million in the City of Frederick during 2006. The following table shows the direct economic impact of this spending—that is, the initial economic effect of these expenditures.

DIRECT Economic Impact of the Nonprofit Arts and Culture Industry in the City of Frederick
(Spending by Nonprofit Arts and Culture Organizations and Their Audiences)

	City of Frederick	Median of Similar Study Regions *Pop. = 50,000 to 99,999*	National Median
Total Expenditures[1]	$9,998,157	$8,123,789	$41,315,605
Full-Time Equivalent Jobs	159	157	778
Resident Household Income	$2,803,000	$3,030,000	$13,519,000
Local Government Revenue	$73,000	$183,000	$845,000
State Government Revenue	$349,000	$157,500	$1,593,000

These direct economic impacts create an additional indirect economic impact on the economy. The local expenditures continue to have an economic impact on the economy until the money eventually "leaks out" of the region (i.e., is spent outside the City of Frederick). The total economic impact is the combination of the direct economic impact and the indirect economic impact. The table below shows the total economic impact of the $10 million spent by nonprofit arts and culture organizations and their audiences during 2006.

TOTAL Economic Impact of the Nonprofit Arts and Culture Industry in the City of Frederick
(Spending by Nonprofit Arts and Culture Organizations and Their Audiences)

	City of Frederick	Median of Similar Study Regions *Pop. = 50,000 to 99,999*	National Median
Total Expenditures[1]	$9,998,157	$8,123,789	$41,315,605
Full-Time Equivalent Jobs	239	234	1,386
Resident Household Income	$4,504,000	$4,607,500	$26,369,000
Local Government Revenue	$258,000	$432,500	$2,486,000
State Government Revenue	$590,000	$294,500	$3,042,000

Direct and Indirect Economic Impact: How a Dollar is Re-spent in the Economy

Arts & Economic Prosperity III uses a sophisticated economic analysis called input/output analysis to measure economic impact. It is a system of mathematical equations that combines statistical methods and economic theory. Input/output analysis enables economists to track how many times a dollar is "re-spent" within the local economy, and the economic impact generated by each round of spending. How can a dollar be re-spent? Consider the following example:

> A theater company purchases a gallon of paint from the local hardware store for $20, generating the direct economic impact of the expenditure. The hardware store then uses a portion of the aforementioned $20 to pay the sales clerk's salary; the sales clerk respends some of the money for groceries; the grocery store uses some of the money to pay its cashier; the cashier then spends some for the utility bill; and so on. The subsequent rounds of spending are the indirect economic impacts.

Thus, the initial expenditure by the theater company was followed by four additional rounds of spending (by the hardware store, sales clerk, grocery store, and the cashier). The effect of the theater company's initial expenditure is the direct economic impact. The effects of the subsequent rounds of spending are all of the indirect impacts. The total impact is the sum of the direct and indirect impacts.

A dollar "ripples" through communities very differently, which is why a customized input/output model was created for the City of Frederick.

"Mayors understand well the connection between the arts industry and city revenues. Besides providing thousands of jobs, the arts industry generates billions in government and business revenues. Additionally, the arts have played an important role in the economic revitalization of many of our nation's cities."

—Mayor Douglas H. Palmer
Mayor of Trenton, New Jersey
President, The United States Conference of Mayors

Economic Impact of Spending by Nonprofit Arts and Culture ORGANIZATIONS in the City of Frederick

Nonprofit arts and culture organizations are active contributors to their business community. They are employers, producers, and consumers. They are members of the chamber of commerce as well as key partners in the marketing and promotion of their cities, regions, and states. Spending by nonprofit arts and culture organizations totaled $3.4 million in the City of Frederick during 2006. This spending is far-reaching: organizations pay employees, purchase supplies, contract for services, and acquire assets within their community. These actions, in turn, support jobs, create household income, and generate revenue to the local and state governments.

Data were collected from 27 nonprofit arts and culture organizations in the City of Frederick. Each provided detailed budget information about more than 40 expenditure categories for fiscal year 2006 (e.g., labor, payments to local and non-local artists, operations, materials, facilities, and asset acquisition) as well as their total attendance figures. The following tables demonstrate the direct and total impacts of this spending.

DIRECT Economic Impact of Spending by Nonprofit Arts and Culture Organizations in the City of Frederick

	City of Frederick	Median of Similar Study Regions *Pop. = 50,000 to 99,999*	National Median
Total Expenditures[1]	$3,420,185	$4,687,001	$17,346,252
Full-Time Equivalent Jobs	56	84	244
Resident Household Income	$1,149,000	$2,023,500	$6,049,000
Local Government Revenue	$48,000	$32,500	$179,000
State Government Revenue	$58,000	$69,000	$200,000

TOTAL Economic Impact of Spending by Nonprofit Arts and Culture Organizations in the City of Frederick

	City of Frederick	Median of Similar Study Regions *Pop. = 50,000 to 99,999*	National Median
Total Expenditures[1]	$3,420,185	$4,687,001	$17,346,252
Full-Time Equivalent Jobs	113	140	675
Resident Household Income	$2,017,000	$3,313,000	$13,310,000
Local Government Revenue	$109,000	$194,500	$719,000
State Government Revenue	$138,000	$160,000	$770,000

Economic Impact of Spending by Nonprofit Arts and Culture AUDIENCES in the City of Frederick

The nonprofit arts and culture, unlike most industries, leverage a significant amount of event-related spending by its audiences. For example, when patrons attend an arts event, they may pay to park their car in garage, purchase dinner at a restaurant, eat dessert after the show, and pay a babysitter upon their return home. This spending generates related commerce for local businesses such as restaurants, parking garages, hotels, and retail stores.

To measure the impact of nonprofit arts and culture audiences in the City of Frederick, data were collected from 786 event attendees during 2007-08. Researchers used an audience-intercept methodology, a standard technique in which patrons complete a written survey about their event-related spending while attending the event. The 27 nonprofit arts and culture organizations that responded to the detailed organizational survey reported that the aggregate attendance to their events was 468,053. These attendees spent a total of $6.6 million, excluding the cost of event admission. The following tables demonstrate the direct and total impacts of this spending.

DIRECT Economic Impact of Spending by Nonprofit Arts and Culture Audiences in the City of Frederick (excluding the cost of event admission)

	City of Frederick	Median of Similar Study Regions *Pop. = 50,000 to 99,999*	National Median
Total Expenditures[1]	$6,577,972	$3,897,099	$24,772,704
Full-Time Equivalent Jobs	103	81	500
Resident Household Income	$1,654,000	$909,500	$7,382,000
Local Government Revenue	$25,000	$91,500	$516,000
State Government Revenue	$291,000	$85,500	$1,282,000

TOTAL Economic Impact of Spending by Nonprofit Arts and Culture Audiences in the City of Frederick (excluding the cost of event admission)

	City of Frederick	Median of Similar Study Regions *Pop. = 50,000 to 99,999*	National Median
Total Expenditures[1]	$6,577,972	$3,897,099	$24,772,704
Full-Time Equivalent Jobs	126	104	711
Resident Household Income	$2,487,000	$1,452,000	$13,059,000
Local Government Revenue	$149,000	$193,000	$1,390,000
State Government Revenue	$452,000	$147,000	$2,176,000

Visitors Spend More

In addition to spending data, the 786 audience survey respondents were asked to provide the ZIP code of their primary residence, enabling researchers to determine which attendees were local (i.e., reside within the county in which the event occurred) and which were non-local (reside outside the county). In the City of Frederick, 75 percent of the 468,053 nonprofit arts attendees were local; 25 percent were non-local.

