

ARTS & CULTURE IN THE
SACRAMENTO REGION:
A SUMMARY OF RESEARCH AND
PLANNING DOCUMENTS, 1990-2010

VERSION AS OF 3/16/2010



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INTRODUCTION

The Sacramento Metropolitan Arts Commission (SMAC) began compiling this summary of planning documents in Fall of 2009 to be utilized in Mayor Kevin Johnson's *For Arts Sake* initiative. Most of the studies summarized herein took place in the 1990's and 2000's, but documents dating back to 1977 were considered and/or included.

SMAC's purpose in encapsulating decades of planning and research studies was to avoid any unnecessary duplication of data, recommendations and learning that may have already been developed. Furthermore, it is evident that over the years many challenges and opportunities remain in place and unexploited.

It is our hope that this compilation could lead to the creation of a Master Arts Plan for Sacramento and inform any future, prescribed arts strategies.

USING THIS SUMMARY

The key findings and opportunities common throughout the body of work are highlighted in this Executive Summary. It is likely that many studies documented in this summary should be reviewed in full to gain deeper insights into the particular subject areas of each study. A word of caution: It is not the intent of this document to provide a complete list of *all* findings and recommendations – only to summarize the “key” findings that may be particularly relevant to the environment of 2009 and the *For Arts Sake* initiative. Readers are strongly encouraged to go to the source material to gain a complete picture of any study that holds particular interest or relevance.

Most final reports are available at SMAC's website for free. Other source materials, interim reports and presentations can be made available upon request (as long as their location and condition is known).

SUMMARY OF FINDINGS

The following summarizes key findings and recommendations that occur throughout the past couple decades of planning work included in this document. Ideally, these factors would be considered as “absolute truths” about the arts ecosystem in Sacramento. Meaning that we, as the arts community, accept them as fact and do not believe that any further proof is necessary for their acceptance as such. These findings should now form the foundation from which all future planning work must begin.

In addition, these key factors should always be considered when evaluating comparative markets to Sacramento.

The Problems

Arts organizations are undercapitalized:

- By most measures and benchmarks, Sacramento arts organizations under perform (compared nationally) in the area of contributed revenue. This is mostly due to the nature of Sacramento as a “government town” and the lack of wealth-building industries and corporate headquarters.
- Organizations are not well positioned for long-term sustainability. This is evident by the very low number of organizations that have endowments (or adequately sized endowments), reserve funds or other forms of capital that bring stability.
- Without this capital, organizations are extremely susceptible to unforeseen declines in earned revenue, economic recessions, or any other event that

negatively impacts an organization's finances. This leads to an unusually high rate of "emergency" funding needs and slow or stagnant organizational growth.

- Without access to adequate amounts of capital, Sacramento is an extremely difficult environment in which to fund major growth – it tends to happen slowly over a long period of time. (Arts organizations borrow from the only resource they have ready access to – time.)

Facilities, particularly for performing arts, are inadequate, overly expensive to use, and outdated.

- There is high demand for small to mid-sized performing arts facilities, but limited, or inaccessible, supply.
- There is also high demand for spaces related to performance venues such as rehearsal spaces, storage, and set construction facilities (and the need for these would compound if performing spaces were ever developed).
- There is no "master plan" for cultural facility development in the central city area (or any other area).

Market analysis and survey data show that the region has limited awareness of arts activities, organizations and opportunities.

- There is a strong core of support for the arts, but many residents of the region are simply unaware of what is going on and/or how to participate.
- It is very difficult and expensive for arts organizations to gain market awareness collectively or individually.

Market Conditions

The Sacramento Market Statistical Area (MSA) has the following general characteristics:

- Higher than average education levels (the number one predictor of participation in the arts!)
- Household incomes slightly below State median (the number two predictor of participation. High education + high income = high participation/awareness of arts)
- A higher than average presence of school-aged children in households (it's a strong family market, which poses challenges and opportunities for arts organization)
- The market is highly diverse in terms of race and ethnicity – and becoming more diverse over time.

Opportunities

Numerous studies pointed to power of collaboration with in the arts community and related sectors. Partnerships and collaborations in the following areas were recommended:

- Develop a region-wide funding initiative for both public funding (taxes, fees, etc) and private funding (united arts fund, regional endowment, etc.)
- Develop joint awareness campaign(s), such as SMAC's recently implemented "Arts. Open Daily" campaign.
- Develop a city-wide box office and/or day-of-show discount ticket booth (like NYC, San Francisco, Philadelphia and other cities)
- Develop shared facilities for performances and other shared uses

Arts education is also frequently mentioned as an area of opportunity given the nature of the market (high presence of families) and the underperforming arts education efforts of the region's public schools. Specifics include:

- Higher level of coordination between providers, teacher and administrators across the region.
- Increased levels of arts education opportunities both in and outside of the classroom.

A powerful observation echoed throughout these studies is that the arts as an economic development engine for the region are being grossly underutilized. The opportunities associated with this observation are:

- Facilities should be planned and developed in locations key to economic development for the City of Sacramento and the region as a whole. A "master plan" for facility development should be completed and implemented.
- The region should seek solutions to properly resource arts organizations and programs to fully leverage economic and social impacts.
- Strengthening the arts in Sacramento will help achieve the goal of attracting "creative class" workers, businesses, individual artists and entrepreneurs.

LOCAL RESOURCES

i. Arts and Entertainment District Master Plan, 1990

Title	Downtown Cultural and Entertainment District Master Plan
Commissioned By	SHRA & City Dept. of Planning
Study Author	SHRA & City Dept. of Planning
Beginning Date	
Date of Final Report	May 1990
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

The goal of this plan is to “create a concentrated mix of cultural and entertainment facilities that will be capable of contributing to downtown’s night and weekend activity.” It includes an evaluation of potential funding sources for arts and cultural facilities within the Downtown Cultural and Entertainment District.

Data Collection & Methodology

- Needs assessment / consensus-building workshops, surveys, and interviews
- Technical Advisory Committee composed of representatives from various City departments
- Citizens Advisory Committee

Key Findings

The following needs were identified through the planning process:

- Increased linkage between community and professional organizations, municipal and other government, business and individuals
- Quality facilities which meet the needs of the community and programming that attracts and sustains families, office workers, and culturally diverse audiences
- Technical support and equipment that can accommodate a broad range of performances and exhibits
- The establishment of additional businesses and the production of special events and cultural programs within the downtown core and targeted efforts to increase public appreciation of downtown via variety of programming, improvements to security and maintenance, and coordinated hours of operation for restaurants, cafés, clubs, venues, and public transportation
- Increased private participation in the planning of the downtown area as well as sustained leadership to drive financial support and program development efforts to assure an ongoing commitment to the goals of this plan

Recommendations

Recommendations that are echoed in current dialogue:

- “The ‘East End District’, extending generally along K Street Mall from Plaza (Cesar Chavez) Park and the Public Library to Memorial Auditorium,” has been identified for concentrated and specialized activities and associated facilities.

“The integration of arts and cultural activities with retail and restaurant uses along the K Street Mall is critical to eventual success of the District. All possibilities for venue development within existing buildings and private development projects in this area should be explored.”

- “Develop an integrated approach to downtown programming, promotion, and special events. A secure, attractive environment animated by thoughtfully planned programming is the single most important factor in attracting and sustaining the public’s interest in the downtown. Cultural programming must be fully integrated and promoted with the retail effort.”
- “Establish a program of development incentives within the Cultural and Entertainment District to encourage the inclusion of cultural facilities, entertainment venues, and supporting retail uses in mixed-use development projects. Potential incentives include a “density bonus” program, increased flexibility in parking requirements, and acceleration of the development approval process.”
- “Establish a centralized, community-wide box office, information kiosk, and hospitality/security center. Distribute the cultural and entertainment calendar, sell tickets, including half-priced day-of-the-event tickets, and offer special promotions.”
- “Establish “After Glow” hours at District restaurants and cafes to provide a place to visit and dine lightly after an evening of concert-going or shopping.”
- “Create “Street Scenes: After Five”, a series of performances...presented at the end of the day to encourage office workers to remain downtown longer.”

Outcomes & Status

Much of this 1990 research and its resulting recommendations are still relevant today. See Sacramento Performing Arts Facility Study, 2008.

ii. Regional Performing Arts Center & Conference Facility Study, 1997

Title	Regional Performing Arts Center & Conference Facility Study (aka BOORA Study)
Commissioned By	Sacramento Housing and Redevelopment Agency
Study Author	BOORA Architects, Auerbach & Assoc., AMS Planning, Helene Fried & Assoc.
Beginning Date	1993 RFP
Date of Final Report	January 1997
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

- Inventory & analyze existing facilities in the Sacramento area
- Asses need, program and location for a new arts center
- Analyze the market and costs to build and run the center

Data Collection & Methodology

- Research of existing facilities
- Survey of arts organizations
- Meetings and work sessions with committee (members listed in study document)
- Analysis of regional market trends

Key Findings

Report outlines general recommendations for a new performing arts center, including program, site, management, market and use analysis based on current arts organizations projected need.

Recommendations

Four theater complex, including visual arts space, retail, restaurant and office space.

- Flexible studio theater – seating capacity 150
- Flexible midsized theater – seating capacity 300
- Proscenium form theater – seating capacity 600
- Lyric theater – seating capacity 1500 (as alternative to CCT)

Outcomes & Status

To date no center was planned or built based on this study.

Note: Please see ERA Study of 2008 on page 30.

iii. Geodemographic Analysis, 2000

Title	Geodemographic Analysis
Commissioned By	Sacramento Metropolitan Arts Commission
Study Author	ArtsMarket, Inc.
Beginning Date	
Date of Final Report	2000
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

This geodemographic and database study’s purpose was to analyze the nature of Sacramento cultural organizations’ audiences and participants as a means for guiding audience development initiatives.

