

ARTS,
CULTURE
& ECONOMIC
PROSPERITY

IN ALLEGHENY COUNTY, PA



GREATER PITTSBURGH ARTS COUNCIL



BILL STRICKLAND
 President and CEO,
 Manchester Bidwell
 Corporation, and Founder,
 Manchester
 Craftsmen's Guild



LAURA ELLSWORTH
 Partner-in-Charge, Pittsburgh
 Office of Jones Day; Vice-
 Chair, Allegheny Conference
 on Community Development,
 and Chair, Youth Policy
 Council, Three Rivers
 Workforce Investment Board



EVAN FRAZIER
 Senior Vice President
 of Community Affairs,
 Highmark

"Arts and culture are essential to the evolution of our region's many communities, precisely because the arts demand innovation, social enterprise, risk-taking, and social equity, qualities that are critical to insuring the continual economic growth, vitality, and health of any region in a rapidly changing world."

"The arts provide invaluable training in the skills most necessary to the development of our future workforce: creativity, self-reliance, accountability, collaboration, on-time delivery, problem-solving, pride in product, and incorporation of new ideas. Test-taking doesn't develop or reveal these critical attributes. The arts do, while simultaneously nurturing the human spirit. Despite the rise of technology (or perhaps because of it), growth of the human spirit is more important than ever."

"The health and wellness of our community begins with a vibrant region. At Highmark, we are proud to support organizations that provide the residents of Pittsburgh, Allegheny County and its surrounding communities with artistic and cultural opportunities. We salute them for the many economic benefits their endeavors yield."

The spending of arts and culture organizations and their audiences ripples throughout our economy, benefitting all members of the public. Everybody wins.

AN INTRODUCTION

from the *Greater Pittsburgh Arts Council* (GPAC)

Nearly every “Best of” ranking that lists Pittsburgh/Allegheny County as a top destination in America — whether it’s to live, visit, relocate, or retire — cites arts and culture as a key factor. From the report that follows, we learn that this cultural vitality positively impacts our region’s economy.

Long a factor in the economic transformation of Allegheny County, the arts and culture sector is a force able to accelerate the pace of our current economic recovery, alongside the medical, higher education, finance, energy, and technology sectors. (Plus, unlike many industries, most arts and culture jobs can’t be exported).

Also, we learn that it’s never been so fun to grow the economy. In addition to captivation, beauty, and moving experiences, we get economic activity, jobs, household income, and government revenues. The spending of arts and culture organizations and their audiences ripples throughout our economy, benefitting all members of the public. Everybody wins.

Still, we cannot take these wins for granted. Keeping the relationship between cultural vitality and economic prosperity strong means investing in the financial health of arts and culture organizations, providing access to the arts and arts education, monitoring our cultural infrastructure, increasing rates of individual giving to the arts, and stabilizing public funding. GPAC, in close collaboration with our many partners, will continue to address these issues with programs in fundraising, professional development, audience engagement, and research & advocacy.

In presenting this report, GPAC is well aware that quantitative, economic data is just one tool to document the many impacts of the arts and culture. Additional tools include qualitative data-gathering, sometimes gathered alongside “hard” data, to create narratives, case studies, and individualized stories. It is often these kinds of stories that carry the day with decision-makers, especially when focused more, for example, on the impacts of arts learning on a young person’s sense of self or on how the arts serve as a communications bridge between members of diverse populations.

GPAC will be generating many of these kinds of narratives as it expands its research capacities, while continuing to gather and analyze economic impact data in the arts. For now, we welcome your comments on this report. We hope it motivates you to join us in advocating for the many public benefits of the arts and culture.



MITCH SWAIN
CEO, Greater Pittsburgh
Arts Council



LUKE RAVENSTAHL
Mayor, City of Pittsburgh



PEGGY MORRISON OUTON
Executive Director,
Bayer Center for Nonprofit
Management at Robert
Morris University



JAMES V. DENOVA
Vice President,
The Claude Worthington
Benedum Foundation

“A thriving arts sector is essential to Pittsburgh remaining a vibrant, welcoming place that continues to be named ‘America’s Most Livable City’ year after year. Pittsburgh is currently experiencing its Third Renaissance, and our outstanding local arts community has been an essential partner in this success, helping to attract new businesses, residents and jobs to the City of Pittsburgh.”