Non-local arts and culture event attendees spent an average of 37 percent more than local attendees per person ($17.60 vs. $12.86). As would be expected from a traveler, higher spending was typically found in the categories of meals, transportation, and lodging. These data demonstrate that when a community attracts cultural tourists, it harnesses significant economic rewards.

Event-Related Spending by Arts and Culture Event Attendees Totaled $6.6 million in the City of Frederick (excluding the cost of event admission)

	Residents	Non-Residents	All City of Frederick Event Attendees
Total Event Attendance	350,373	117,680	468,053
Percent of Attendees	75 percent	25 percent	100 percent
Average Dollars Spent Per Attendee	$12.86	$17.60	$14.03
Total Event-Related Spending	$4,506,531	$2,071,441	$6,577,972

Nonprofit Arts and Culture Event Attendees Spend an Average of $14.03 Per Person in the City of Frederick (excluding the cost of event admission)

	Residents	Non-Residents	All City of Frederick Event Attendees
Refreshments/Snacks During Event	$1.69	$1.77	$1.71
Meals Before/After Event	$7.47	$11.42	$8.44
Souvenirs and Gifts	$1.09	$0.77	$1.01
Clothing and Accessories	$1.01	$0.43	$0.87
Ground Transportation	$0.90	$2.10	$1.19
Event-Related Child Care	$0.19	$0.01	$0.15
Overnight Lodging *(one night only)*	$0.00	$0.36	$0.09
Other	$0.51	$0.73	$0.57
Total Per Person Spending	**$12.86**	**$17.60**	**$14.03**

Voluntarism and In-Kind Contributions

An Economic Impact Beyond Dollars

Arts & Economic Prosperity III reveals a significant contribution to nonprofit arts and culture organizations as a result of voluntarism. In 2006, 1,394 arts volunteers donated 65,751 hours to the City of Frederick's nonprofit arts and culture organizations. This represents a donation of time with an estimated value of $1,282,802 (Independent Sector estimates the value of the average 2007 volunteer hour to be $19.51).[2] While these arts volunteers may not have an economic impact as defined in this study, they clearly have an enormous impact by helping the City of Frederick's nonprofit arts and culture organizations function as a viable industry.

In addition, the nonprofit arts and culture organizations surveyed for this study were asked about the sources and value of their in-kind support. In-kind contributions are non-cash donations such as materials (e.g., office supplies from a local retailer), facilities (e.g., rent), and services (e.g., printing costs from a local printer). The 27 responding nonprofit arts and culture organizations in the City of Frederick reported that they received in-kind contributions with an aggregate value of $310,759 during 2006. These contributions were received from a variety of sources including corporations, individuals, local and state arts agencies, and government.

"The arts benefit communities as well as individuals. Cities and towns with flourishing cultural activities attract businesses and tourists and provide tremendous incentives for families. There are wonderful models in Massachusetts and across the country of communities that have integrated cultural institutions into revitalizations efforts. They have strengthened their economies and greatly improved quality of life in their neighborhoods."

—Senator Edward Kennedy, Massachusetts
Co-Chairman, Senate Cultural Caucus

"Across America, cities that once struggled economically are reinventing and rebuilding themselves by investing in arts and culture. Both are proven catalysts for growth and economic prosperity. By creating cultural hubs, nonprofit art businesses help cities define themselves, draw tourists, and attract investment. Federal support for America's nonprofit cultural organizations must go on if we hope to continue enjoying the substantial benefits they bring."

—Representative Louise M. Slaughter, U.S. House of Representatives
Co-Chair, Congressional Arts Caucus

"This report reinforces why many cities and towns across the nation are stepping up to support the continued growth of arts and culture. Not only do the arts provide a much needed social escape for many in our communities – they also help drive local economies. Having an abundance of unique arts and events means more revenue for local businesses and makes our communities more attractive to young, talented professionals—whose decisions on where to start a career or business are increasingly driven by quality of life and the availability of cultural amenities."

—Bart Peterson
President, National League of Cities
Mayor, Indianapolis, Indiana

Conclusion

The nonprofit arts and culture are a $10 million industry in the City of Frederick—one that supports 239 full-time equivalent jobs and generates $848,000 in local and state government revenue. Nonprofit arts and culture organizations, which spend $3.4 million annually, leverage a remarkable $6.6 million in additional spending by arts and culture audiences—spending that pumps vital revenue into local restaurants, hotels, retail stores, parking garages, and other businesses in the City of Frederick. By demonstrating that investing in the arts and culture yields economic benefits, *Arts & Economic Prosperity III* lays to rest a common misconception: that communities support the arts and culture at the expense of local economic development. In fact, they are investing in an industry that supports jobs, generates government revenue, and is a cornerstone of tourism. This report shows conclusively that **the arts mean business in the City of Frederick!**

> "In my own philanthropy and business endeavors I have seen the critical role that the arts play in stimulating creativity and in developing vital communities. As this study indicates, the arts have a crucial impact on our economy and are an important catalyst for learning, discovery, and achievement in our country."
>
> —Paul G. Allen
> Philanthropist
> Co-Founder, Microsoft

"On a personal level, I recognize the joyous celebration I experience from the arts and as a policy-maker, I recognize the tremendous economic contribution of the arts, from the most sophisticated urban center to the most precious rural community."

—Senator Leticia Van de Putte, Texas
President, National Conference of State Legislatures

Arts & Economic Prosperity III Calculator

Estimating Economic Impact in the City of Frederick

To make it easier to compare the economic impacts of different organizations within the City of Frederick, the project researchers calculated the economic impact per $100,000 of spending by nonprofit arts and culture organizations and their audiences.

Economic Impact Per $100,000 of Spending by Nonprofit Arts and Culture Organizations

For every $100,000 in spending by a nonprofit arts and culture organization in the City of Frederick, there was the following total economic impact.