Data Collected & Methodology

- Assessment of arts organizations’ databases and mailing lists
- 85,531 households were analyzed
- Used ACORN (A Classification of Residential Neighborhoods), developed by CACI Marketing Systems

Key Findings

Arts participants in the Sacramento region can be categorized as follows:

- Performing Arts
 - The Regulars
 - 41% more likely than average to attend performing arts events
 - Performing Arts Groups studied are reaching
 - 23% of these households in the Sacramento Metro Area
 - 13.9% of households regionally
 - Evening Alternatives
 - 10% more likely than average to attend performing arts events
 - Performing Arts Groups studies are reaching
 - 16% of these households in the Sacramento Metro Area
 - 9.2% of households regionally
 - What A Treat
 - 16% less likely than average to attend performing arts events
 - Performing Arts Groups studied are reaching
 - 7.6% of these households in the Sacramento Metro Area
 - 3.4% of households regionally
- Visual and Alternative Arts
 - Gotta Have Art
 - 17% more likely than average to attend art exhibits
 - Visual and Alternative Arts Groups studied are reaching
 - 20% of households in Sacramento Metro Area
 - 14.2% of households regionally
 - Rainy Day Weekends

- 18% more likely than average to visit an art museum
- Visual and Alternative Arts Groups studied are reaching
 - 16.5% of households in the Sacramento Metro Area
 - 9.6% of households regionally
- Someone I know
 - 19% less likely than average to attend art exhibits
 - Visual and Alternative Arts Groups studied are reaching
 - 8.3% of households in Sacramento Metro Area
 - 3.8% of households regionally
- Community Festivals and Public Radio
 - Hands-on and Supporters
 - 25% more likely than average to have an interest in cultural activities and events
 - Arts/Cultural Groups studied are reaching
 - 20% of households in Sacramento Metro Area
 - 13.5% of households regionally
 - Samplers and Dabblers
 - 9% more likely than average to have an interest in cultural activities
 - Arts/Cultural Groups studied are reaching
 - 14.7% of households in Sacramento Metro Area
 - In My Backyard
 - 16% less likely than average to have an interest in cultural activities and events
 - Arts/Cultural Groups studied are reaching
 - 7.5% of households in the Sacramento Metro Area
 - 3.2% of households regionally

Outcomes & Status

SMAC developed several arts stabilization programs as a direct result of this plan, which are still active today:

- Organizational Development Scholarships
- Marketing Grant
- Planning Grant

iv. Financial Analysis of Eighteen Sacramento Arts and Cultural Organizations, 2001

Title	Financial Analysis of Eighteen Sacramento Arts and Cultural Organizations
Commissioned By	Sacramento Metropolitan Arts Commission
Study Author	National Arts Stabilization
Beginning Date	
Date of Final Report	June 2001
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

Trends were examined in the following areas:

- Current liquidity
- Working capital reserves
- Special-purpose assets
- Property/equipment assets
- Endowment assets
- Operating activities

Comparisons were also made to organizations in the following cities:

- Cleveland, OH
- New York, NY
- Seattle, WA

Data Collection & Methodology

Forty-three Sacramento arts organizations were invited to submit financial statements for the years FY1995-1999. Statements from 18 organizations were received and analyzed. In addition to looking at overall movements, trends were identified according to budget size, discipline.

Key Findings

The organizations analyzed had operating budgets (FY1999) ranging from \$26,000 to \$13 million. The average budget size was \$1.2 million.

Aggregate current liquidity across organizations was negative 3% of their total operating expenses. Fourteen organizations had positive liquidity; four had negative liquidity.

No organizations had working capital reserves.

In FY1995, the 18 organizations had a total of \$319,000 set aside for special purposes. By FY1999, no organizations had assets set aside.

The majority of organizations didn't invest heavily in property or equipment during the timeframe evaluated.

Endowment for all organizations totaled less than 1% of aggregate FY1999 operating expenses.

Aggregate earned revenue increased by 66%, and aggregate contributed revenue by 63%, between FY1995-1999. These increases supported the growth in aggregate operating expenses for the 18 organizations.

Recommendations

Target net asset ranges:

- Current liquidity: 0-5% of an organization's operating expenses
- Working Capital Reserves: 10-25% of annual operating expenses.
- Assets Set Aside for Special Purposes: determined by organization objectives
- Net Assets Invested in Property and Equipment: determined by organization objectives
- Assets Invested as Endowment: 200-500% of annual operating expenses
 - provides 10-25% of annual revenue

Outcomes & Status

v. Arts Board Development Project Assessment Report, 2001

Title	Arts Board Development Project Assessment Report
Commissioned By	Sacramento Metropolitan Arts Commission
Study Author	The Cultural + Planning Group
Beginning Date	
Date of Final Report	June 2001
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

This study was intended to aid in the design of a Board Development Program for the Boards of Directors of Sacramento arts organizations and was part of a broader stabilization effort overseen by the Arts Commission’s Arts Development Committee. It assessed specific Board development needs within the Sacramento area.

Data Collection & Methodology

- Group interviews
- Survey
- Focus Groups
- 35 of approximately 150 area arts organizations participated

Key Findings

- There are some overall needs for Board Development, but many more individual needs.
- To some extent, Board and staff self-assessments differ from a predominately-accepted understanding of Board duties and tasks.
- There is a strong connection between Board and Organizational Development and respondents frequently describe Board Development in terms of organizational needs.
- Board and staff perspectives frequently differ
- The capacity of Boards and their organizations is closely linked to the environment in which Sacramento arts and other nonprofits exist.

Recommendations

- Develop a Board Development Program, integrated with other SMAC programs, that includes both seminars and individual technical assistance as well as a special grants initiative to provide assistance for individual consultancies and other development activities
- Identify and build upon existing efforts and resources available within the Sacramento community and consider partnering with other local organizations that have appropriate programs and/or capabilities
- Communicate the findings of the study and other stabilization efforts to the community and promote the importance and viability of the arts community to the business community in partnership with other organizations
- Engage a consultant to support the Board Development Program and begin the Program Design and Implementation phase of the Project

Outcomes & Status

SMAC developed several arts stabilization programs as a direct result of this plan, which are still active today:

- Organizational Development Scholarships
- Board Development scholarships
- Marketing Grant
- Planning Grant

vi. Economic Impact of the Arts in the Sacramento Region, 2001

Title	Economic Impact of the Arts in the Sacramento Region
Commissioned By	Sacramento Metropolitan Arts Commission
Study Author	Economic Research Associates
Beginning Date	early 2001
Date of Final Report	November, 2001
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

“To define the overall economic and employment impact of the arts and arts participation in the six-county Sacramento region.”

Data Collection & Methodology

Examination of budget data for school districts, colleges and universities, state agencies, non-profit arts organizations, and business services and retail activities related directly to the arts and arts participation

Comparative analysis of similar regions in the U.S.

Key Findings

The arts and arts education are a part of active programs at 2 major universities, 5 larger community college campuses, and 50± public school districts in the urban areas of the region.

The estimated primary and induced annual economic impact of the arts in the Sacramento region is roughly \$350 million. In Sacramento County alone, it is estimated at \$322 million.

- The local public community support asset base can be as much as a further 25% above the identifiable expenditures by the arts organizations and participant/attendee expenditures.
- Cumulative annual ranges of recreational and cultural expenditures by the six counties at the time of the report was \$11,200,000 to \$14,000,000.
- From 1995 to 1999, the total business volumes of retail businesses selling arts-related supplies rose by 15%.
- The estimated local government revenues generated by arts activities in the Sacramento region total approximately \$1,343,800.
- It is estimated that arts activities in the region generate between 2,392 and 2,720 FTE jobs.

Outcomes & Status

SMAC is dedicated to increasing arts funding, recognizing that the time and effort to achieve this goal will be monumental. Towards that end, SMAC convened a public-private partnership forum in 2006; began a Quality of Life Initiative in 2008 dedicated to create a public mechanism to financially support the quality of life in Sacramento including the arts; pursues strategic partnerships; and is working closely with the Funding Committee of the Mayor’s For Arts Sake initiative.

vii. Arts in All Schools Initiative, Call to Action, 2002

Title	Arts in All Schools Initiative, A Call to Action
Commissioned By	SMAC
Study Author	Arts Education Task Force, Patty Taylor & Sarah Anderberg
Beginning Date	October 2000
Date of Final Report	January 2002
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

“The charge to the Task Force is to study the current status of arts education, determine needs, and make recommendations for next steps” in bringing the arts to all students attending Sacramento school districts. In addition to research and recommendations, the report includes a call to action. The report seeks to identify specific needs, cost projections to fill those needs, and possible funding streams to address them, as well as key factors that are critical to the success of arts education programs, model programs, and strategies for implementation.

Data Collection & Methodology

- Public meetings, including representatives from school districts, arts and business communities, and “community outreach representatives”
- Assessment of current offerings in the arts during in-school and after-school programs
- In-depth analysis of programming at three school districts

Key Findings

- At the time of the study, arts content standards had not been or had recently been adopted by the school districts studied, resulting in little or no sequential, standards-based arts curriculum in use at any school level, across districts
- The school districts have consistent requirements for instruction in the arts at the high school level only
- No school district has a professional development plan to assist teachers, artists, or others teaching the arts in schools and--due to a lack of requirements regarding arts education courses at college level instructional programs--many teachers have no training in teaching the arts
- While the districts surveyed have adopted the Board of Education’s arts education policies, practical implementation of these policies is minimal
- While the districts do not have a regularly-approved specific arts education budget and report a minimal amount of physical resources at the district level for arts education programs, there is little or no coordinated effort to develop community partners or to lobby local, state, or federal resources to meet arts education needs
- Total cost projections to cover all arts education needs identified by the seven school districts (147,805 total students in 270 schools) is \$10,311,635, or roughly \$70 per student

Recommendations

Recommendations to begin to implement the next steps school districts serving the City of Sacramento have identified as essential to improving their arts education programs for all students:

- Provide \$40/student to each district each year to cover costs such as teacher/staff salaries, professional development, materials and equipment, and transportation for students to attend arts instruction and events
- Provide \$70,000 for a visual and performing arts coordinator at the Sacramento County Office of Education (SCOE)

Recommendations from the task force members, artists and arts providers, and the school districts:

- Provide \$60,000 to SMAC for a full time arts education coordinator to work with school districts, SCOE, and arts providers and artists working in the schools.
- Provide \$300,000 to the Sierra North Arts Project for Professional development programs for teachers in all school districts, for artists working in schools, for arts provider organizations, and for a coordinator
- Provide \$300,000 to SMAC's artist residency program in dance, music, theatre, and visual arts for each school district

Recommendations of the business community and arts providers:

- Provide \$60,000 to hire an arts education development expert to take the task force efforts to the next level working with the city council, school districts, SMAC, SCOE, and the arts and business communities
- Explore innovative options to support the arts education programs such as taxing the sales and rentals of videos or cable hook-ups or a sales tax percentage

Outcomes & Status

SMAC's Arts Education and Stabilization programs provide funding to cover costs such as teaching artist fees, professional development training, and material or transportation costs. However, SMAC is not able to support the level of funding recommended here.

There has been a visual and performing arts coordinator at SCOE for at least 5 years, who has been convening arts coordinators from the school districts and providing professional development, curriculum and event support to the school districts. The coordinator also acts as a liaison with county coordinators throughout the state, sharing resources and expertise.

SMAC has had a full time career arts coordinator for about 5 years, who works with the schools districts, SCOE, arts providers and artists working in the schools and at community sites.

In Fall 2006, the California State Budget made two pots of money available to school districts for arts education, the \$500 million Arts, Music and Physical Education Grant for one-time expenditures on arts or phys ed equipment; and on-going funding of between \$105-\$109 million per year allocated to school districts for professional development, hiring credentialed arts specialists or acquisition of arts learning instruction supplies, books and equipment. Though this funding amounted to much less than the \$40 per student recommended by the study, it did provide substantial new resources to the districts for arts education. Although the funding remains intact, for the 2009-2010

school year, the CA Legislature has allowed school districts to flex the on-going arts education funds for other purposes. Most districts are currently using at least a portion of those funds for other budgetary needs.