“Greater Pittsburgh would be so much the poorer without its outstanding nonprofit arts institutions! It is pure joy to be downtown or in a neighborhood that is bustling on a Friday night with audiences on their way to venues offering choice and challenge. Characterized by strong, visionary artists in partnership with effective volunteer boards of directors who live the nonprofit life of fundraising and community building, we all benefit from their committed, intelligent work.”

“The arts economically impact communities of all kinds, from urban neighborhoods to the commercial main streets of small towns. The Benedum Foundation focuses on rural economic development, and for many areas of Southwestern PA, cultural tourism is replacing the traditional economies of coal and steel. We believe the *Arts & Economic Prosperity* series, of which GPAC’s study is a part, will help to accelerate this economic transition, and we look forward to regional economic analyses to come.”

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RICH FITZGERALD
County Executive,
Allegheny County

“Allegheny County is growing and attracting young people; a large part of that is our arts community. In addition to the quality of life benefits provided by varied and vibrant arts groups, those same groups also provide a significant economic impact to our county. We are proud that these organizations call Allegheny County home.”

ABOUT THIS REPORT

This report was conducted in partnership with Americans for the Arts (AFTA), the nation’s leading arts service organization, as part of AFTA’s nationwide *Arts & Economic Prosperity IV* initiative, in which 182 communities and regions, including Allegheny County and the state of Pennsylvania, participated. The findings in the Allegheny County study are based on FY 2010 organizational data from 120 area arts and culture organizations and 918 audience spending surveys. To give additional context to this report’s conclusions, GPAC drew on data from the Cultural Data Project, the *Local Arts Index* report on Allegheny County, Pittsburgh TODAY, and the Greater Philadelphia Cultural Alliance. The national, statewide, and county *Arts & Economic Prosperity IV* reports, and extensive data tables, are available at www.pittsburghartscouncil.org/prosperity.

COUNTING ARTS & CULTURE ASSETS

SCOPE AND VARIETY

In 2010, the same year this report's data was collected, the Greater Pittsburgh Arts Council prepared the *Southwestern Pennsylvania Culture Count*. The report defined the scope and key characteristics of the nonprofit arts and culture sector in Allegheny County and in the surrounding counties of Armstrong, Beaver, Butler, Fayette, Greene, Washington, and Westmoreland.

493 ARTS & CULTURE ORGANIZATIONS

198

PERFORMING ARTS

dance, music, theater, festivals, performing arts presenters

187

MUSEUMS & GALLERIES

media arts, arts museums and galleries, science, nature museums, historical sites/archives

58

COMMUNITY ARTS AND EDUCATION

including school, community-based arts presenting, instructional programs

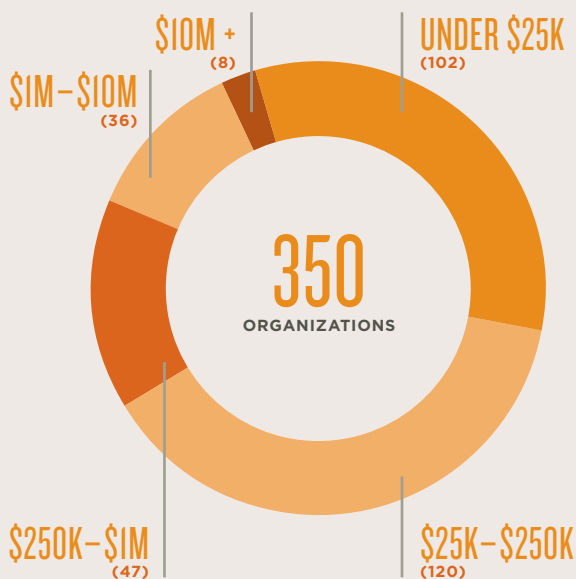
38

SUPPORT

service providers, professional associations

ALLEGHENY COUNTY

ANNUAL EXPENSE BUDGETS



SURROUNDING COUNTIES

ANNUAL EXPENSE BUDGETS



All eight \$10M+ organizations are in Allegheny County, as are 36 of 42 of the \$1M to \$10M organizations.