Ratios of Economic Impact Per $100,000 of Spending by Nonprofit Arts and Culture Organizations in the City of Frederick

	City of Frederick	Median of Similar Study Regions *Pop. = 50,000 to 99,999*	National Median
Full-Time Equivalent Jobs	3.30	3.09	3.46
Resident Household Income	$58,973	$65,759	$71,221
Local Government Revenue	$3,187	$3,411	$4,200
State Government Revenue	$4,035	$3,895	$6,979

An Example of How to Use the Organizational Spending Calculator Table (above)
An administrator from a nonprofit arts and culture organization that has total expenditures of $250,000 wants to determine the organization's total economic impact on full-time equivalent (FTE) employment in the City of Frederick. The administrator would:

1. Determine the amount spent by the nonprofit arts and culture organization;
2. Divide the total expenditure by 100,000; and
3. Multiply that figure by the FTE employment ratio per $100,000 for the City of Frederick.

Thus, $250,000 divided by 100,000 equals 2.5; 2.5 times 3.30 (from the table above—*Ratios of Economic Impact Per $100,000 of Spending by Nonprofit Arts and Culture Organizations in the City of Frederick*) equals a total of 8.3 full-time equivalent jobs supported (both directly and indirectly) within the City of Frederick by that nonprofit arts and culture organization. Using the same procedure, the estimate can be calculated for resident household income and local and state government revenue.

ECONOMIC IMPACT PER $100,000 OF SPENDING BY NONPROFIT ARTS AND CULTURE AUDIENCES

The economic impact of event-related spending by arts audiences also can be derived for individual or groups of nonprofit arts and culture organizations and events in the City of Frederick.

The first step is to determine the total estimated event-related spending by arts and culture event attendees (excluding the cost of admission). To derive this figure, multiply the average per person event-related expenditure in the City of Frederick by the total event attendance. The ratios of economic impact per $100,000 in spending then can be used to determine the total economic impact of the total estimated audience spending.

Average Per Person Event-Related Spending by All Arts and Culture Event Attendees in the City of Frederick (excluding the cost of event admission)

	City of Frederick	Median of Similar Study Regions *Pop. = 50,000 to 99,999*	National Median
Refreshments/Snacks During Event	$1.71	$2.17	$2.94
Meals Before/After Event	$8.44	$9.20	$10.06
Souvenirs and Gifts	$1.01	$3.50	$3.90
Clothing and Accessories	$0.87	$1.27	$1.62
Ground Transportation	$1.19	$2.38	$2.72
Event-Related Child Care	$0.15	$0.25	$0.34
Overnight Lodging *(one night only)*	$0.09	$3.80	$5.01
Other	$0.57	$0.91	$1.20
Total Per Person Spending	**$14.03**	**$23.48**	**$27.79**

Ratios of Economic Impact Per $100,000 of Spending by Nonprofit Arts and Culture Audiences in the City of Frederick

	City of Frederick	Median of Similar Study Regions *Pop. = 50,000 to 99,999*	National Median
Full-Time Equivalent Jobs	1.92	2.64	2.60
Resident Household Income	$37,808	$40,564	$47,591
Local Government Revenue	$2,265	$3,971	$4,628
State Government Revenue	$6,871	$4,655	$8,586

An Example of How to Use the Audience Spending Calculator Tables (on the preceding page)
An administrator wants to determine the total economic impact of the 25,000 total attendees to his/her organization's nonprofit arts and culture events on full-time equivalent (FTE) employment in the City of Frederick. The administrator would:

1. Determine the total estimated audience spending by multiplying the average per person expenditure for the City of Frederick by the total attendance to nonprofit arts and culture events;
2. Divide the resulting total estimated audience spending by 100,000; and
3. Multiply that figure by the FTE employment ratio per $100,000 for the City of Frederick.

Thus, 25,000 times $14.03 (from the top table on the preceding page—*Average Per Person Event-Related Spending by Arts and Culture Event Attendees in the City of Frederick*) equals $350,750; $350,750 divided by 100,000 equals 3.51; 3.51 times 1.92 (from the bottom table on the preceding page—*Ratios of Economic Impact Per $100,000 of Spending by Nonprofit Arts and Culture Audiences in the City of Frederick*) equals a total of 6.7 full-time equivalent jobs supported (both directly and indirectly) within the City of Frederick by that nonprofit arts and culture organization. Using the same procedure, the estimate can be calculated for resident household income and local and state government revenue.

"We in the public sector need to keep in mind what an important role the arts play in economic development. Part of a community's vibrancy is defined by its arts and culture quality and diversity. All the things we do at the county level to support the arts can make a difference and I encourage county officials to step up to make sure their communities understand the linkage between local economic development and the arts."

—Linda Langston
Linn County Supervisor, Iowa
Chair, Arts Commission, National Association of Counties

"North Dakota's participation in this study shows the economic impact the arts can have in rural and urban economies alike. We look forward to the state arts council further exploring the role of arts in rural economic development."

—Jack Dalrymple
Lt. Governor, North Dakota
Chair Elect, National Lieutenant Governors Association

Comparisons with Similarly Populated Study Regions

According to the most recent data available from the U.S. Census Bureau, the population of the City of Frederick was estimated to be 58,882 during 2007. The table below compares the economic impact results for the City of Frederick with those of other similarly sized economic impact study participants (populations of 50,000 to 99,999).

For more comparisons, data tables containing the detailed survey results for all 156 communities that participated in *Arts & Economic Prosperity III* are located in Appendix A of the full National Report. **All three national study reports are available for download and purchase at www.AmericansForTheArts.org/EconomicImpact**, including the Highlights Brochure, the Summary Report, and the full National Report.

Economic Impact of the Nonprofit Arts Industry: The City of Frederick Compared to Similarly Populated Study Regions with Populations of 50,000 to 99,999 (Listed by Population in Ascending Order)

Study Region	Population	Total Industry Expenditures (Organizations & Audiences)	Full-Time Equivalent Jobs	Resident Household Income	Local Government Revenue	State Government Revenue
New Brunswick, NJ	50,156	**$36,574,636**	871	$16,300,000	$1,493,000	$1,163,000
La Crosse, WI	50,287	**$2,587,257**	85	$1,568,000	$111,000	$128,000
Mansfield, OH	50,615	**$6,207,064**	183	$3,478,000	$261,000	$243,000
Lancaster, PA	54,757	**$27,862,639**	796	$13,606,000	$1,131,000	$1,342,000
Frederick, MD	**58,882**	**$9,998,157**	**239**	**$4,504,000**	**$258,000**	**$590,000**
Loveland, CO	59,563	**$9,817,726**	284	$5,737,000	$604,000	$314,000
Bradford County, PA	62,537	**$3,904,388**	114	$1,542,000	$111,000	$136,000
Missoula, MT	62,923	**$34,371,301**	1,174	$20,050,000	$1,549,000	$1,234,000
Oshkosh, WI	63,485	**$6,025,835**	180	$3,187,000	$196,000	$254,000
Portland, ME	63,889	**$28,643,867**	877	$17,078,000	$1,636,000	$1,573,000
Walnut Creek, CA	64,196	**$56,205,982**	1,482	$26,608,000	$2,549,000	$3,285,000
Saint Cloud, MN	65,792	**$4,818,454**	175	$3,030,000	$118,000	$251,000
Wilmington, DE	72,786	**$63,441,377**	1,372	$35,700,000	$985,000	$2,213,000
St. Croix County, WI	77,144	**$6,429,852**	148	$2,622,000	$132,000	$275,000
Lauderdale County, MS	77,218	**$2,887,474**	85	$1,446,000	$66,000	$157,000
Somerset County, PA	78,907	**$2,309,806**	53	$946,000	$67,000	$88,000
Josephine County, OR	80,761	**$2,807,746**	77	$1,228,000	$100,000	$71,000
Miami Beach, FL	87,925	**$128,265,833**	3,471	$95,588,000	$6,570,000	$9,350,000
Boulder, CO	91,685	**$27,580,893**	812	$14,530,000	$919,000	$913,000

"The arts have been and continue to be an important part of Arizona's culture. By igniting the mind, the arts can spark new ways of thinking, communicating, and doing business.

