



April 30, 2013

To: Las Vegas City Council Special Committee, Bob Coffin, Chair, Ricky Barlow and Bob Beers
From: Patty Dominguez, Metro Arts Council of Southern Nevada
Re: Bill 2013-22, Amends LVMC Chapter 2.34-to make the Las Vegas Percent for the Arts Program optional rather than mandatory

Good Morning, my name is Patty Dominguez; I am Program Director at Metro Arts Council of Southern Nevada. I speak for myself, as well as other Las Vegas residents, who support continued funding of public arts in our city.

I appreciate this opportunity to participate this morning and urge you to reject Councilman Bob Beer's proposed change to the annual funding procedure, which supports the City's 1% for public arts, by way of the Las Vegas Arts Commission.

Through a multitude of studies and reports, we have been made aware of the positive impact that strong Arts & Culture programs have on regional distinctiveness, quality of life, community-building, pride of place, the draw of tourism, and the development of critical thinking and socialization skills in our education systems. The universal language of art can serve as an access point; bringing together people of many different backgrounds, ages, interests, professions and experiences. However, the impact of arts programs to support the general economic development, or redevelopment, of a region is often under-played, or completely ignored.

In 2011, Metro Arts Council partnered with the Americans for the Arts (AFTA) to conduct a yearlong economic impact study in Clark County. Results were released in June 2012. Below is an encapsulation of some key points in the study, of which public art programs and projects were a part.

Total Impact of the Nonprofit Arts and Culture Industry	
<i>(Expenditures by both organizations and audiences)</i>	
Total Direct Expenditures	\$56,312,612
Full-Time Equivalent Jobs	1,537
State Government Revenue	\$3,046,000
Local Government Revenue	\$1,500,000

The *Arts & Economic Prosperity IV* study provides compelling evidence that the nonprofit arts and culture sector is a \$56.3 million industry in Clark County—one that supports 1,537 full-time equivalent jobs and generates \$4.5 million in local and state government revenue.

Nonprofit arts and culture organizations, which spend \$34.7 million each year, leverage a remarkable \$21.6 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.

Submitted At Meeting
by Patty Dominguez
Date 4/30/13
item 7

By proving that investing in arts and culture yields economic benefits, the AFTA *Arts & Economic Prosperity IV* study lays to rest the misconception that communities support the arts and culture at the expense of local economic development, or jobs. In fact, communities that support the arts and culture not only enhance their quality of life—they also invest in their economic well-being.

This report shows conclusively that the arts mean business in Clark County!

(Go directly to http://aftadc.brinkster.net/AEPIV/NV_ClarkCounty_AEP4_SummaryOfFindings.pdf for Clark County's Complete Summary Report.)

Public Art springs from personal expression, and is accessible to all. When shared with others, art can also become a tool for communication and education, where words alone fall short. One of the most important aspects of my position with Metro Arts Council involves networking and facilitation, both within the arts community, and between the arts community and the community at-large. Whether you agree with the design or not, public art serves as a link between artists, organizations, establishments, and society, at local, state, national and international levels; it encourages dialogue, exploration and innovation, particularly when the art of local and non-residential artists, can be brought together to stimulate new ideas and further generate the true power of art.

A mature, successful community uses art to express its character. Support of public art, through consistent funding is important. I ask you to support a future of innovation and creation, which is always presenting itself openly, and encouraging public response and activity, by rejecting Bill 2013-22. Thank you for your time and thoughtful deliberation of this issue.

Sincerely,

Patty Dominguez
Metro Arts Council of Southern Nevada
520 Fremont Street, #214
Las Vegas, NV 89101
patty@metroartsnevada.com
702-583-7263

The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences in Clark County, NV (Fiscal Year 2010)

Direct Economic Activity	Arts and Culture Organizations	+	Arts and Culture Audiences	=	Total Industry Expenditures
Total Industry Expenditures	\$34,739,177		\$21,573,435		\$56,312,612

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	988		549		1,537
Household Income Paid to Residents	\$27,151,000		\$12,455,000		\$39,606,000
Revenue Generated to <u>Local</u> Government	\$908,000		\$592,000		\$1,500,000
Revenue Generated to <u>State</u> Government	\$1,360,000		\$1,686,000		\$3,046,000