This brief period of dedicated and mandated arts education funding has allowed several Sacramento school districts to develop arts plans and to provide professional development for their classroom teachers, and purchase arts equipment and supplies. It has also raised the visibility and awareness of the value of arts education in these districts. The current stressful economic climate has postponed the implementation of many of the district arts plans and even forced several districts to lay off or reassign arts coordinators and arts specialists to other subject areas.

vii. SMAC’s Cultural Business Plan, 2002

Title	SMAC’s Cultural Business Plan
Commissioned By	Sacramento Metropolitan Arts Commission
Study Author	ArtsMarket, Inc.
Beginning Date	2000 (estimated)
Date of Final Report	June 2002
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

“ArtsMarket, Inc. was asked by the Sacramento Metropolitan Arts Commission (SMAC) to complete a cultural business plan for the Sacramento region, the implementation of which is intended to: 1) strengthen the organizational capacity of arts and cultural organizations, 2) raise public awareness of the arts and build audiences and 3) improve arts education in public school districts.”

Data Collection & Methodology

- Geodemographic Analysis, 2000; see page 9
- Financial Analysis of Eighteen Sacramento Arts and Cultural Organizations, 2001; see page 11
- Arts Board Development Project Assessment Report, 2001; see page 13
- Economic Impact of the Arts in the Sacramento Region, 2001; see page 15
- Arts in All Schools Initiative, Call to Action, 2002; see page 16

Key Findings

Research done (2001) for the 2002-07 Business Plan indicated that:

- Sacramento region is fifth in average household incomes in California.
- Region is highly institutionalized (e.g., governments, public education, nonprofit entities)
- Regional area enjoys continuing investment in facilities and programs, many of which provide platforms and direct support for the arts and offer attractive naming opportunities (e.g., Mondavi Center at UC Davis, and Wells Fargo Pavillion). There are needs for more facilities, however, particularly for small and mid-size organizations.
- 55 percent of the regional population shows interest in cultural participation
- For the performing arts, there are approximately 1.3 million households in the region and 570,000 households in Metropolitan Sacramento that indicate varying levels of potential interest.
- For the visual arts, there are approximately 1.3 million households in the regions and 590,000 households in Metropolitan Sacramento that indicate varying levels of potential interest.
- For community arts (arts education programs, festivals and public radio), there are approximately 1.3 million households in the region and 590,000 households in Metropolitan Sacramento that indicate varying levels of potential interest.

- Rapid growth in program activity, estimated at 64 percent, suggest high demand for cultural programming and services.
- Retail operations supporting cultural activities grew by approximately eight percent over the past five years.
- The aggregate, estimated economic impact of arts and cultural activities in the Sacramento region totals approximately \$350 million annually. It is important to note that this is based on a conservative multiplier formula and does not fully account for cultural and heritage tourism impact.
- Arts organizations leverage \$800,000 in public dollars into approximately \$20 million per year.
- Little regional funding and partnership activity is taking place.
- Organizations are not regularly setting aside assets for special purposes or designated reserves. (NAS standard: target to organizations' objectives)
- Majority of organizations are not investing significantly in property and equipment. (NAS standard: target to organizations' needs)
- Aggregated endowments total less than 1% (NAS standard: 200-500%) of annual operating expenses.
- Endowment of \$42 million is needed for arts organizations to reach financial goals.
- Arts organizations are undercapitalized by \$2.8 million.

[NOTE: Utilizing findings from the 2000 U.S. Census for Sacramento and surrounding counties, household size is estimated at 2.7 persons.]The region has a population of loyal and active participants in arts and cultural activities, as well as vast, untapped audiences.

- Local “arts and cultural organizations, particularly those representing culturally diverse communities, are significantly under-capitalized” when compared to the National Arts Stabilization standards.
- Though there are some general board development needs among local arts organizations, there are specific needs that should be addressed on a case-by-case basis.
- The arts have been underutilized as an economic development tool in the Sacramento region
- Arts in education study indicated that the seven school districts, in the aggregate, needed approximately \$10.3 million for basic infrastructure

Recommendations

Primary Goals:

- address short-term cultural development needs
- secure the financial and organizational well-being of arts and cultural service providers over the long-term
- rally public support necessary to create a mandate among local governments, public officials, the business community, and educational and other community leaders

As part of the planning that went into the 2002-07 Business Plan, “many of the findings from the various assessments conducted by SMAC correlate to several City and County goals.” From these correlations, the following goals were identified for the Arts Commission:

- support and strengthen the role of cultural organizations in neighborhood preservation and revitalization
- increase arts and cultural experiences and opportunities for all members of the community through regional partnerships
- enhance the role of culture and the arts in improving the quality of life for residents and visitors
- support and strengthen arts and cultural education for all children, youth and their families
- enhance organizational and financial stability of arts and cultural organizations

The 2002-07 Business Plan planning process found that Sacramento has “diverse, untapped audiences,” which suggests the presence of a “market for different, innovative programming.” It was recommended, in an effort to support innovation and diversity, that:

- SMAC create funding and technical assistance programs to encourage collaborative programming and marketing efforts, specifically designed to broaden cultural participation by culturally diverse populations and younger audiences. “For younger audiences, the development and utilization of technology-based genres loom large in the integration of this important generation into the arts scene over the short and long term.”
- SMAC work with City and County Departments of Economic Development, Sacramento Housing and Redevelopment Agency and other agencies to create programs that fund capital improvement incubators, cultural districts, streetscapes, and live/work spaces, with an emphasis on culturally diverse and younger populations.
- SMAC develop partnerships with City and County Departments of Parks, local school districts and community based organizations to expand neighborhood arts programs.
- SMAC hire a “consultant to develop funding plan among City, County, local school districts and community based organizations that maximizes current funding and generates new dollars to restore arts education in local schools.” It was also recommended that SMAC “hire [a] consultant to develop a funding plan for a regional endowment (\$42 million initial goal) and the development of other stabilization funding programs (2.8 million initial goal)...to be conducted in collaboration with the City, County, and business officials and the Sacramento Regional Foundation.”
- SMAC develop marketing efforts to benefit interested and committed arts and cultural organizations, as well as facility planning efforts, and stabilization programs. Participation in the California Cultural Tourism Coalition was also recommended.

Recommendations to secure the future of arts education included:

- An assessment of the state of arts education in Sacramento to develop “a clear map for arts education planning that will be critical to the success of educational reform and the deployment of financial support.”
- SMAC to hire consultant to develop funding plan
- SMAC to lead efforts to create an Arts Education Coalition that will bring educators together on a regular basis to share resources and exchange information.

Outcomes & Status

- Continues to inform our understanding of how the arts affect our region
- Specific unrelated accomplishments that address the above recommendations are as follows:
 - Collaborated with the Convention & Visitors Bureau and Sacramento Convention Center to launch www.sacramento365.com, an online calendar in the Artsopolis Network, in September 2008
 - Launched the Arts Stabilization program in 2003, which includes the Planning Grant, Marketing Grant, Support Grant, Organizational Development Scholarships, and the Microgrant
 - Have participated in initiatives of Americans for the Arts and California Cultural Tourism Coalition on an ongoing basis
 - Launch major arts marketing campaign
 - Generate revenue from outside City & County

ix. Regional Arts Strategic Plan, 2002-03

Title	Regional Arts Strategic Plan
Commissioned By	Sacramento Metropolitan Chamber of Commerce
Study Author	AMS Planning & Research
Beginning Date	January 2002
Date of Final Report	2003 (estimated)
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

“The mission of the...Plan is to identify strategies and secure leadership and resources from the business sector to ensure a vibrant future for the Sacramento region’s cultural assets, thereby enhancing the region’s growing reputation as a great place to live, work and play.” “The Plan also represents an unprecedented effort by the Sacramento Metro Chamber to help to create a signature for our region, foster diversity and attract and retain employers and employees through the arts.”

Data Collection & Methodology

- A task force of thirty-four regional leaders from the business, education and government sectors developed the Plan
 - Met from January to June 2002
- Guided by several studies on the arts on topics such as
 - Facilities
 - marketing
 - Institutional finances
 - Board development, and
 - Economic impact of the arts
 - A comparative study with six comparable metropolitan areas
- Input from community leaders and arts organizations

Key Findings

- Sacramento’s small and mid-sized groups identified several common marketing needs including reducing costs, sharing production and staff, increasing public awareness, and researching non-traditional audiences
- “The arts and cultural community in the Sacramento region stands to gain a great deal by working together on cultural marketing programs. Public awareness of the region’s cultural assets is low and many are under-utilized.”
- There are a number of potential organizational models that might be employed to support collaborative cultural marketing in Metro Sacramento, including that of the National Advertising Council.
- It is widely recognized that many of the region’s mid-sized arts organizations are in management and financial crisis due to a lack of resources, high debt levels, and an inability to attract and retain skilled personnel.
- Critical aspects of institutional stability and capacity impacting the Sacramento region’s arts organizations are:
 - Inefficiency of business operations

- Lack of skilled personnel
- Participation of the community's leadership on boards and donor rolls

Recommendations

It is recommended that a Sacramento Regional Arts Initiatives Team be formed with the express purpose of implementing the following recommendations:

- Pursue a new dedicated source of public funding for the arts.
- Establish a new source of private sector funding for the arts.
- Establish the Sacramento Arts Marketing Council, which will create and implement a community-wide image campaign for the arts and a variety of ongoing collaborative marketing services for arts and cultural groups.
- Provide economical and standardized shared business services for regional arts groups.
- Provide ongoing educational and training programs for arts administrators, staff, volunteers, and boards.
- Establish a means whereby the Sacramento Metro Chamber can evaluate and make recommendations regarding proposals for cultural facilities.

The Team was to begin work in October 2002 with an annual budget of approximately \$100,000, which was to be covered by funds secured from CSU Sacramento, Los Rios Community College District, UC Davis, and the Arts and Business Council of Sacramento. The planning objectives were expected to be accomplished within two to three years. The role of the Team was to:

- Secure funding to underwrite the Sacramento Regional Arts Initiatives and hire professional staff to support its efforts
- Enlist additional volunteers and community partners to support the initiatives
- Coordinate the activities of various sub-committees convened to accomplish specific initiatives
- Liaison with the leadership of the Sacramento Metro Chamber

Outcomes & Status

This effort ended with the elimination of the SacTicket website and the removal of Arts & Business Council from the Metro Chamber. Lessons were learned and many aspects of the initiative remain extremely relevant.

x. 10th & K Performing Arts Facility Analysis, 2005

Title	10 th & K Performing Arts Facility Analysis
Commissioned By	City of Sacramento EDD
Study Author	LMN Architects, AMS Planning
Beginning Date	
Date of Final Report	February 2005
Complete Study Available	Hard copy - SMAC

Scope of Work

Study commissioned to assess the type and size of theater that would best meet the needs of the local theater community, integrated into a mixed use project with retail and restaurant space. Analysis of the best use of available buildings/space at 10th & K Streets based on capital and operational costs and timelines.

Data Collection & Methodology

- Team meetings with City staff, developers, arts organizations
- Survey of existing arts organizations
- Presentations to arts representatives and stakeholders

Key Findings

Four potential scenarios as potential projects for 10th & K Streets – including analysis of; urban context, capacity, market, preliminary operation estimate and cost estimate.

- 400 seat theater with retail at street level
- 400 seat theater with studio theater – less available retail space
- 200 seat flex studio theater – maximum retail space
- 1000 seat multipurpose theater – little to no retail space available

A fifth option was also analyzed; renovation of the existing little theater at Memorial Auditorium.

Recommendations

- Co-development of small theater space with street level retail/residential/office space.