—Janet Napolitano
Governor, Arizona
Chair, National Governors Association

About This Study

The *Arts & Economic Prosperity III* study was conducted by Americans for the Arts to document the economic impact of the nonprofit arts and culture industry in 156 communities and regions (116 cities and counties, 35 multi-county regions, and five states)—representing all 50 states and the District of Columbia.

The diverse communities range in population (4,000 to 3 million) and type (rural to urban). The study focuses solely on nonprofit arts and culture organizations and their audiences. Public arts councils and public presenting facilities/institutions are included as are select programs embedded within another organization (that have their own budget and play a substantial role in the cultural life of the community). The study excludes spending by individual artists and the for-profit arts and entertainment sector (e.g., Broadway or the motion picture industry). Detailed expenditure data were collected from 6,080 arts and culture organizations and 94,478 of their attendees. The project economists, from the Georgia Institute of Technology, customized input/output analysis models for each study region to provide specific and reliable economic impact data about their nonprofit arts and culture industry, specifically full-time equivalent jobs, household income, and local and state government revenue.

The 156 Local and Regional Study Partners

Americans for the Arts published a Call for Participants in 2005 seeking communities interested in participating in the *Arts & Economic Prosperity III* study. Of the more than 200 potential partners that expressed interest, 156 agreed to participate and complete four participation criteria: (1) identify and code the universe of nonprofit arts and culture organizations in their study region; (2) disseminate, collect, and review for accuracy expenditure surveys from those organizations; (3) conduct audience-intercept surveys at a minimum of 16 diverse arts events; and (4) pay a modest cost-sharing fee (no community was refused participation for an inability to pay).

The City of Frederick Department of Economic Development contracted with Americans for the Arts to conduct an economic impact study focusing on the nonprofit arts and culture industry in the City of Frederick, MD. The methodology used is identical to the national study methodology, providing the ability to compare the results for the City of Frederick with those of the national study participants.

Surveys of Nonprofit Arts and Culture Organizations

Each of the 156 study regions attempted to identify its complete universe of nonprofit arts and culture organizations using the Urban Institute's National Taxonomy of Exempt Entity (NTEE)[3] codes as a guideline. Eligible nonprofit arts and culture organizations—those whose primary purpose is to promote appreciation for and understanding of the visual, performing, folk, and media arts—received a web-based survey. Sent via email, the survey collected detailed information about their 2005 fiscal year expenditures in more than 40 expenditure categories, including labor, local and non-local artists, operations, materials, facilities, and asset

acquisition. Data were collected from 6,080 organizations for this study. Response rates for the 156 communities averaged 41.3 percent and ranged from 10.4 percent to 100 percent. Responding organizations had budgets ranging from a low of $0 to a high of $159.2 million. Each study region's results are based solely on the actual survey data collected, not on fiscal projections. The less-than-100 percent response rates suggest an understatement of the economic impact findings in most of the individual study regions. The following NTEE categories of nonprofit arts, culture, and humanities organizations were included in this study:

- A02, Management and Technical Assistance Organizations
- A03, Professional Societies and Associations
- A05, Research Institutes and Policy Analysis Organizations
- A11, Single Support Organizations
- A12, Fund Raising and Fund Distributing Organizations
- A23, Cultural and Ethnic Awareness Organizations
- A24, Folk Arts and Traditional Arts Organizations
- A25, Arts Education Organizations
- A26, Arts Councils and City Presenting Facilities
- A31, Film and Video Organizations
- A32, Public Access Television Studios
- A40, Visual Arts Organizations
- A45, Architectural Organizations
- A46, Drawing Organizations
- A47, Ceramic Arts Organizations
- A48, Art Conservation Organizations
- A51, Art Museums
- A52, Children's Museums
- A53, Folk Arts and Ethnic Museums
- A54, History Museums
- A55, Marine and Maritime Museums
- A56, Natural History and Natural Science Museums
- A57, Science and Technology Museums
- A58, Sports and Hobby Museums
- A59, Specialized Museums
- A61, Performing Arts Centers
- A62, Dance Organizations
- A63, Ballet Organizations
- A64, Choreography Organizations
- A65, Theaters
- A66, Playwriting Organizations
- A67, Musical Theaters
- A68, Music Organizations
- A69, Symphony Orchestras
- A6A, Theaters
- A6B, Singing or Choral Organizations
- A6C, Music Groups, Bands, or Ensembles
- A6D, Music Composition Organizations
- A6E, Performing Arts Schools
- A71, Art History Organizations
- A76, Literary Service Organizations and Activities
- A82, Historical Societies
- A84, Fairs, Festivals, and other Commemorative Events
- A91, Artist Service Organizations

In the City of Frederick, 27 of the 43 total eligible nonprofit arts and culture organizations identified by the City of Frederick Department of Economic Development responded to the survey—a response rate of 63 percent. The responding organizations had a range of operating budgets from $0 to $819,311.

Surveys of Nonprofit Arts and Culture Audiences

Audience-intercept surveying, a common and accepted research method, was completed in 152 of the 156 study regions to measure spending by audiences at nonprofit arts and culture events. Patrons were asked to complete a short survey while attending an event. A total of 94,478 attendees completed the survey for an average of 673 surveys per community. The randomly selected respondents provided itemized expenditure data on attendance-related activities such as meals, souvenirs, transportation, and lodging. Data were collected throughout 2006 (to guard against seasonal spikes or drop-offs in attendance) as well as at a broad range of events (a night at the opera will typically yield more spending then a Saturday children's theater production, for example). Using total attendance data for 2005 (collected from the organization surveys), standard statistical methods were then used to derive a reliable estimate of total expenditures by attendees in each community. The survey respondents provided

information about the entire party with whom they were attending the event. With an average travel party size of three people, these data actually represent the spending patterns of more than 280,000 attendees, significantly increasing the reliability of the data.