CULTURAL VITALITY

In addition to its variety by organizational type and budget size, the Pittsburgh region has a high degree of cultural vitality according to data from the Cultural Data Project and the Americans for the Arts' *Local Arts Index* report. Cultural vitality, as operationally defined by AFTA for its *LAI* study (while acknowledging other definitions), is *the inherent ability of the arts to sustain themselves and to thrive in the future*. The following are some positive indicators of the region's cultural vitality:

18.2	ARTS & CULTURE NONPROFITS per 100,000 in population (We rank #4 among benchmark regions*)	↑
\$315	PER CAPITA SPENDING on nonprofit arts & culture by each county resident. (national average is \$267 per capita)	↑
48%	OF ALL ARTS & CULTURE EXPENDITURES IN THE REGION COME FROM FOUR ORGANIZATIONS (a lower concentration than the national average of 58%)	↑
249	INDIVIDUAL ARTISTS per 100,000 in population (national average is 148)	↑
45%	OF ALL ARTS & CULTURE ATTENDEES IN THE REGION PERSONALLY CREATE ART	↑
15M	ATTENDANCE AT ARTS & CULTURE EVENTS ANNUALLY (nearly two-thirds are younger or older audiences attending at reduced rates)	↑

*Benchmark regions compared with the Pittsburgh region for this study are: Baltimore, Columbus, Detroit, Indianapolis, Kansas City, Milwaukee, Portland (OR), San Diego, and St. Louis.

Taken together, the scope, variety, and vitality of the arts and culture in the Allegheny County region add to up to significant economic benefits for the region.

CHALLENGES

FINANCIAL HEALTH: In 2010, 63% of the area's arts and culture organizations ran a deficit.

INFRASTRUCTURE: In 2010, the region's arts and culture organizations spent \$110 million on physical plant maintenance, while investment in new infrastructure was minimal.

NEW ORGANIZATIONS: Among benchmark regions, our region ranks last in the number of new arts and culture organizations founded in 2000 or after.

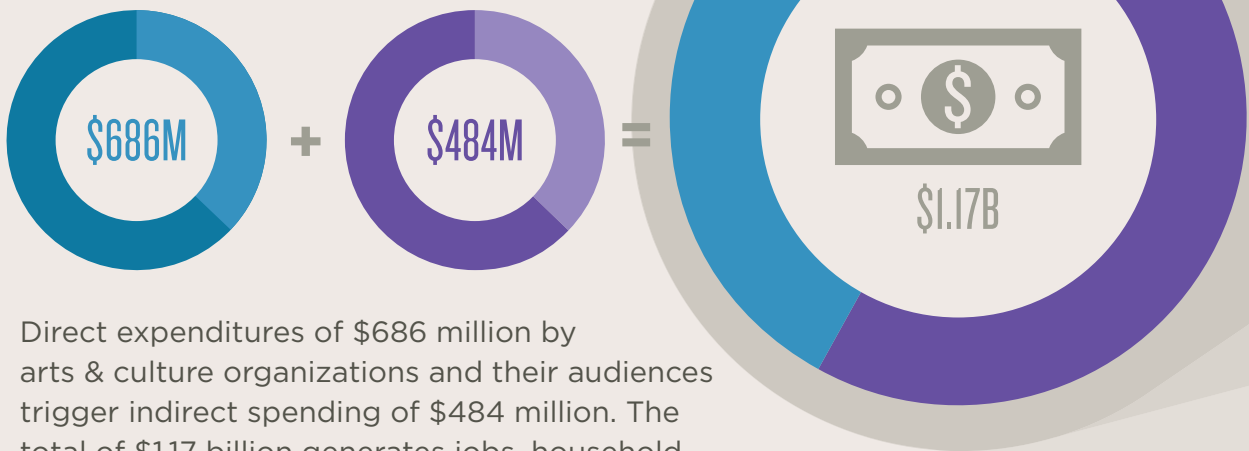
ARTS EDUCATION: 78% of adults in the area agree that the arts are a very important part of the curriculum of K-12 schools, yet many schools still lack quality arts education programs.

RACIAL EQUITY: African Americans in Allegheny County are more likely than other groups to compose or play music, sing in a choir, or dance, yet African Americans here are 33% more likely to find the area's cultural offerings unsatisfactory than are other racial groups.

AN ECONOMIC ENGINE FOR ALLEGHENY COUNTY

ANNUAL TOTAL ECONOMIC IMPACT

\$1.17 BILLION



Direct expenditures of \$686 million by arts & culture organizations and their audiences trigger indirect spending of \$484 million. The total of \$1.17 billion generates jobs, household income, and tax revenues.