Outcomes & Status

Development of the building that once housed the historic Woolworth department store on the southeast corner of 10th and K streets was developed by David S. Taylor Interests. The building, called The Cosmopolitan, includes The Cosmopolitan Cabaret theatre (California Musical Theater), Cosmo Restaurant and Bar (Paragary Restaurant Group), and Social, a modern nightclub and lounge featuring a rooftop patio (Randy Paragary and Bob Simpson).

The theater has 23 tables of four and 115 seats arranged in bar-style seating. Pre-performance and intermission cocktail service in the theatre is provided by Cosmo Restaurant and bar.

xi. SMAC Strategic Business Plan 2008-13

Title	SMAC Strategic Business Plan 2008-13
Commissioned By	Sacramento Metropolitan Arts Commission
Study Author	Morrie Warshawski, Ruth Rosenberg
Beginning Date	November 2006
Date of Final Report	March 2008
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

Under the leadership of Executive Director Rhyena Halpern, the Sacramento Metropolitan Arts Commission (SMAC) hired strategic planning consultant Morrie Warshawski to lead agency staff, the Commission, and the arts community in the drafting of this plan. The plan outlines a mission, vision, set of core values, and statement on diversity for the agency. It also includes strategic directions, goals and objectives and a commitment to County and City plans. Over 2300 people gave input to this Plan.

Data Collection & Methodology

- Discovery interviews with individuals
- Internet survey of local arts organizations and individual artists
- Internet survey of the general public
- Town Hall Meetings open to all sectors of the arts community
- Roundtable meetings with stakeholder groups
- A National Public Art internet survey from over ten cities re best practices in public art
- A National Arts Agency internet survey from ten cities re governance of local arts agencies
- Half-day planned retreats with staff and Commissioners

Key Findings

- There is a need for increased communication among arts groups and with the general public
- There is a call to significantly increase funding from individuals, foundations, government, and small businesses for the arts and for SMAC
- The region needs more small and mid-sized venues for rehearsals, performances, and exhibitions
- Marketing of both the arts in the region and of SMAC as a major player in the arts is a major concern
- There is a need for more partnerships among arts groups and with the business community in order to leverage and build resources.
- There is a need to update APP's and SMAC's governance documents.

Recommendations

In pursuit of the agency's vision, the following strategic directions were identified:

- Conduct vigorous and ongoing arts marketing efforts
- Enhance arts funding mechanisms
- Develop and strengthen partnerships
- Increase organizational effectiveness

Further goals were put forth:

- Increase visibility of the arts in the region
- Increase public & private understanding of SMAC's role in the community
- Establish higher levels of private sector funding
- Significantly increase public sector funding
- Become a hub and primary resource for the regional arts community
- Foster effective communication among stakeholders
- Become a major participant in economic and community development
- Increase agency effectiveness
- Increase program effectiveness

Outcomes & Status

- Is currently active
- SMAC has launched comprehensive arts marketing campaign
- SMAC has forged major strategic partnerships
- SMAC is in research and development to develop new sources for funding the arts
- SMAC is an advocate for professional, affordable and accessible performing arts facilities
- SMAC is emphasizing its role as a hub for the arts

xi. Public Financing for Civic Amenities in the Sacramento Region, 2008

Title	Public Financing for Civic Amenities in the Sacramento Region
Commissioned By	Partnership for Prosperity / Valley Vision
Study Author	UC Davis Center for the Study of Regional Change
Beginning Date	2007
Date of Final Report	May 2008
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

The UC Davis Center for the Study of Regional Change has conducted research on public financing of civic amenities in the Sacramento Region. Technical assistance for this research was provided by Economic and Planning Systems. This research was conducted to promote comprehensive regional development in the Sacramento region. This report provides the background on General Obligation Bond and Sales Tax revenue approaches in other regions of the country and the methods for calculating this revenue for the 6-county Sacramento region.

Data Collection & Methodology

- Review of existing research
 - Morrison Institute for Public Policy at Arizona State University
 - Case studies
 - Innovative Models
- The data used to calculate all revenues come from secured data tables
 - Property Tax Collection Statistical Reports, 2005-2006
 - Table 20: State Sales and Use Tax Statistics, by County for 2005-2006

Key Findings

- The Center for the Study of Regional Change reported that, “sales tax and general obligation bonds seem to be the most promising revenue sources for the Sacramento region.”
- “Both General Obligation bonds and Sales taxes can be aggregated on a regional scale to accommodate multiple city and county interests in one overarching district.”
- Depending on the tax level selected, funding mechanisms such as General Obligation Bond and the Sales Tax Revenue Bonds can raise between \$620 million to \$3.1 billion per year.
- See chart, next page.

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Total Funding Available for Civic Amenities from General Obligation Bonds and Sales Tax Revenue Bonds (2005\$)						
	GO Bond Proceeds			Sales Tax Revenue Bonds		
	0.1%	0.25%	0.5%	0.1%	0.25%	0.5%
Prpty Tax Override						
Sales Tax Increase						
	\$	\$	\$	\$	\$	\$
El Dorado	20,300,00	50,800,000	101,600,000	11,440,600	28,601,400	57,202,800
Placer	46,500,000	116,300,000	232,600,000	44,610,700	111,526,400	223,052,100
Sacramento	105,100,000	262,900,000	525,700,000	128,599,300	321,498,200	642,995,800
Sutter	62,600,000	156,400,000	312,800,000	8,572,000	21,430,400	42,860,800
Yolo	16,900,000	42,300,000	84,600,000	19,005,800	47,515,100	95,029,600
Yuba	36,000,000	90,200,000	180,400,000	3,390,200	8,475,100	16,949,700
TOTAL	287,4000,000	718,9000,000	1,437,700,000	215,618,600	539,046,600	1,078,090,800

Recommendations

Based on the calculated potential revenues, it is suggested that the Sacramento region focus on mobilizing the political will to implement these funding strategies.

Outcomes & Status

To be determined.

xiii. PFP Civic Amenities Experiences Tour, 2008

Title	PFP Civic Amenities Experiences Tour
Commissioned By	Partnership for Prosperity
Study Author	Partnership for Prosperity
Beginning Date	March 2008
Date of Final Report	July 2008
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

The goal of this project was “to obtain public input in regards to civic amenities in a fun, meaningful way.” The process developed a civic amenities inventory, public financing research and recommendations, and created a one-of-a-kind civic amenities exhibit.

Data Collection & Methodology

- In developing the project, the PFP Civic Amenities team engaged in:
 - Strategic planning sessions
 - An exploration of best practices
 - A review of case studies from other regions
 - Focus groups with economic developers, community stakeholders, and directors of civic amenities from the six-county region
 - Civic Amenities and Economic Prosperity Community Forum
- An interactive travelling exhibit invited community input regarding the development of regional civic amenities
 - 10 locations throughout the Sacramento region
 - More than 1,600 participants

Key Findings

- Recreation and River Walk received the most dollars overall.
 - **Recreation (18.8%).** According to PFP, “recreation was the number one vote-getter at four of the Experiences venues and ranked within the top four at every showing on the tour.”
 - **River Walk (18.6%).** “While the region has a very modest river walk, many people gravitated to the concept of capitalizing on the area’s rivers and waterfronts,” PFP notes.
 - **Performing Arts (15.6%).** Performing Arts received the majority of votes at two of the ten exhibit locations. When these numbers are combined with votes cast for Museums & Galleries, arts- and culture-based civic amenities drew 25.6% of participant votes.
- Kid-friendly Destinations fared well with families.
- Town Square ranked high at venues attracting people interested in planning and economic development.
- Sports and Entertainment fell behind other priorities.

Recommendations

- Additional formal polling and data gathering to develop a regional initiative or project
- Cultivate financial support for a broader civic amenities effort

Outcomes & Status

To be determined.

xiv. Sacramento Performing Arts Facility Study, 2008

Title	Sacramento Performing Arts Facility Study
Commissioned By	City of Sacramento Redevelopment Agency
Study Author	Economics Research Associates (ERA)
Beginning Date	February 2007 (estimated)
Date of Final Report	November 2008
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

Economic Research Associates (ERA) was commissioned by the City of Sacramento's Redevelopment Agency to complete a needs assessment of the Sacramento region's performing arts venues, organizations, and audiences. The study was commissioned to document performing arts facility needs and propose possible development scenarios to accommodate the needs. Study includes projections of costs and revenue associated with a hypothetical performing arts complex, order-of-magnitude capital cost estimate, and a utilization forecast.

Data Collection & Methodology

- National data on trends in the performing arts industry
- A demographic analysis of the Sacramento region
- Inventory of existing and proposed performing arts facilities
- A needs assessment survey of performing arts organizations
- Stakeholder interviews
- Case studies of four performing arts facilities in comparable markets
 - The Gallo Center, Modesto California
 - The Holland Center, Omaha, Nebraska
 - The Long Center, Austin Texas
 - The Overture Center, Madison Wisconsin

Key Findings

Their findings include the following input from the performing arts community:

- A need exists for more venues of varying sizes that can accommodate performing space, storage and rehearsal space.
- Many existing facilities are “constraining to user-groups due to their seating capacity, proximity to outdoor noise, lack of heating or air-conditioners, lack of adequate performing space, inadequate technical support, inaccessibility, and location.”
- Smaller groups pointed out that many of the existing performing arts facilities in Sacramento are not affordable given their smaller budgets.
- Many existing venues are located on high school campuses where a preferential system of registration favoring school usage presents barriers to community and professional arts groups.

- Strong demand exists for a 1,500-seat theatre and smaller venues of 250-seats or less. Slightly less demand, but still significant, exists for a 500-600 seat theatre.

Recommendations

- Consultants developed an operating scenario for a “a hypothetical complex of three venues: one 1,500 seat proscenium theatre, one 550-seat theatre, and one 250-seat studio or black box space. We assume that the new facility will have adequate back of house space, support functions, and amenities, for a total of approximately 105,000 square feet. We assume that the facilities will be located in downtown Sacramento.”
 - In the base-stable year of operations the proposed complex would have an annual budget of just over \$1.65 million and require over \$700,000 of subsidy, or contributed revenue.
 - Detailed utilization estimates, proposed rental rates and fees, and operating projections are included in the study.
 - No specific development scenario was recommended in the study

Outcomes & Status

- Submitted to City Council
- ERA consultants have presented their findings
 - League of Sacramento Theatres, Spring of 2009
 - SMAC Town Hall Meeting, November 2, 2009
- We distribute the study online and as needed, hoping this study can help support plans as they develop. The Facilities Committee of the Mayor’s Arts Initiative has reviewed this report, as has the Mayor, and several local developers.

xv. The Creative Industries in Sacramento, CA, 2008

Title	The Creative Industries in Sacramento
Commissioned By	Sacramento Metropolitan Arts Commission
Study Author	Americans for the Arts
Beginning Date	
Date of Final Report	2008
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

This report “offers a research-based approach to understanding the scope and economic importance of the arts in Sacramento, CA.”

Data Collection & Methodology

The report is based on data collected from organizations and businesses who have registered with Dun & Bradstreet.

Key Findings

“As of January 2008, Sacramento, CA is home to 943 arts-related businesses that employ 4,703 people.”