In the City of Frederick, a total of 786 audience intercept surveys were collected from attendees to nonprofit arts and culture events during 2007-08.

Economic Analysis

A common theory of community growth is that an area must export goods and services if it is to prosper economically. This theory is called economic-base theory, and it depends on dividing the economy into two sectors: the export sector and the local sector. Exporters, such as automobile manufacturers, hotels, and department stores, obtain income from customers outside of the community. This "export income" then enters the local economy in the form of salaries, purchases of materials, dividends, and so forth, and becomes income to local residents. Much of it is re-spent locally; some, however, is spent for goods imported from outside of the community. The dollars re-spent locally have a positive economic impact as they continue to circulate through the local economy. This theory applies to arts organizations as well as to other producers.

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 in economics. The models are systems of mathematical equations that combine statistical methods and economic theory in an area of study called econometrics. The analysis traces 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 community.

An input/output model was customized for the City of Frederick based on the local dollar flow between 533 finely detailed industries within its economy. This was accomplished by using detailed data on employment, incomes, and government revenues provided by the U.S. Department of Commerce (e.g., County Business Patterns, Regional Economic Information System, 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.

The Input/Output Process

The input-output model is based on a table of 533 finely detailed industries showing local sales and purchases. The local and state economy of each community is researched so the table can be customized for each community. The basic purchase patterns for local industries are derived from a similar table for the U.S. economy for 2002 (the latest detailed data available from the U.S. Department of Commerce). The table is first reduced to reflect the unique size and industry mix of the local economy, based on data from County Business Patterns and the Regional Economic Information System of the U.S. Department of Commerce. It is then adjusted so that only transactions with local businesses are recorded in the inter-industry part of the table. This technique compares supply and demand and estimates the additional imports or exports required to make total supply equal total demand. The resulting table shows the detailed sales and purchase patterns of the local industries. The 533-industry table is then aggregated

to reflect the general activities of 32 industries plus local households, creating a total of 33 industries. To trace changes in the economy, each column is converted to show the direct requirements per dollar of gross output for each sector. This direct-requirements table represents the "recipe" for producing the output of each industry.

The economic impact figures for *Arts & Economic Prosperity III* were computed using what is called an "iterative" procedure. This process uses the sum of a power series to approximate the solution to the economic model. This is what the process looks like in matrix algebra:

$$T = IX + AX + A2X + A3X + ... + AnX.$$

T is the solution, a column vector of changes in each industry's outputs caused by the changes represented in the column vector X. A is the 33 by 33 direct-requirements matrix. This equation is used to trace the direct expenditures attributable to nonprofit arts organizations and their audiences. A multiplier effect table is produced that displays the results of this equation. The total column is T. The initial expenditure to be traced is IX (I is the identity matrix, which is operationally equivalent to the number 1 in ordinary algebra). Round 1 is AX, the result of multiplying the matrix A by the vector X (the outputs required of each supplier to produce the goods and services purchased in the initial change under study). Round 2 is A2X, which is the result of multiplying the matrix A by Round 1 (it answers the same question applied to Round 1: "What are the outputs required of each supplier to produce the goods and services purchased in Round 1 of this chain of events?"). Each of columns 1 through 12 in the multiplier effects table represents one of the elements in the continuing but diminishing chain of expenditures on the right side of the equation. Their sum, T, represents the total production required in the local economy in response to arts activities.

Calculation of the total impact of the nonprofit arts on the outputs of other industries (T) can now be converted to impacts on the final incomes to local residents by multiplying the outputs produced by the ratios of household income to output and employment to output. Thus, the employment impact of changes in outputs due to arts expenditures is calculated by multiplying elements in the column of total outputs by the ratio of employment to output for the 32 industries in the region. Changes in household incomes, local government revenues, and state government revenues due to nonprofit arts expenditures are similarly transformed. The same process is also used to show the direct impact on incomes and revenues associated with the column of direct local expenditures.

End Notes

1 Americans for the Arts' proprietary economic impact methodology does not employ the use of an expenditure muliplier. The "Total Expenditures" figure listed on the data tables on Pages 4, 6, and 7 of this report are identical because we measure the economic impacts of only the actual expenditures reported. An explanation of the difference between "direct" and "total" economic impacts can be found on Page 5 of this report.

2 Giving and Volunteering in the United States 2007, Independent Sector, 2008.

3 The National Taxonomy of Exempt Entities (NTEE)—developed by the National Center for Charitable Statistics at the Urban Institute—is a definitive classification system for nonprofit organizations recognized as tax exempt by the Internal Revenue Code. This system divides the entire universe of nonprofit organizations in ten broad categories, including "Arts, Culture, and Humanities." The Urban Institute estimates that 100,000 are in operation in 2007.

Frequently Used Terms

This section provides a glossary of economic impact terminology, sorted alphabetically in ascending order.

Cultural Tourism
Travel directed toward experiencing the arts, heritage, and special character of a place.

Direct Economic Impact
A measure of the economic effect of the initial expenditure within a community. For example, when the symphony pays its players, each musician's salary, the associated government taxes, and full-time equivalent employment status represent the direct economic impact.

Direct Expenditures
The first round of expenditures in the economic cycle. A paycheck from the symphony to the violin player and a ballet company's purchase of dance shoes are examples of direct expenditures.

Econometrics
The process of using statistical methods and economic theory to develop a system of mathematical equations that measures the flow of dollars between local industries. The input-output model developed for this study is an example of an econometric model.

Econometrician
An economist who designs, builds, and maintains econometric models.

Full-Time Equivalent (FTE) Jobs
A term that describes the total amount of labor employed. Economists measure FTE jobs—not the total number of employees—because it is a more accurate measure of total employment. It is a manager's discretion to hire one full-time employee, two half-time employees, four quarter-time employees, etc. Almost always, more people are affected than are reflected in the number of FTE jobs reported due to the abundance of part-time employment, especially in the nonprofit arts and culture industry.

Indirect Impact
Each time a dollar changes hands, there is a measurable economic impact. When people and businesses receive money, they re-spend much of that money locally. Indirect impact measures the effect of this re-spending on jobs, household income, and revenue to local and state government. It is often referred to as secondary spending or the dollars "rippling" through a community. When funds are eventually spent non-locally, they are considered to have "leaked out" of the community and therefore cease to have a local economic impact. Indirect impact is the sum of the impact of all rounds of spending.

Input-Output Analysis

A system of mathematical equations that combines statistical methods and economic theory in an area of economic study called econometrics. Economists use this model (occasionally called an inter-industry model) to measure how many times a dollar is re-spent in, or "ripples" through, a community before it leaks out (see Leakage). The model is based on a matrix that tracks the dollar flow between 533 finely detailed industries in each community. It allows researchers to determine the economic impact of local spending by nonprofit arts and culture organizations on jobs, household income, and government revenue.