DIRECT EXPENDITURES

\$686 MILLION

ORGANIZATIONS:	\$369 million
AUDIENCES:	\$317 million

INDIRECT EXPENDITURES

\$484 MILLION

ORGANIZATIONS:	\$288 million
AUDIENCES:	\$196 million



FULL-TIME EQUIVALENT JOBS

20,550

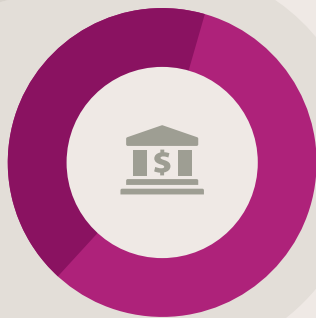
ARTS & CULTURE:	3,064
OTHER INDUSTRIES:	17,486



RESIDENT HOUSEHOLD INCOME

\$410 MILLION

(includes salaries, wages, and entrepreneurial income used to pay households' living expenses)



TAX REVENUE

\$74 MILLION

STATE:	\$43 million
LOCAL:	\$31 million

(includes taxes on income, property, sales, lodging and fees — licenses, utilities, filing, and other fees)

DIRECT EXPENDITURES

This is the first round of spending by arts organizations and audiences.

EXAMPLE: A nonprofit theater creates and sustains jobs via expenditures to its employees (in the form of regular paychecks).

INDIRECT EXPENDITURES

Economic activity generated by the arts then triggers rounds of spending throughout the region's economy.

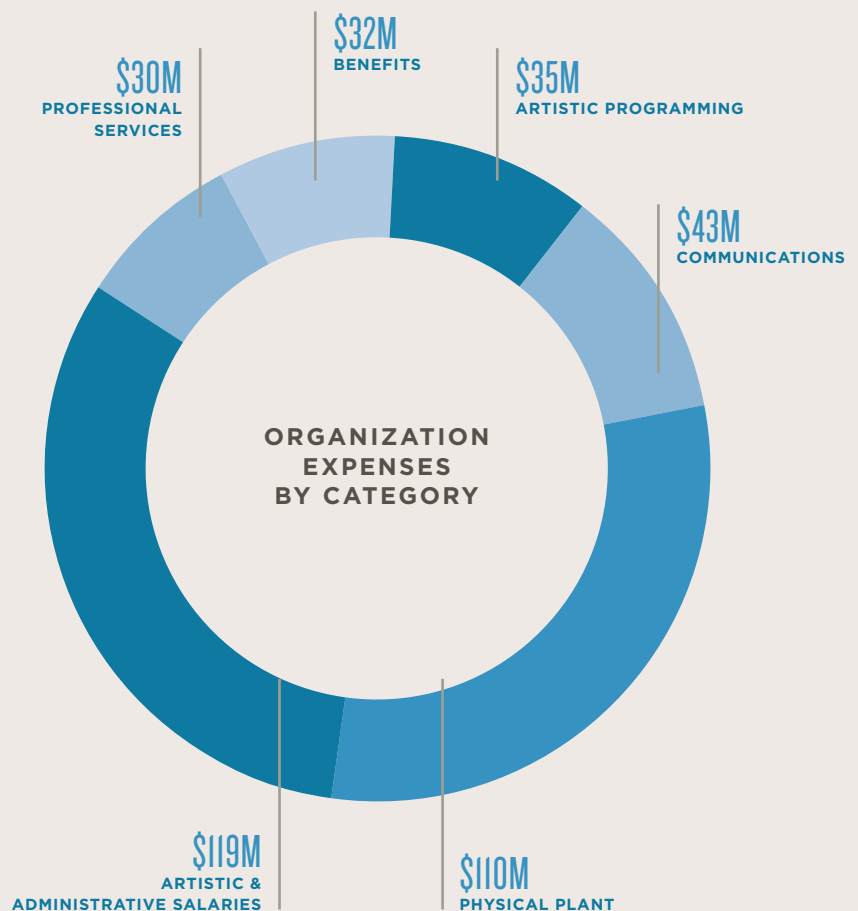
EXAMPLE: After a show arts patrons go to a restaurant whose owner, in turn, hires a contractor to expand the restaurant with dollars earned from arts attendees.

ORGANIZATIONAL EXPENSES

Spending by area arts and culture organizations has a significant impact on the economy of Allegheny County and beyond. The 120 nonprofit arts and culture organizations participating in this study — theaters, art museums, music ensembles, history museums, and dance companies, among many others — pay their employees' salaries and benefits, buy or rent physical space and maintain it, purchase office supplies, market and generate publicity for their events, hire contractors, and pay for a wide array of professional services (from plumbing and catering to financial planning and database management).

**\$369
MILLION**
FROM DIRECT
EXPENDITURES

Dollars from this spending are injected directly into the regional economy, and are crucial to the livelihood of area workers and to the success of businesses, large and small.