Between 2007 and 2008, the number of arts businesses increased 11.86%; total employees grew 12 percent.

Recommendations

None provided.

Outcomes & Status

To be determined.

xvi. Planning for Civic Amenities in the Sacramento Region, 2009

Title	Planning for Civic Amenities in the Sacramento Region
Commissioned By	ULI Sacramento District Council
Study Author	Janice Fillip, ULI Sacramento District Council
Beginning Date	
Date of Final Report	January 2009
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

This report focuses on current and historical efforts to develop a coherent civic infrastructure for the Sacramento region. It also identifies lessons learned during the civic conversations that have already taken place and outlines possible follow-up effort to keep regional leaders invigorated and enthusiastic about a regional civic amenities plan.

Data Collection & Methodology

A region-wide conversation on planning and sustained economic growth has been underway in the Sacramento Region for decades.

- Gathered Baseline Information
 - Compiled an inventory of all existing and planned civic amenities throughout the Region
 - Administered a survey to residents and stakeholder groups across the six county Region
- Listened to the Region
 - Convened a series of forums with community leaders, ULI members, university experts, organizations, and local citizens
- Analyzed Funding Strategies
- Shared Project Outcomes
 - “Civic Amenities and Economic Prosperity: The Role of Arts, Culture, and Recreation in Regional Economies and Place Making”
 - “Civic Amenities and Economic Prosperity: Developing a Strategy to Expand Arts, Culture and Recreation in the Sacramento Region”

Key Findings

Lessons Learned

- Civic amenities play a vital role in the health of the Region.
- Collaborations between the American Institute of Architects, American Society of Landscape Architects, Urban Land Institute and Valley Vision could prove valuable in moving forward with “next step” projects.
- It is difficult to bring together and sustain an effort to develop regional priorities and funding programs for civic amenities. Changing mind sets and promoting cooperation will require a long timeframe and sustained efforts.

- Champions of the Civic Amenities Action Team can serve as catalysts to convert a project-oriented approach to developing civic amenities into a larger context, possibly through creating a conceptual civic amenity infrastructure master plan.
- Like most areas, local governments within the Sacramento Region tend to be parochial.

Recommendations

- Capital Region Core Task Force
- Encourage the cities of Sacramento and West Sacramento to collaborate, rather than compete, for state building projects
- ULI and AIA Central Valley Chapter have invited champions of the Civic Amenities Action Team to assist in the creation of a visionary concept for a civic amenities infrastructure throughout the Sacramento Region. The goals:
 - Develop a map showing existing and proposed civic amenities
 - Completed and attached
 - Create a PowerPoint presentation that provides a framework for the creation of a vision for civic amenities in the Region

Outcomes & Status

To be determined.

xvii. California Creative Vitality Index 2006-07, 2010

Title	Creative Vitality Index
Commissioned By	California Arts Council
Study Author	Western States Arts Federation
Beginning Date	2009
Date of Final Report	2010
Complete Study Available	http://www.sacmetroarts.org/arts-resources.html

Scope of Work

The Creative Vitality Index (CVI) is a measure of the health of the arts-related creative economy in a specified geographic area intended to be updated annually. It was developed as an “inclusive and robust diagnostic tool related to the arts elements of the creative economy.”

Data Collection & Methodology

The CVI is anchored in established data sets provided by the following partners:

- The Urban Institute’s National Center for Charitable Statistics
- Economic Modeling Specialists, Inc.

Parameters for the design of the Index include:

- identify and utilize existing data streams
- include nonprofit arts elements, arts components of cultural organizations, for-profit businesses directly involved in arts and those working in the creative economy in areas such as graphic design and architecture
- measure the *economic* dimensions of arts and culture based on creativity in a community
- Be valid to research experts, the arts community, and the public

Key Findings

In both 2006 and 2007, the Greater Sacramento Region had a Creative Vitality Index of 0.82; both years the area ranked 6th among the 10 California regions included in the Index. The region includes Amador, El Dorado, Placer, Sacramento, and Yolo Counties. As defined, the 2006 population of the region was 2,100,936; it was 2,129,798 in 2007.

The index is comprised of the following components:

- Non-profit arts organization income (10%)
- Non-profit “arts-active” organization income (10%)
- Per capita bookstore and record store sales (8%)
- Per capita music store sales of instruments and equipment (8%)
- Per capita photography store sales (8%)
- Performing arts revenues (8%)
- Art gallery and individual artist revenues (8%)

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The Creative Economy in the Greater Sacramento Area	2006			2007		
	Total Revenue	Index	Rank*	Total Revenue	Index	Rank*
Non-profit arts Orgs	\$50,028,120	0.58	6	\$50,696,316	0.52	6
Nonprofit Arts-Active Orgs	\$96,942,864	1.06	3	\$119,368,457	1.19	3
Performing Arts	\$29,463,000	0.33	6	\$30,950,000	0.33	5
Art Dealer/Ind. Artists	\$126,010,000	0.55	7	\$137,072,000	0.58	7

*Rank among the 10 California regions included in the Index. Other regions include Bay Area, Central Coast, Central Sierra, Central Valley, Inland Empire, Inland Northern, North Coast, South Coast, Los Angeles.

Occupations: Statistical Highlights

- Top three categories
 - In 2007, there were over 5,700 Photographers, 2,200 Writers and Authors, and 1,700 Musicians and Singers working in the Greater Sacramento Region.
- Greatest increase
 - The number of Fine Artists, including Painters, Sculptors, and Illustrators, increased by 5.9% from 2006 to 2007.

Recommendations

Designed to serve as a tool to inform public policy decision making and to support the work of advocates for the development of the creative economy, it is recommended that the Index be used for the following purposes:

1. Define the parameters of Sacramento’s creative economy;
2. Educate the community at large concerning the components and dynamics of the creative economy;
3. Shape arts advocacy messaging;
4. Highlight significant changes in the creative economy ecosystem;
5. Underscore the economic relationships between the for-profit sector and the nonprofit sector; and
6. Benchmark the status of the local creative economy and diagnose weaknesses in that economy.

Outcomes & Status

xviii. City of Sacramento 2030 General Plan- Section: Education, Recreation and Culture

Title	General Plan/Education, Recreation and Culture
Commissioned By	City of Sacramento
Study Author	City of Sacramento Staff
Beginning Date	2004
Date of Final Report	Adopted; March 3, 2009
Complete Study Available	http://www.sacgp.org/

Scope of Work

The development of the General Plan began in 2004 based on the foundation of the city’s Smart Growth Principles. In 2005, the City Council adopted Vision and Guiding Principles, creating the framework for the new General Plan. The Introduction to the 2030 General Plan presents the Vision and Guiding Principles; describes overarching General Plan themes, including the City’s response to climate change; provides General Plan organization; presents a profile of Sacramento, including the city’s history.

Data Collection & Methodology

The 2030 General Plan was shaped over a four-year period by an extensive outreach process that engaged residents, businesses, developers, and decision-makers and included:

- High School and College Summits.
- City Leadership Workshop.
- Community Open Houses.
- Public Hearings and Adoption.
- Other Outreach Efforts.

Key Findings: General Plan

The 2030 General Plan’s goals, policies, and implementation programs define a roadmap to achieving Sacramento’s vision to be the most livable city in America. Underlying the vision and connecting it to the roadmap is a set of six themes that thread throughout the General Plan.

- Making Great Places
- Growing Smarter
- Maintaining a Vibrant Economy
- Creating a Healthy City
- Living Lightly-Reducing Our “Carbon Footprint”
- Developing a Sustainable Future

Key Findings: Education Recreation and Culture

The City of Sacramento recognizes the importance of providing quality education, cultural services, and recreation and parks in making Sacramento a great place to live and do business. Access to education, good jobs, active recreational opportunities, and participation in the arts enhances the city’s livability for residents. In addition, a skilled

workforce and an engaging cultural environment are important in attracting new industries to the community to keep the city's economy healthy.

Goals: Arts and Culture

Policies in this section support the diversity of first-class arts and cultural facilities located in Sacramento. Art programs and exhibitions, musical and dramatic performances, and similar events provide opportunities for the attendance of residents and visitors, as well as their participation and appreciation. The inclusion of art in public places broadens the exposure and awareness of city residents and visitors, and enhances and enriches the community culture and quality of life.

Goal ERC 4.1: Diversity of Arts and Cultural Facilities and Programs. Provide a diversity of first-class arts and cultural facilities and programs for people of all ages to improve knowledge of Sacramento's history, enhance quality of life, and enrich community culture.

Policies: Arts and Culture

ERC 4.1.1 Sacramento as the Region's Cultural Center. The City shall partner with universities and educational institutions, libraries, arts and cultural organizations and facilities, and creative individuals and supporters to strengthen the region's network of cultural resources. *(IGC/JP)*

ERC 4.1.2 Accessible Facilities and Programs. The City shall encourage the development of arts and cultural facilities and programs that are accessible to all residents (e.g., affordable and accessible by various travel modes). *(MPSP/IGC/JP)*

ERC 4.1.3 City-Owned Resources. The City shall invest in City owned arts and cultural resources and facilities, and make improvements as necessary. *(SO/FB)*

ERC 4.1.4 Downtown Venues for the Region. The City shall explore opportunities to work with other jurisdictions in the region to support the development and expansion of regional performing arts venues in downtown Sacramento. *(IGC)*

ERC 4.1.5 Convention Center. The City shall expand Convention Center facilities and adjacent supportive infrastructure, including hotels, to attract top-tier national and international events. *(SO/FB)*

ERC 4.1.6 City Archives. The City shall maintain and enhance the City Archives as a unique cultural resource for documenting the human experience in Sacramento. *(SO)*

ERC 4.1.7 Community Center Theater. The City shall support the Community Center Theater as a vibrant, attractive facility that provides first class programming. *(SO)*

ERC 4.1.8 Conservation of Resources. The City shall fund the conservation of its art and materials collection. *(FB)*

ERC 4.1.9 Citywide Expansion of Resources. The City shall encourage and support expansion of art and cultural events, festivals, activities, and performances throughout the city. *(SO/IGC/JP)*

ERC 4.1.10 Partnerships to Increase Programs. The City shall encourage partnerships among arts and cultural groups, community organizations, and the business community to develop arts and cultural educational activities and programming for all ages. *(IGC/JP/PI)*

ERC 4.1.11 Programs for Children. The City shall support programs and events that introduce children to the arts and provide positive outlets to explore their own talents and creativity for self-expression. *(MPSP/PI)*

ERC 4.1.12 Retention of Artists. The City shall encourage artists to live and work in Sacramento. *(JP)*

ERC 4.1.13 Maintenance of City-Owned Facilities. The City shall allocate funding to the maintenance of City-owned arts and cultural facilities. *(FB)*

ERC 4.1.14 Assistance for Non-City-Owned Facilities. The City shall support arts stabilization for private and nonprofit arts and cultural organizations to maintain and expand their facilities, program, and events. *(FB/JP)*

ERC 4.1.15 Grants and Donations. The City shall support the efforts of nonprofit, private, and community-based organizations to apply for public and private grants and encourage donations for arts and cultural activities. *(JP)*

ERC 4.1.16 Cultural Institutions. The City shall promote funding for integrated marketing opportunities and partnerships for cultural institutions. *(IGC/JP)*

ERC 4.1.17 Contributions to Art in Public Places Program. The City shall encourage private commercial development to contribute two percent of a project's total construction budget to the City's Art in Public Places program. *(RDR/JP)*

ERC 4.1.18 Public Art in New Developments. The City shall encourage private commercial development to include public art in all new buildings. *(RDR/JP)*

SUMMARIES FROM RELATED NATIONAL RESEARCH

1. Americans for the Arts

i. Arts & Economic Prosperity III, 2009

“Nationally, the nonprofit arts and culture industry generates \$166.2 billion in economic activity every year—\$63.1 billion in spending by organizations and an additional \$103.1 billion in event-related spending by their audiences. The impact of this activity is significant, supporting 5.7 million U.S. jobs and generating \$29.6 billion in government revenue.”