Leakage

The money that community members spend outside of a community. This non-local spending has no economic impact within the community. A ballet company purchasing shoes from a non-local manufacturer is an example of leakage. If the shoe company were local, the expenditure would remain within the community and create another round of spending by the shoe company.

Multiplier (often called Economic Activity Multiplier)

An estimate of the number of times that a dollar changes hands within the community before it leaks out of the community (for example, the theater pays the actor, the actor spends money at the grocery store, the grocery store pays its cashier, and so on). This estimate is quantified as one number by which all expenditures are multiplied. For example, if the arts are a $10 million industry and a multiplier of three is used, then it is estimated that these arts organizations have a total economic impact of $30 million. The convenience of a multiplier is that it is one simple number; its shortcoming, however, is its reliability. Users rarely note that the multiplier is developed by making gross estimates of the industries within the local economy with no allowance for differences in the characteristics of those industries, usually resulting in an overestimation of the economic impact. In contrast, the input-output model employed in *Arts & Economic Prosperity III* is a type of economic analysis tailored specifically to each community and, as such, provides more reliable and specific economic impact results.

Resident Household Income (often called Personal Income)

The salaries, wages, and entrepreneurial income residents earn and use to pay for food, mortgages, and other living expenses. It is important to note that resident household income is not just salary. When a business receives money, for example, the owner usually takes a percentage of the profit, resulting in income for the owner.

Revenue to Local and State Government

Local and state government revenue is not derived exclusively from income, property, sales, and other taxes. It also includes license fees, utility fees, user fees, and filing fees. Local government revenue includes funds to city and county government, schools, and special districts.

Frequently Asked Questions

This section answers some common questions about this study and the methology used to complete it.

How were the 156 participating communities and regions selected?

In 2005, Americans for the Arts published a Call for Participants for communities interested in participating in the *Arts & Economic Prosperity III* study. Of the more than 200 participants that expressed interest, 156 agreed to participate and complete four participation criteria: (1) identify and code the universe of nonprofit arts and culture organizations in their study region; (2) disseminate, collect, and review for accuracy expenditure surveys from those organizations; (3) conduct audience-intercept surveys at a minimum of 15 diverse arts events; and (4) pay a modest cost-sharing fee (no community was refused participation for an inability to pay).

How were the eligible nonprofit arts organizations in each community selected?

Local partners attempted to identify their universe of nonprofit arts and culture organizations using the Urban Institute's National Taxonomy of Exempt Entity (NTEE) codes as a guideline. Eligible organizations included those whose primary purpose is to promote appreciation for and understanding of the visual, performing, folk, and media arts. Public arts councils, public presenting facilities or institutions, and embedded organizations that have their own budget also were included if they play a substantial role in the cultural life of the community.

What type of economic analysis was done to determine the study results?

An input-output analysis model was customized for each of the participating communities and regions to determine the local economic impact their nonprofit arts and culture organizations and arts audiences. Americans for the Arts, which conducted the research, worked with a highly regarded economist to design the input-output model used for this study.

What other information was collected in addition to the arts surveys?

In addition to detailed expenditure data provided by the surveyed organizations, extensive wage, labor, tax, and commerce data were collected from local, state, and federal governments for use in the input-output model.

Why doesn't this study use a multiplier?

When many people hear about an economic impact study, they expect the result to be quantified in what is often called a multiplier or an economic activity multiplier. The economic activity multiplier is an estimate of the number of times a dollar changes hands within the community (e.g., a theater pays its actor, the actor spends money at the grocery store, the grocery store pays the cashier, and so on). It is quantified as one number by which expenditures are multiplied. The convenience of the multiplier is that it is one simple number. Users rarely note, however, that the multiplier is developed by making gross estimates of the industries within the local economy and does not allow for differences in the characteristics of those industries. Using an economic activity multiplier usually results in an overestimation of the economic impact and therefore lacks reliability.

How is the economic impact of arts and culture organizations different from other industries?

Any time money changes hands there is a measurable economic impact. Social service organizations, libraries, and all entities that spend money have an economic impact. What makes the economic impact of arts and culture organizations unique is that, unlike most other industries, they induce large amounts of related spending by their audiences. For example, when patrons attend a performing arts event, they may purchase dinner at a restaurant, eat dessert after the show, and return home and pay the baby-sitter. All of these expenditures have a positive and measurable impact on the economy.

Will my local legislators believe these results?

Yes, this study makes a strong argument to legislators, but you may need to provide them with some extra help. It will be up to the user of this report to educate the public about economic impact studies in general and the results of this study in particular. The user may need to explain (1) the study methodology used; (2) that economists created an input-output model for each community and region in the study; and (3) the difference between input-output analysis and a multiplier. The good news is that as the number of economic impact studies completed by arts organizations and other special interest areas increases, so does the sophistication of community leaders whose influence these studies are meant to affect. Today, most decision makers want to know what methodology is being used and how and where the data were gathered.

You can be confident that the input-output analysis used in this study is a highly regarded model in the field of economics (the basis of two Nobel Prizes in economics). However, as in any professional field, there is disagreement about procedures, jargon, and the best way to determine results. Ask 12 artists to define art and you will get 24 answers; expect the same of economists. You may meet an economist who believes that these studies should be done differently (for example, a cost-benefit analysis of the arts).

How can a community not participating in the Arts and Economic Prosperity III study apply these results?

Because of the variety of communities studied and the rigor with which the *Arts & Economic Prosperity III* study was conducted, nonprofit arts and culture organizations located in communities that were not part of the study can estimate their local economic impact. Estimates can be derived by using the *Arts & Economic Prosperity III* Calculator (found at www.AmericansForTheArts.org/EconomicImpact). Additionally, users will find sample PowerPoint presentations, press releases, Op-Ed, and other strategies for proper application of their estimated economic impact data.

In Appreciation

Americans for the Arts expresses its gratitude to the many people and organizations who made *Arts & Economic Prosperity III: The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences In the City of Frederick* possible and assisted in its coordination and production. Generous funding for this project was provided in part by the City of Frederick Department of Economic Development, which also served as the local project partner and as such was responsible for the local implentation and data collection requirements of the study. Funding was also provided by the Frederick Arts Council and the Downtown Frederick Partnership.

Special thanks to the Paul G. Allen Family Foundation, the John D. and Catherine T. MacArthur Foundation, and The Ruth Lilly Fund of Americans for the Arts for their financial support of the national implementation of *Arts & Economic Prosperity III.*

THE CITY OF FREDERICK'S PARTICIPATING NONPROFIT ARTS AND CULTURE ORGANIZATIONS

This study could not have been completed without the cooperation of the 27 nonprofit arts and culture organizations in the City of Frederick, listed below, that provided detailed financial and event attendance information about their organization.

