

Arts and Economic Prosperity in Tallahassee and Leon County



COVER PHOTO: Theatre ala Carte, Tallahassee, FL

The Arts Mean Business

A \$74.6 Million Industry in Tallahassee and Leon County

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 and their audiences totaled \$74.6 million in Tallahassee/Leon County. This spending is far-reaching: organizations pay employees, purchase supplies, contract for services, and acquire assets within their community.

Total Impact of the Non-Profit Arts and Culture Industry *Expenditures by both organizations and audiences*

	<i>by Organizations</i>	<i>by Audiences</i>	<i>TOTAL</i>
Total Expenditures	\$42,143,958	\$32,423,349	\$74,567,307
Full Time Equivalent Jobs			2,720
Revenue to Local/State Gov't. <small>SEE APPENDIX 2</small>			\$ 7,515,000

NOTE: Americans for the Arts' proprietary economic impact methodology does not employ the use of an expenditure multiplier. The "Total Expenditures" measure economic impacts based only on the actual expenditures reported.

By demonstrating that investing in the arts and culture yields economic benefits, *Arts & Economic Prosperity III* lays to rest the common misconception that communities support the arts and culture at the expense of local economic development. In fact, communities that support the arts and culture not only enhance their quality of life, but also invest in their economic well-being.

A summary of the study follows.



African Caribbean Dance Theatre, Tallahassee, FL

Introduction

*Most of us appreciate the intrinsic benefits of the arts—
their beauty and vision; how they inspire, soothe,
provoke, and connect us.*

When it comes time to make tough funding choices, however, elected officials and business leaders also want to have strong and credible data that demonstrate the economic benefits of a vibrant nonprofit arts and culture industry. Please feel free to print this report for your own use. COCA provides the data and presents the information to civic groups local governments, the Chambers and the Economic Development Council and Visit Tallahassee among others.

Arts & Economic Prosperity III is a national study conducted with the Americans for the Arts. The Council on Culture and Arts (COCA) is one of 156 national partners who contracted for specific local data. Data were collected from 79 non-profit arts and culture organizations in Tallahassee/Leon County, including detailed budget information about more than 40 expenditure categories.(e.g., labor, payments to local and non-local artists, operations, materials, facilities, and asset acquisition) as well as their total attendance figures. Local audiences were included in the research as well, to make this one of the most comprehensive economic impact studies to date.

Arts & Economic Prosperity III is great news for those whose daily task is to strengthen the economy while they 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!

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.

The Economic Impact of the Nonprofit Arts and Culture Industry in Tallahassee and Leon County



Museum of Florida History, Tallahassee, FL

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.

Arts & Economic Prosperity III demonstrates that investing in the arts and culture in Tallahassee/Leon County is yielding substantial economic benefits. It corrects the misperception that communities support the arts and culture at the expense of local economic development. In fact, communities are **investing in an industry that supports jobs, local businesses and tourism, and generates government revenue.**

TOTAL Economic Impact of the Nonprofit Arts and Culture Industry in Tallahassee/Leon County (Spending by Nonprofit Arts and Culture Organizations and their Audiences)			
	Tallahassee/Leon County	Median of Similar Study Regions <i>Pop. = 250,000 to 499,999</i>	National Median
Total Expenditures	\$74,567,307	\$60,304,046	\$41,315,605
Full-Time Equivalent Jobs	2,720	1,512	1,386
Household Income from the Arts Paid to Residents	\$50,017,000	\$30,328,000	\$26,369,000
Revenue to state and local government	\$7,515,000	\$5,366,000	\$5,528,000

The table above shows the total economic impact of the \$74.6 million spent by nonprofit arts and culture organizations and their audiences and compares Tallahassee and Leon County's performance with national numbers.

Significant Impact of Resident Spending Before and After Arts and Cultural Event



*Maggie Allessee National Center for Choreography
Tallahassee, FL*

The data below demonstrate that **Tallahassee/Leon County's local audiences spent \$23, 581,979 in event-related spending. That does not include the cost of admission to events.** When a community attracts cultural tourists, it harnesses additional significant economic rewards. In this case, that data indicates there was an **\$8,841,370 in additional non-resident event related spending.**

As a part of the Tallahassee/Leon County study, audience survey respondents were asked to provide the ZIP code of their primary residence, enabling researchers to determine that 82.7 percent of the 1.8 million nonprofit arts attendees were local and spent an average of \$16.08 per attendee per event.

As expected, non-local arts and culture event attendees spent an average of 79 percent more than local attendees per person (\$28.73 vs. \$16.08). Travelers' higher spending was typically found in the categories of meals, transportation and lodging.

Event-Related Spending by Arts and Culture Event Attendees Totaled \$32.4 million in Tallahassee/Leon County (in addition to the cost of event admission)

	Residents	Non-Residents	All Event Attendees
Total Event Attendance	1,466,541	307,740	1,774,281
Percent of Attendees	82.7%	17.3%	100%
Average Dollars Spent Per Attendee IN ADDITION TO TICKETS	\$16.08	\$28.73	\$18.27
Total Event-Related Spending	\$23,581,979	\$8,841,370	\$32,423,349

Nonprofit arts and culture event attendees **spend an average of \$18.27 per person** in Tallahassee and Leon County **in addition to the cost** of event admission.

Total per person spending	Residents \$16.08	Non-Residents \$28.73	All Event Attendees \$18.27
<i>Meals before/after event</i>	41%	45%	42%
<i>Concessions</i>	18%	5%	15%
<i>Other purchases</i>	12%	5%	10%
<i>Clothing and accessories</i>	9%	1%	7%
<i>Souvenirs and gifts</i>	8%	9%	8%
<i>Ground transportation</i>	6%	9%	7%
<i>Overnight lodging (one night)</i>	4%	26%	10%
<i>Event related Child Care</i>	1%	1%	1%

Volunteerism and In-Kind Contributions: An Economic Impact Beyond Dollars



Volunteers at Tallahassee Little Theatre, Tallahassee, FL

Arts & Economic Prosperity III **reveals a significant contribution** to Tallahassee and Leon County's nonprofit arts and culture organizations through volunteerism.

According to the study, the 79 responding nonprofit arts and culture organizations in Leon County received **in-kind contributions with an aggregate value of \$1,653,694**. These contributions were received from a variety of sources including corporations, individuals, local and state arts agencies, and government. 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).

Donations by **3,863 arts volunteers** with **171,930 hours** to local nonprofit arts and culture organizations have **an estimated value of \$3,481,583** (Independent Sector estimates the value of the average volunteer hour to be \$20.25).

While these arts volunteers may not have an economic impact as defined in the study, they clearly have an enormous impact on the city/county's nonprofit arts and culture organizations.

"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

Arts & Economic Prosperity III shows unequivocally that Tallahassee and Leon County's support of the arts and culture is a prudent investment in an industry that supports jobs, generates government revenue, and is a cornerstone of tourism. The arts really do mean business.

It's a fact: nonprofit arts and culture organizations contribute substantially to the economic well-being of Tallahassee and Leon County.

\$74,567,367 in economic impact

And, they infuse substantial revenue into the community through related spending by their audiences that is not a part of that number.

It follows that when a community's arts and cultural offerings grow, so will the community's economy.