“Between 2000 and 2005, spending by organizations and their audiences grew 24 percent, from \$134 billion to \$166.2 billion. When adjusted for inflation, this represents a healthy 11 percent increase.”

“In 2005, nonprofit arts and culture organizations alone supported 2.6 million full-time equivalent jobs. Of this total, 1.3 million jobs were a result of “direct” expenditures by nonprofit arts organizations, representing 1.01 percent of the U.S. workforce.”

“Dollars spent on human resources typically stay within a community longer, thereby having a greater local economic impact...Nearly half of the typical [arts] organization’s expenditures are for artists and personnel costs (43.2 percent).”

“Nationally, the typical attendee spends an average of \$27.79 per person, per event, in addition to the cost of admission... Local audiences, who live in the county in which the event occurred, spent an average of \$19.53 per person, per event in addition to the cost of admission. Nonlocal attendees, those who live outside the county, spent twice this amount, or \$40.19 per person.”

“A 2001 research study by the Travel Industry Association of America and Partners in Tourism indicates that:

- 65 percent of all adult travelers attended an arts and culture event while on a trip that was 50+ miles away from home.
- 32 percent of these cultural travelers stayed longer because of the event.
- Of those that stayed longer, 57 percent extended their trips by one or more nights.”

END NOTE: The Historic/Cultural Traveler, 2001 (TravelScope Survey)

“The average city and county in the study had 5,174 arts volunteers who donated 191,499 hours to nonprofit arts and culture organizations, a donation valued at \$3.4 million.”

Seventy-one percent of the responding organizations received in-kind support, averaging \$47,906 each during the 2005 fiscal year. Corporations were the largest provider of in-kind services.”

2. National Endowment for the Arts

i. Survey of Public Participation in the Arts, 2009

Among the 2008 findings:

- There are persistent patterns of decline in participation for most art forms.
- Aging audiences are a long-term trend.
- Educated Americans are participating less than before, and educated audiences are the most likely to attend or participate in the arts.
- The Internet and mass media are reaching substantial audiences for the arts.

There exists a trend in arts consumption among Americans toward enjoying artworks and performances on the Internet, and doing so frequently. Nearly 40 percent (39.4%) of adults who use the Internet do so to “view, listen to, download, or post artworks or performances”—many (30.1%) at least once a week. Additionally, “20.2 percent of Internet-using adults viewed paintings, sculpture, or photography online” at least once a week.

ii. The Arts and Civic Engagement: Involved in Arts, Involved in Life, 2006

This study has shown that people who participate in the arts are more likely to be actively involved in their communities, both socially and civically. “Arts participants and readers contribute substantial social capital to their communities through high levels of charity work and participation in sports and outdoor activities.” Readers and arts participants are more than twice as likely to volunteer in their communities. “By every measure captured by the Survey of Public Participation in the Arts, literary readers lead more robust lifestyles than non-readers.”

People who read or attend arts events are twice as likely to:

- attend sporting events
- play sports
- exercise
- participate in outdoor activities such as hiking, camping, or canoeing

Across most categories of artistic, athletic and civic life, however, young adults are less involved, and levels of participation among this age group has been declining for the past 20 years.

- Performing Arts attendance by young adults is down an average of 2.32% in the past 20 years.
- Musicals currently have the highest attendance rate (15.1%) among young adults.
- Though Opera has the lowest attendance rate (2.6%) among young adults, it is the only genre to maintain “its young adult attendance rate for 20 years.”
- “18-34 year-olds had the highest literary reading rate across all adult age categories in 1982. Twenty years later, they had the lowest rate among adults under age 65.”

iii. How the United States Funds the Arts: Second Edition, 2007

“In countries like France, Germany, Mexico, or China, most arts funding comes from the government—either at a federal or local level.”

Subsidies in by other countries’ art/culture ministries “are enormous by American standards.”

- Example: Annually, Italy’s major opera houses receive government subsidies equal to nearly ten times what the NEA receives.

The U.S. arts system has produced “a cultural landscape of enormous size and unmatched diversity.” “Like most free market or mixed market systems, American arts philanthropy is complex precisely because it is decentralized and dynamic.”

- Institutions see results based on factors such as location, artistic talent, cultural philosophy, and management, regardless of the results seen by similar institutions.
- The success of any given institution can change from year to year, as it is in the corporate sector. On the upside, this dynamism:
 - Keeps “artists and institutions realistically focused on their goals and communities.”
 - “Provides new groups the chance to grow.”

In 2004, Contributed Income made up 56% of U.S. arts funding:

- 13% - Public Funds
 - 9% - Federal
 - Less than 1% came from the NEA.
 - “NEA is the largest annual funder of the arts nationwide.”
 - 1% - State
 - 3% - Local
- 43% - Private Funds
 - 9% - Foundations
 - 3% - Corporations
 - 3% - Individuals

Exact statistics on U.S. cultural institutions do not exist. National estimates include:

- 1,500 professional theatres
- 1,200 symphony orchestras
- 600 youth orchestras
- 120 opera companies
- 500 writers’ conferences

Every dollar the NEA grants “typically generate[s] seven to eight times more money in terms of matching grants, further donations, and earned revenue.”

3. *The Hewlett Foundation*

i. An Unfinished Canvas, 2008

This study, commissioned by the William and Flora Hewlett Foundation, suggests that California schools are missing the mark in arts education. Key findings include:

- 29% of California's schools do not offer a standards-based course of study in any of the four arts disciplines-music, visual arts, theatre, and dance.
- 89% of California's schools fail to offer a standards-based course of study in all four disciplines, falling short of state goals.
- 61% of schools do not have even one full-time equivalent arts specialist. At the elementary level, arts instruction is often left to regular classroom teachers, who rarely have adequate training. Further, arts facilities and materials are lacking in most schools.
- Standards alignment, assessment, and accountability practices are uneven in arts education, and often not present at all.
- California students lag behind the national average in hours of arts instruction-up to 50% less in music and visual arts instruction at the elementary level.

SMAC's partnership with Sacramento's Robla School District through its Model Arts Program was presented in a follow-up report, "An Unfinished Canvas: Local Partnerships in Support of Arts Education in California," as a case study that "illustrate[s] the variety of ways that school districts, schools, and arts organizations can work together to increase student access to arts education."

4. The Wallace Foundation

i. The Qualities of Quality: Understanding Excellence in Arts Education, 2009

Researchers from Project Zero at the Harvard Graduate School of Education identified the following as frequently cited characteristics of quality arts education experiences:

- Engagement – focused, total, all-encompassing.
- An involvement with authentic artistic processes and materials.
- An exploration of “big ideas” about art and human experience.
- Direct experiences with works of art made or in the making.

Further, the report indicated a broad belief that arts education programs of highest quality are those that simultaneously serve multiple purposes. Arts education should:

- Foster broad dispositions and skills, especially the capacity to think creatively and the capacity to make connections.
- Teach artistic skills and techniques without making them primary.
- Develop aesthetic awareness.
- Provide ways of pursuing understanding of the world.
- Help students engage with community, civic, and social issues.
- Provide a venue for students to express themselves.
- Help students develop as individuals.

5. James Irvine Foundation

i. Critical Issues Facing the Arts in California, 2006

This working paper describes the first phase of the Irvine Foundation's efforts to examine the forces, trends and challenges facing the arts sector in California. It identified five key themes/challenges that may threaten the stability of arts organizations in California:

- Access
- Cultural Policy
- Arts Education
- Non Profit Business Model
- Next Generation Artists & Arts Managers

The nonprofit arts and cultural sector is facing major, permanent, structural changes brought on by technological advances, globalization and shifting consumer behavior. Their research suggests that nonprofit arts organizations are only one of many elements in California's complex system of arts and culture today, and are likely to become increasingly peripheral as the modes of creating, delivering and consuming artistic content and experience. The process of helping the sector adjust to these changes and develop a more sustainable cultural ecosystem must be built on a common understanding of the larger environmental context and the evolving dynamics of cultural provision and consumption.

A preliminary look at some major trends suggests that the future of the arts is likely to be neither conclusively negative nor positive, but certainly different than it has been in the past. It is critical that future decisions by individual artists, organizations, funders and other policymakers be made in context of global and local realities.

If investments and policies are shaped strategically and informed by solid information about key trends, there is every reason to believe that California will continue to be one of the most dynamic and generative environments for culture in the world. The underlying causes of the sector's current condition are complex and many decades in the making. The six months of interviews and analysis that went into this paper are insufficient to understand all the dimensions of California's cultural ecosystem. More research and analysis about the contemporary context for culture is needed, as well as more debate about and refinement of desirable strategic interventions. The goal of this working paper was to spur a fresh and comprehensive discussion among the many entities that will shape this sector in years to come. To stimulate discussion and reflection on the health and vitality of the cultural sector, the Irvine Foundation will distribute this paper broadly to interested parties and vet the issues in detail with an array of cultural leaders, foundation executives and policy-makers.

Feedback and reactions from readers of this report were gathered through October 2006, and are available for review at www.californiaculture.blogspot.com.