Act Too!; Celebrate Frederick; Choral Arts Society of Frederick; Dance Unlimited Repertory Company; Delaplaine Visual Arts Center; Downtown Frederick Partnership; Frederick Catoctones; Frederick Children's Chorus; Frederick Chorale; Frederick Festival of the Arts; Frederick Regional Youth Orchestra; Frederick Symphony Orchestra; Frederick Towne Players; Hood College Dance Company; Hood College Theatre; Jack B. Kussmal Theater; Joyful Heart; Productions; Maryland Ensemble Theatre; Maryland Shakespeare Festival; Shared Vision: Public Art for Community Transformation; Spires Brass Band; Star Spangled Big Band; Tears of Aset and Sitamun; Torch Light Players; Way Off Broadway; Weinberg Center for the Arts; and YMCA Youth Ballet.

THE CITY OF FREDERICK'S PARTICIPATING NONPROFIT ARTS AND CULTURE PATRONS

Additionally, this study could not have been completed without the cooperation of the 786 arts and culture patrons who generously took the time to complete the audience-intercept survey while attending one of the following arts and culture events in the City of Frederick during 2007-08.

Schifferstadt Museum (Ocktoberfest); Frederick Arts Council (Act Too! Chirldren's Theatre Performance: The Best Christmas Pageant Ever); Jack Kussmaul Theatre (FCC Music Series - Chorale Arts Society); Schifferstadt Museum (Museums by Candlelight); Jack Kussmaul Theatre (Bullshot Crummond); Frederick Cultural Arts Center (Abriged Works of Shakespeare); Jack Kussmaul Theatre (Frederick Symphony Orchestra); Weinberg Center for the Arts (The Anh Trio); Frederick High School (Frederick Regional Youth Orchestra); Weinberg Center for the Arts (Other Voices - Alice in Wonderland); FSK Hotel (Cripple of Inishmann); Trinity United Methodist Church (Frederick Chorale); Weinberg Center for the Arts (Seldom Scene Bluegrass); Delaplaine Visual Arts Education Center (Artist Gallery Opening); Rose Hill Manor Park (Bell & History Days); C. Burr Artz Library (Historical Society of Frederic County Civil War Presentation); Weinberg Center for the Arts (Cokie Roberts - Frederick Reads); Frederick Arts Council (Equinox Annual Performance); Maryland Ensemble Theatre (Company); Jack Kussmaul Theatre (Spires Brass Band); Carroll Creek Park Amphitheatre (Alive @ Five!); and Barker Park Band Shell (Celebrate Frederick Summerfest Concert Series).

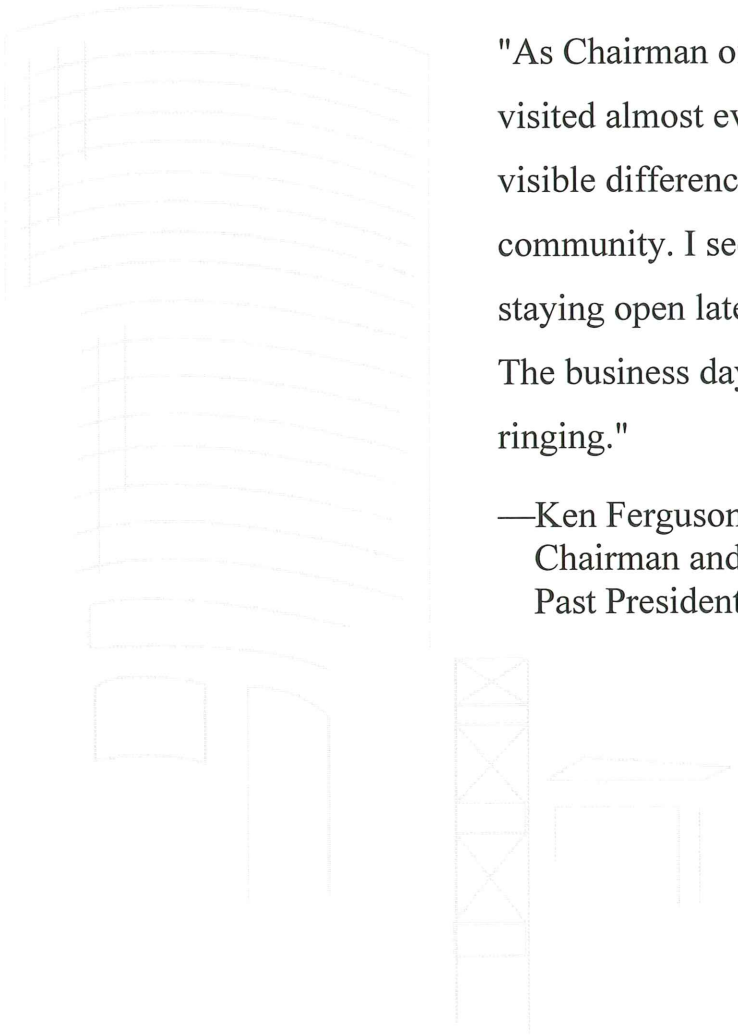
Americans for the Arts' 156 Arts & Economic Prosperity III National Study Partner Regions

The following are the 156 communities and regions (116 cities and counties, 35 multi-county regions, and five states) that participated in the national study, representing all 50 states and the District of Columbia.