Event-Related Spending by Arts and Culture Audiences Totaled \$21.6 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	1,097,885		49,330		1,147,215
Percentage of Total Attendance	95.7%		4.3%		100%
Average Event-Related Spending Per Person	\$16.68		\$66.10		\$18.79
Total Event-Related Expenditures	\$18,312,722		\$3,260,713		\$21,573,435

Nonprofit Arts and Culture Event Attendees Spend an Average of \$18.79 Per Person (excluding the cost of admission)

Category of Event-Related Expenditure	Resident* Attendees	Non-Resident* Attendees	All Cultural Audiences
Meals and Refreshments	\$8.79	\$27.48	\$9.59
Souvenirs and Gifts	\$4.35	\$6.02	\$4.42
Ground Transportation	\$1.58	\$13.10	\$2.07
Overnight Lodging (one night only)	\$0.37	\$9.33	\$0.75
Other/Miscellaneous	\$1.59	\$10.17	\$1.96
Average Event-Related Spending Per Person	\$16.68	\$66.10	\$18.79

* For the purpose of this study, residents are attendees who live within Clark 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 Clark County*. For more information about this study or about other cultural initiatives in Clark County, visit the Metro Arts Council of Southern Nevada's web site at www.metroartsnevada.com/.

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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 Clark County, 44 of the approximately 96 total eligible nonprofit arts and culture organizations identified by the Metro Arts Council of Southern Nevada participated in this study—an overall participation rate of 46 percent. The organizations that participated are listed below:

Atomic Testing Museum/Nevada Test Site Historical Foundation; Austin Dancers; Boulder City Art Guild; Boulder City Ballet Company; Boulder City Friends of the Arts; Boulder City Public Artscape; Boulder City Hospital (Art in the Park); City of Las Vegas Rainbow Company; City of Las Vegas, Office of Cultural Affairs; Clark County Children's Choir; Commission for the Las Vegas Centennial; Contemporary Arts Center; Dam Short Film Society; Desert Chorale; Desert Quilters of Nevada; Foundation to Assist Young Musicians; Friends of India, Las Vegas; Henderson Space and Science Center; Henderson Symphony Orchestra; KNPR; Las Vegas Natural History Museum; Las Vegas Philharmonic; Las Vegas Springs Preserve Foundation; Left of Center Art Gallery; Liberace Foundation and Museum; Lied Discovery Children's Museum; Metro Arts Council of Southern Nevada; Nevada Arts Advocates; Nevada Ballet Theatre; Nevada Opera Theatre; Nevada School of the Arts; Nevada Youth Alliance; Opera Las Vegas; Preservation Association of Clark County; Signature Productions; Southern Nevada Musical Arts Society; Super Summer Theatre (State Parks Cultural Arts); The Las Vegas Arts District Neighborhood Assoc.; The Neon Museum; The Smith Center for the Performing Arts Center; Vegas Artists Guild; Virgin Valley Artists' Association; Whirlygig, Inc.; and Winchester Cultural Center.

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 Clark County, a total of 916 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 Clark County, project economists customized an input-output model based on the local dollar flow between 533 finely detailed industries within the economy of Clark 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.

To the Las Vegas City Council

This letter is written to support the City's 1% for the Arts Program that has been in place for the past 10 years. It is a valuable program that has contributed to the economic and cultural revival of Las Vegas.

Councilman Bob Beer's proposal to repeal the funding mechanism for the program is now being reviewed and I/we encourage your committee and the City Council to reject his amendment.

Las Vegas, like most other important American cities, created its public art program as a way to define the unique character of the city, enhance its public spaces, teach and educate our citizens and visitors about our history, build pride in diverse cultural and ethnic neighborhoods and strengthen our growing community of artists and creative entrepreneurs.

Rejecting and altering the public art program is a step backwards for Las Vegas especially at a time when the arts are at the center of the city's revival.

Please lend your support to the City's Public Art Program and reject this amendment.

Sincerely,

Sharon Gainsburg
Gainsburg Studio

Monday, April 29, 2013

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Sincerely,

Cheers!



Jan Scarborough

Principal

The Idea Factory