The hope of the Irvine Foundation was that:

- this report would serve as an overarching framework for a planning process
- the conversations and planning may lead to original approaches and new collaborative strategies

6. Western States Arts Federation/ Washington State Arts Commission

i. Perspectives on Cultural Tax Districts, 2008

Session One: The Cultural Tax District Landscape

Six existing districts:

- St. Louis, MO – Zoo-Museum District (ZMD)
 - 1st tax district, established in 1971
 - Currently supports St. Louis Zoo, St. Louis Art Museum, Missouri Historical Society, St. Louis Science Center, Missouri Botanical Garden
 - Funding source is city- and county-level property tax, and the amount provided to each institution is specified by law
 - No application process or review, but governance is complex
 - Comprised of boards for each funding recipient to oversee the distribution of financial resources
 - General requirement of free admission
- Denver, CO – Scientific and Cultural Facilities District (SCFD)
 - Provides funding to a seven-county region in and around Denver
 - Admin cost is less than \$500,000 and employs four people, has a board of 11 (one from each county, plus four appointed by the governor)
 - Funded by a penny per \$10 purchase sales tax (\$40 million annually)
 - 3-Tier funding distribution
 - Tier One: formula funding
 - Tier Two: application
 - Tier Three: re-granting
- St. Paul, MN – Sales Tax Revitalization (STAR)
 - funding source is ½ percent sales tax
 - 10% distributed as cultural capital investments
 - origin reflects a packaging of the City's needs
 - governed by a board of nine (five city-appointed, four nominated and elected by arts organizations)
- Allegheny County, PA – Allegheny Regional Asset District (RAD)
 - 128 of the county's 130 municipalities are eligible to—and do—participate
 - origin as tax reform
 - funding source is one percent sales tax (\$78 million in 2007)
 - Maximum allowable admin expenditure is one percent
 - approx. 0.74% in 2007
 - six staff members
 - approved by legislature > county > municipalities
 - never went before voters
 - Applicants present to the board, which makes all allocation decisions
 - funding primarily supports general operating expenses
- Salt Lake City, UT – Zoo, Arts, and Parks (ZAP)
 - Funded by a penny per \$10 purchase sales tax (\$12.6 million in 2007)
 - Small Admin, with less than 2 FT employees
 - funding is distributed as follows:
 - 12% to zoos

 - 30% to recreation
 - 58% to arts and culture, distributed in two tiers
- Cuyahoga County, OH – name not specified

- Funded by a penny and a half per cigarette tax (\$0.30 per pack), authorized for 10 years (anticipated at \$15 million annually)
- In its early stages at the time of publication, so evaluation of its governance/admin was not available

Session Two: Written Histories

- Detroit Cultural Tax Effort – what went wrong?
 - It went forward without much strategic thought.
 - There must be something community-specific that determines what merits public support. When you start to ask questions about what the funding is for, you begin to strategize in terms of what specific things really need additional funding in a particular region or community.
 - Proposal budgets should be submitted in the context of a strategic plan and should address community values as identified through a planning process, not what individual orgs need.
 - Only two of the three counties in the Metro Detroit region were represented in the proposed tax district.
 - Macomb County didn't fit the size requirement to be included, but was located near to city center where most of the orgs that would be funded were located. Oakland County, which was included, was farther away and not connected to the city center by rapid transit.
 - Oakland residents didn't want to pay increased property tax to fund orgs they had limited access to when Macomb residents were more likely to participate in programming without paying anything for it.
- Creating disparity
 - Focusing a funding strategy that will attract the creative class overlooks the majority of a community's population (which tends to be part of the "non-creative" class).
 - Relying on lotteries or smoking taxes to fund the arts tend to transfer money from the poor to the rich.
- Detroit proposed an increase in property tax, which was popular among renters.
- Factors that foster support for public funding of the arts
 - The same measures that political scientists identify as driving liberals views tend to drive public funding.
 - This is true regardless of which political party is in power or how a body of government is divided between parties.
 - Levels of higher education tend to make a difference much more so than income.

Session Three: Unwritten Histories

St. Louis Zoo-Museum Project:

- Generates nearly twice the money as any of the other regional cultural tax districts in the country
 - 3 organizations each receive almost \$10 million annually
 - 2 organizations each receive almost \$20 million annually

- Two supported organizations are now among the best in the world; the other three are among the best in the nation. Together with the Regional Arts Commission (whose funding supports over 200 arts and culture organizations), ZMD has made St. Louis the number one arts city of its size in the country.
- Benefits of the district include:
 - excellence of the institutions receiving funding
 - popularity of these institutions
 - inclusiveness that the tax district has encouraged the institutions to embrace
 - all have outreach programs that are effective in the broader community
- Challenges of the district include:
 - Only a few institutions benefit and it is difficult to become included in the district.
 - inclusion requires state legislative and voter approval
 - each organization goes on the ballot separately and must therefore make its own case
 - Property tax is a poor source of funding for the purposes of this district
 - unpopular with voters
 - an impediment to getting other institutions added into the district
 - Because political establishments are not directly responsible for the district decisions, they are not as invested and therefore the district lacks significant political leverage.

The Denver Scientific and Cultural Facilities District:

The district was created within the context of an economic recession with the expressed purpose of reclaiming lost funds from the city and state. Jane Hansberry, former district administrator of the SCFD, feels that—had the rationale for the district been more widely framed—the district could have adopted a broader purpose of “putting forward a new cultural and artistic climate for the region and proposing a new understanding of the potential for arts and science institutions to be true partners in every arena of our communities.” She noted, however, that the timing of the district’s passing was a source of civic pride during the difficult times of the recession, and she did note that nothing is intractable and changes to the legislation are possible once it has passed.

Still, she advises erring on the side of inclusion when deciding who to invite to the table, not only for the purpose of presenting a united front to electeds, but also to include a broader cross-section of the represented communities and to illustrate to voters that the initiative will benefit more than just the elites.

Challenges presented by this district model include:

- The district was not “perceived as an entity that could be a change-maker, a collaborative player, or a real force in the community.”
- There is a cap of 0.34% of a percent for administrative costs.
- Funding levels are named, Tier One, Tier Two, and Tier Three; as Hansberry notes, “Nobody wants to be two or three. Use other words—words and nomenclature matter.”

The Salt Lake City Zoo, Arts and Parks District

This initiative was initially introduced as a way to address the financial crisis the Utah Symphony was facing at the time; by creating a funding mechanism to support recreational, zoological, botanical, cultural, and arts organizations and facilities, local governments had a greater role in supporting its arts and cultural organizations. The legislation has been amended twice since it was originally created.

Between 1997 and 2006, Utah provided approximately \$113 million in state funding for the arts. "Having learned from the SCFD, language was included to make certain that the funding from this tax would not jeopardize the state's ongoing support and cannot supplant existing funding in place."

The 30% designated to recreational facilities and the 12% designated to zoological facilities were concessions made in order to gain wider political support for the measure. Funding cannot exceed 35% of an organization's operating budget and it requires the formation of advisory boards. Organizations are also required to offer free admission on certain days, a key factor in the popularity and high voter approval rating of the district. Evolutions of the tax district include:

- Due to creative uses of these operating expenses in the district's history (see the *Session Four, Recipient Definitions* section below for additional details), "the advisory board has spent a great deal of time writing specific language concerning qualifying expenses; for example...salaries and rental fees needed to be capped in some cases."
- The district has become a model for communities across the state and "has expanded from one county to five, and to 10 individual cities in the state."

Session Four: Intended and Unintended Outcomes

Recipient Definitions

- After Salt Lake City's tax passed, local communities began considering their own local tax options, but did not invite state arts agencies to the table. As a result, there is no agency tracking the cumulative revenue generated by these initiatives. Additionally, by not including anyone beyond the local community, decisions were being made from bad/incomplete information and lacked an outside perspective. Gaps in information existed in areas such as:
 - technical assistance
 - guidance regarding the language on the ballot
 - how to provide local elected leaders with guidelines
- Specific concerns arose regarding the use of funds that ultimately resulted in careful re-writing of the language concerning qualifying expenses. Concerns included:
 - For-profit organizations changing their status to nonprofit in order to qualify for the tax
 - Organizations paying trustees or administrators salaries that were much higher than other arts organizations and submitting them as qualifying expenses
 - Organizations claiming lease costs on buildings constructed with public funds as qualifying expenditures.
- Additional concerns include:
 - Organizations that qualify for the same funding tier in the Tier Model may be very different in their operational/ organizational/etc structure. For example, one organization that hosts a single one-day event per year could be placed in the same tier as an organization that performs or

rehearses 365 days a year, if they share characteristics that are used to classify the organizations into tiers.

- How do we judge what constitutes a fair distribution of funds?
- What is appropriate for de-centralized, local facilities versus larger facilities to meet local community needs?

Impact on the development of cultural policy

- “When significant public dollars are expended on any activity, the manner in which those dollars are allocated, the purpose for which they are placed, and the qualifications of the recipient should be regularly revisited.”
 - How do these allocations address cultural policy goals established in consultation with the public?
 - Has the evolving tastes/needs of the public been sufficiently considered?
- Long-term, public dollar entitlements are poor public policy. They insulate the recipient organization from change, rather than motivate them to change.

Unintended outcomes of the entitlement model of tax districts include:

- Entitlement places an undue emphasis on maintaining organizations rather than on the development of art forms.
 - Districts are constructed and distributed to orgs that present cultural programs rather than to the cultural ideas that underpin the provision of such programs.
 - Decisions regarding allocations are not made based on supporting the development of an artform (music, horticulture, etc.) in the community.
 - One-time events or cultural events that emerge unexpectedly are shut out.
 - Doesn't allow for flexibility in the structuring and evolutionary restructuring of cultural experiences for the public.
 - Why lock the public into financially supporting “flagship” institutions instead of the cultural ideas that are most vital to a community?
- The largest entitled organizations become untouchable and are allowed to lose touch with the public.
 - Funds flow regardless of the role the tax district actors are playing; they are insulated and have little/no incentive to consider broad cultural policy issues.
- The entitlement structure prevents the allocation system from being nimble and responsive.
 - Entitled orgs are losing the capacity to significantly respond to the cultural interest and aspirations of changing populations.
 - Audiences are declining for a number of traditional artforms.
 - Younger audience participation is low.
 - Consumption of music, video, and books is changing.
- The culture of entitlement discourages robust cultural policy discussion that can benefit the arts in the long term.
 - Tax district boards lack the ability to make policy.
 - Funded orgs have little motivation to engage the community in discussions regarding policy.

- Members of the community are not drawn into forums/panels to weigh in on how cultural efforts should be supported and at what level.
- There is no knowledge base being cultivated regarding cultural support/ cultural policy within the greater community.
- The highly restrained administrative structure of tax districts restricts the volume and quality of policy-fostering activities that can take place.
- By bracketing out emerging and non-mainstream organizations from eligibility for significant funding, the system is insensitive to issues of cultural equity.
 - Organizations in lower-level funding brackets face significant obstacles to upward migration through the funding tiers due to set formulas for allocation.
 - Ethnically-based organizations tend to suffer significant disadvantages.
- The limited criteria used to qualify organizations for funding allocations leaves them unaccountable for their aesthetic decisions.
 - Tax districts do not use citizen and expert panel-review processes.
 - The panel model tends to consider aesthetics a major criterion.

7. AMS Planning and Research

i. Pre-Cultural Planning Cultural Assessment, 2008: Des Moines, IA

AMS Planning and Research undertook a Pre-Cultural Planning Cultural Assessment of the Greater Des Moines area. Key themes revealed were:

- Future sales tax referendums or other measures concerning public funding for arts and cultural organizations should consider focusing on “providing arts and cultural educational programs for the region’s young people, or ensuring a more focused approach to arts/cultural funding without other non-arts monies as part of the package.”
- Develop of a United Arts Fund following the “United Way” model of combined private fundraising.
- Seek out opportunities for partnerships:
 - among arts educations
 - Strategies for arts education partnerships would need to take into consideration barriers to school-based arts education programs such as increased focus on mandated testing and increased cost of buses for field trips.
 - with higher education institutions
 - between arts organizations and local corporations
 - with the region’s media providers
 - with the cultural tourism sector
 - Model Program: New Orleans’ “Jazzy Cabby”
 - among arts / cultural organizations
- Develop Audiences:
 - create a single, centralized web-based calendar
 - leverage the increasing role of social networking websites
 - re-package several smaller events into a larger festival to better attract major sponsorship dollars and larger audiences
 - conduct coordinated market research and target marketing efforts
 - an updated “Welcome Wagon” program for new residents could spread the word about arts/cultural opportunities
- Establish “new cultural venues, primarily to serve smaller and emerging arts groups.”
 - A focused, active cultural district
- Participate in increased advocacy on behalf of the arts and cultural sector.
- Promote multiculturalism, diversity and inclusion in:
 - funding
 - technical assistance
 - audience development
 - board development
 - programming
 - consultancies
- Develop strategies for working more closely with the film and video industry.