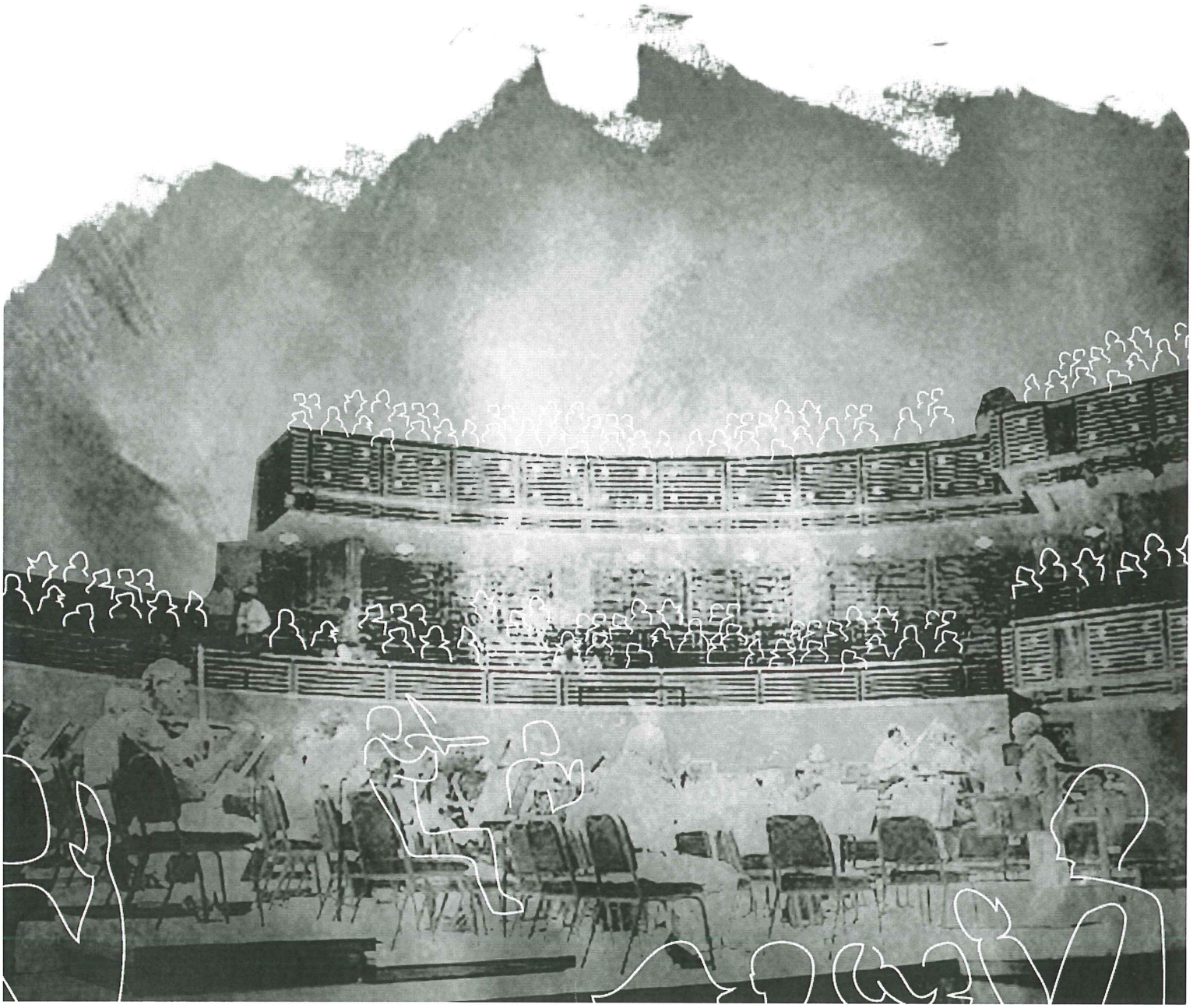
Jefferson County, AL; Greater Birmingham Region, AL; Anchorage, AK; Homer, AK; Chandler, AZ; Eastern Maricopa County, AZ; Mesa, AZ, Phoenix, AZ; Pima County, AZ, Tempe, AZ; Northwest Arkansas Region, AR; Fullerton, CA; Glendale, CA; Humboldt County, CA; Laguna Beach, CA; Pasadena, CA; Riverside County, CA; San Francisco, CA; Santa Barbara County, CA; Santa Clara County, CA; Santa Cruz County, CA; Sonoma County, CA; Walnut Creek, CA; Boulder, CO; Colorado Springs, CO; Fort Collins, CO; Gunnison County, CO; Loveland, CO; Greater Hartford, CT; Dover, DE; Wilmington, DE; the State of Delaware; Washington, DC; Greater Washington DC Metropolitan Region; Alachua County, FL; Bay County, FL; Broward County, FL; Central Florida Region; Miami, FL; Miami Beach, FL; Miami-Dade County, FL; Orange County, FL; Orlando, FL; Palm Beach County; FL; Pinellas County, FL; Winter Park, FL; Atlanta, GA; Savannah, GA; the Island of Maui, HI; Boise, ID; Wood River Valley Region, ID; Champaign County, IL; Chicago, IL; Indianapolis, IN; Saint Joseph County, IN; Iowa Cultural Corridor Region; Salina, KS; Sedgwick County, KS; Louisville-Jefferson County, KY; Northwest Louisiana Region; Portland, ME; Baltimore, MD; Montgomery County, MD; Prince George's County, MD; Pittsfield, MA; Kalamazoo County, MI; Brainerd Lakes Region, MN; Central Minnesota; East Central Minnesota; Minneapolis, MN; Minnesota Arrowhead Region; Minnesota Lake Region; Minnesota Twin Cities' Metropolitan Region; North Central Minnesota; Northwest Minnesota; Saint Cloud, MN; Saint Paul, MN; South Central Minnesota; Southeast Minnesota; Southwest Minnesota; Washington and Chicago Counties, MN; the State of Minnesota; Lauderdale County, MS; Metropolitan Kansas City Region, MO/KS; Saint Louis City and County, MO; Missoula, MT; Lincoln, NE; Portsmouth Seacoast Area, NH/ME; Newark, NJ; New Brunswick, NJ; Doña Ana County, NM; Buncombe County, NC; Forsyth County, NC; Guildford County, NC; Mecklenburg County, NC; Wake County, NC; Fargo-Moorhead Region, ND/MN; Greater Minot Region, ND; the State of North Dakota; Clark County, NV; Greater Buffalo Region, NY; Monroe County, NY; Orange County, NY; Suffolk County, NY; Ulster County, NY; Westchester County, NY; Greater Columbus, OH; Greater Cincinnati Region, OH/KY/IN; Mansfield, OH; Tulsa, OK; Greater Portland Region, OR; Josephine County, OR; Allegheny County, PA; Bradford County, PA; Erie County, PA; Greater Harrisburg Region, PA; Greater Philadelphia Region, PA; Lackawanna County, PA; Lancaster, PA; Luzerne County, PA; Lehigh Valley Region, PA; Philadelphia County, PA; Somerset County, PA; the State of Pennsylvania; Providence, RI; Greater Columbia; SC; Black Hills Region, SD; Nashville-Davidson County, TN; Abilene, TX; Austin, TX; Houston, TX; Iron County, UT; Greater Burlington, VT; Windham County, VT; Alexandria, VA; Arlington County, VA; Fairfax, VA; Fairfax County, VA; Bainbridge Island, WA; Seattle, WA; Tacoma, WA; Whatcom County, WA; Wheeling, WV; Dane County, WI; Greater Milwaukee Region, WI; La Crosse, WI; Marathon County, WI; Milwaukee County, WI; Northeast Wisconsin Region, WI; Oshkosh, WI; Pierce County, WI; Polk County, WI; St. Croix County, WI; St. Croix Valley Region, WI; the State of Wisconsin; and Teton County, WY.

"There is no better indicator of the spiritual health of our city, its neighborhoods, and the larger region than the state of the arts. The arts deepen our understanding of the human spirit, extend our capacity to comprehend the lives of others, allow us to imagine a more just and humane world. Through their diversity of feeling, their variety of form, their multiplicity of inspiration, the arts make our culture richer and more reflective."

—Jonathan Fanton
President
MacArthur Foundation



"As Chairman of the Oklahoma Chamber of Commerce, I visited almost every city and town in the state. There is a visible difference in places with an active cultural community. I see people looking for places to park, stores staying open late, and restaurants packed with customers. The business day is extended and the cash registers are ringing."

—Ken Ferguson
Chairman and CEO, NBanC
Past President, American Bankers Association

PARTNERS