Key Strategic Planning Areas

- Collaborative Marketing and Audience Development
- Technical Assistance and Professional Development
- Multi-Disciplinary Cultural Center

- Civic Engagement with the Built Environment
- Arts and Entrepreneurialism
- Cultural Budget and Community Benchmarking
- Other
 - Sponsorship Development
 - Cultural Tourism
 - Media Relations

ii. Arts and Culture Study, 2003: Fort Wayne, IN

AMS Planning and Research undertook an Arts and Culture Study sponsored by the City of Fort Wayne and Allen County, Indiana. The study was done within the following budgetary/funding context:

- Limitations of state laws ensure that many potential funding sources would require state legislative approval.
- Existing sales taxes on lodging are already dedicated to existing organizations.
- Major capital projects are seen as “consuming” significant community resources.
- Given the current climate, the prospect of considering any new taxing mechanism is bleak.

Budget highlights for 12 area cultural organizations were:

- An aggregated annual budget of \$12.1 million
 - total government funding accounts for 4.7%
 - private funds account for 48.8%
- Earned revenues of approximately \$3.7 million, which have remained stable over the past 3 years
- Total reported annual attendance of close to 260,000
- Of all funding needs, the organizations “identified general operating support, marketing and promotion of downtown-based events and attractions as top priorities.”

The following statistics on public funding models (from 1997-2000) was culled from research done by the Americans for the Arts:

- 86% of local arts agencies (LAA) serving pops between 100,000 and 500,000 receive some form of local government funding
- Local government funding accounts for an average of 32% of LAA budgets
- 22% receive funds from hotel/motel taxes
- 17% receive funds from a percent-for-art ordinance
- 10% receive property tax
- 6% receive funds from sales taxes
- Local government support has increased an average of 13% annually from 1997 to 2000
- Since 1994, 50% of LAAs have experienced an annual increase in revenue received from local government.

Model Case Studies:

- Denver’s Scientific and Cultural District
- St. Louis’ Zoo / Museum District
- Indianapolis, IN
- Oakland, CA

- Tucson / Pima County, AZ
- Potential Public Funding Options:
- Sales Taxes
 - Innkeeper's Tax
 - Any change would require the active support of the county's hospitality industry and the approval of state legislature, making increases highly unlikely.
 - Food and Beverage Tax
 - Entertainment Tax
 - In order for these taxes to generate any substantial income a high volume of sporting events and "big ticket" touring acts is required.
 - Gaming
 - Efforts to legalize and/or tax this activity would require state legislation, and is seen as highly unlikely.
 - Gaming Revenue Sharing
 - Revenue sharing from gaming is distributed by the state to counties without gaming operations
 - Cable Franchise Fee
 - Some cities have elected to use a portion of cable franchise fees to fund arts and cultural programs.
 - Property Tax
 - Income Tax
 - Other Potential Sources
 - Library Authority
 - Some communities have considered incorporating arts funding under the auspices of a library district, particularly when libraries enjoy strong public support.
 - Telephone Tax
 - Airport Rental Car Fees
 - Capital Improvement Board
 - Bingo
 - a cultural consortium operating a bingo game or parlor has been successful and lucrative for some arts groups in other cities.

The "Cultural Trust Challenge" Model:

- Missouri Cultural Trust
- Arizona Arts Endowment Fund (aka Arizona ArtShare)
- Columbus Challenge

iii. Cultural Impact Study, 2007: Houston, TX

AMS Planning and Research undertook a Cultural Impact Study for the City of Houston, TX. The key findings regarding the impact of the arts industry on the economy were as follows:

- The arts are a \$626.3 million industry in Houston; they support 14,115 full time jobs and generate \$69.5 million in local and state government revenue.
- The \$33 million in local government revenues as a result of the the total economic impact of the city's nonprofit arts industry:
 - Is three times that of similar communities
 - Represents a direct return on investment of more than 2 to 1

- Audiences
 - The arts draw people to Houston
 - Arts are not just for the wealthy
 - Arts are accessible to all
 - Arts organizations reported a total of \$54.9 million in total ticket/admission income in 2004
- Cultural Tourism
 - 1.6 million visitors attended cultural events in 2004 and spent an average of \$82 each.
 - Cultural tourists spend more than three times as locals in conjunction with attending arts events.
- Employment
 - The total economic impact of the city's nonprofit arts community results in 29,729 jobs, including professional individual artists.
- Volunteerism
 - 34,000 individuals volunteered more than 650,000 hours worth over \$11.2 million in 2004
- Economic and Community Development
 - Corporate leaders report that workforce recruitment and retention is advanced by the city's strong cultural sector
 - Cultural organizations and community leaders report a wide range of impacts that the arts have on their neighborhoods, from preserving historic buildings to rehabilitating public parks
 - Community leaders describe how artists in the neighborhood are a positive influence, from mentoring to helping youth envision career paths related to arts, culture, and community development

8. Fine Arts Fund

i. The Arts Ripple Effect: A Research-Based Strategy to Build Shared Responsibility for the Arts, 2010

“Public responsibility is undermined by deeply entrenched perceptions that have nothing to do with government and everything to do with understanding of the arts.”

“The idea that the arts have a unique ability to lift individuals and communities to a higher and better state has died out almost without a trace.”

- No new narrative has replaced it

“The arts’ does not evoke much feeling as a category, while culture has a strong connection with ethnicity, or events focused on a distinct culture.”

Public thinking “about the arts is shaped by a number of common default patterns that obscure a sense of public responsibility in this area.”

- Art is entertainment
 - Entertainment is a luxury
- The arts are personal expression
 - A personal, rather than public, matter
- The arts as beauty
 - positions the arts as a result—not a cause—of good things happening in the community
- The arts as a school subject
 - perceptions about arts education reinforce the secondary importance of the arts

Assumptions that work against the positioning of the arts as public good are consequences of the above default understandings:

- The arts are a private matter
- The arts are a good to be purchased
- People expect to be passive, not active
- The arts are a low priority

A downtown-centric focus is problematic because:

- It limits the range of what “arts and culture” encompasses
- Some residents feel more connected to the geographic area than others
- Associations with “high art” can be triggered
- It can trigger thoughts about safety and neighborhood crime

Ripple effects of a thriving arts sector include:

- A vibrant, thriving economy
 - Lively neighborhoods
 - Revitalized communities
 - Tourism
- A more connected population
 - Diverse groups sharing common experiences
 - Varied perspectives, greater understanding

To create a “sense of broadly shared responsibility for the arts,” a message strategy should:

- Position the arts and culture as a public good
- Provide a clearer picture of the events, activities, and institutions the message applies to
- Convey the importance of a proactive stance
- Incorporate all people in a region, not just urban centers

APPENDIX

i. Sacramento Metropolitan Arts Commission Originating Ordinance, 1977

Below is an excerpt of the Ordinance establishing the Sacramento Metropolitan Arts Commission:

2.84.080 Powers and duties.

The powers and duties of the commission shall be as follows:

- A. To foster and develop support for the arts;
- B. To advise the council and the board on all matters concerning the arts, including pending legislation;
- C. To advise the council and the board on the allocation of funds in support of the arts, to establish firm and equitable standards for such allocations, and to evaluate those allocations annually;
- D. To develop an awareness in the business community, in local government, and in the general public of the value of the arts to Sacramento;
- E. To develop programs, subject to budgetary limitations, either alone or in cooperation with other private or public agencies, to provide accessibility to the arts for everyone and to encourage public participation in the arts;
- F. To review and make recommendations upon the program development and budget, master planning site development and building design of any local government public building project during the preliminary stages.
- G. To advise the city and county of, and to seek, state, federal, and private funds available in support of the arts;
- H. To act as a liaison between the city and county, local artists and cultural groups, and the community at large;
- I. To offer assistance to groups or individual artists in developing arts programs and in applying for public or private funds;
- J. To work with the fine and performing arts departments in local colleges and universities to encourage their participation in the community;
- K. To work with school districts in an advocacy capacity to encourage arts and artists in the schools;
- L. To research the needs of artists and the community, and then develop, and regularly update and evaluate progress against a five-year plan for the growth of the arts in Sacramento;
- M. To establish an advisory committee to explore the future of the aesthetic quality of life in the community, with vision and imagination, and to report and recommend periodically to the commission

The full ordinance is available on SMAC's website:

http://www.sacmetroarts.org/_pdf/SMAC-Ordinance.pdf

ARTS & CULTURE IN THE SACRAMENTO REGION:
A SUMMARY OF RESEARCH AND PLANNING DOCUMENTS, 1990-2009
VERSION AS OF 3/16/2010

ii. Sacramento Metropolitan Arts Commission Planning History, 1977-1998

DATE	DOCUMENT	ACTION	PREPARATION	CONSULTANT	AVAILABILITY
1977	Originating Ordinance	Adopted			Electronic
1982	Arts Plan				None
01/1986	Performing Arts Organization Survey	Pressing Needs of arts orgs			Surveys, notes
04/1986	Revised Public Relations Proposal		Internal and External communications plan		Notes only
1986	Arts Plan; Supporting Documentation; Planning Process Report	Merged Sacramento Redevelopment Project Plan;			One, process & supporting docs only
04/1987	Marketing & Promotion Campaign	Unknown if adopted		Eric Heilman	Draft only
1988	"The Sacramento Metropolitan Arts Commission Marketing Plan for the Arts"	Marketing and promotion strategies to turn public apathy into recognition, visibility and involvement for the arts.	Marketing priorities were identified in 1986 Arts Plan	Hancock & Keil	One
1990	Downtown Cultural & Entertainment District Master Plan	Adopted			None
02/1992	"Strategies for Sacramento's Cultural Master Plan"	Preliminary study, called for comprehensive arts plan for region	Resulted in formation of "Regional Alliance for Arts Planning"; designed to develop the components needed for the design of an eight-county master plan. SMAC as lead agency	Thomas Wolfe	Several
05/1992	Cultural Master Plan Strategies	BOS accepted recommendation of SMAC to initiate a community cultural plan	City allocated \$10,000; total estimated costs to be \$80,000-\$100,000. Grants were submitted to CAC and NEA which required \$15,000 in increased City dollars		Several; City/County docs
11/1992	Regional Cultural Plan	Initial public meeting			Notes
09/1993	Survey of Arts community and the public	Used in County and Regional arts plans	Arts Orgs now, to be done by March 2004: ; Individual artists; arts supporters and community leaders; business industry; general public	Jennifer Franz	Survey, notes
07/1993	"State of the Sacramento Area Economy"	Presentation on the Formulation of an Economic Development Strategy for Sacramento		Tim Johnson, City Manager's Office	One
1994-1995	On-going work on Plan			Ken Larson	Notes only
1998	Community Arts Forums	Policy issues on arts funding and long-term planning	4 over 1 year	Richard & Anna Linzer	Notes only