AUDIENCE SPENDING

The nonprofit arts and culture industry, more so than most industries, leverages a significant amount of event-related spending. Individuals who attend events at theaters, museums, historical sites, and performance venues in Allegheny County (“audiences”) spend an average of \$21.44 per person above and beyond the cost of a ticket*. **Cultural tourists who visit here from outside the county spend 111% more per event than do local residents — \$36.23 per person vs. \$17.14 per person.**

MEALS BEFORE/AFTER EVENT	\$187.3M
LOCAL TRANSPORTATION	\$42.8M
REFRESHMENTS/SNACKS DURING EVENT	\$25.2M
OVERNIGHT LODGING	\$22.7M
CLOTHING & ACCESSORIES	\$15.0M
SOUVENIRS & GIFTS	\$12.0M
EVENT-RELATED CHILDCARE	\$5.2M
OTHER	\$6.8M

**\$317
MILLION**
FROM DIRECT
EVENT-RELATED
EXPENDITURES

12% of this figure comes from dollars spent on concessions and souvenirs at arts venues. 88% comes from purchases at businesses outside arts venues.

Audiences, when they go to our county’s cultural facilities, also visit restaurants, park cars, take a cab, stay overnight, dress up and/or employ childcare. This event-related spending, in turn, helps to expand retail corridors and revitalize neighborhoods.

The economic impact of \$317 million in audience expenditures translates into 9,870 jobs, \$154,874,000 in household income, and tax revenues — \$15,775,000 in local tax revenues, and \$25,645,000 in state taxes.

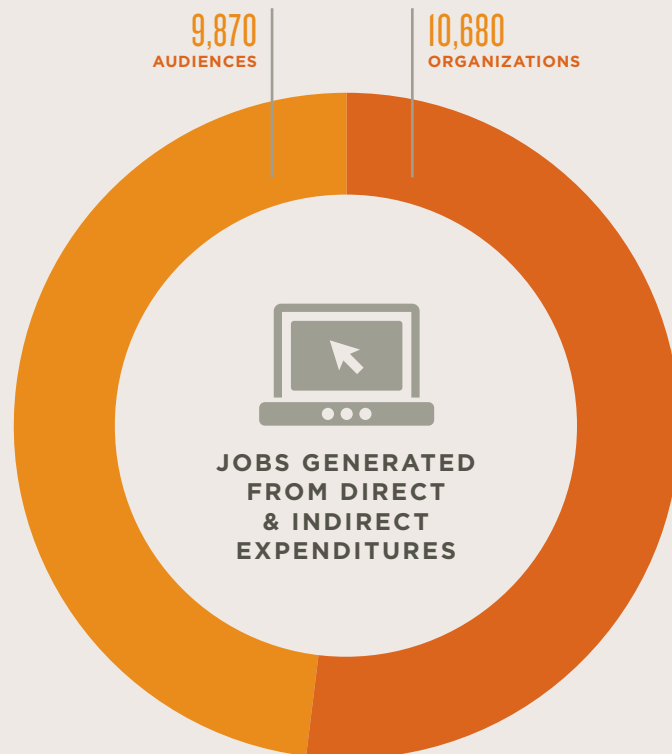
* Admissions paid by audiences are excluded from the audience spending analysis in order to avoid the potential for double-counting dollars.

EMPLOYMENT & BUSINESS IMPACTS

As it moves through the regional economy, spending by arts and culture organizations in Allegheny County and their audiences translates into full-time jobs and contract work for independent artists, designers, musicians, fundraisers, marketers, accountants, financial advisors, real estate agents, educators, engineers, healthcare professionals, and chefs, among many others.



FTEs describe the total amount of time per average day that full-time, half-time, and other employees are employed, and not the total number of employees.



4 OUT OF 5 jobs generated by arts and culture are in other industries.

The vitality of Allegheny County's nonprofit arts and culture industry benefits other industries, even at the hiring stage. In recruiting highly-sought-after executives and knowledge workers, hiring directors regularly highlight our area's many assets, including the arts and culture, as key reasons to locate here.

**\$74
MILLION**
TAX REVENUE



The \$74 million in tax revenues generated annually by the arts and culture sector in Allegheny County could itself be a source of job creation and retention.

**WHAT CAN
\$74 MILLION
PAY FOR?**



**1 YEAR'S SALARY
FOR 1,350
PUBLIC EMPLOYEES**

(elementary and secondary school teachers, librarians, fire fighters, and police officers)

(Source: U.S. Department of Labor, Occupational Employment Statistics, May 2011 Metropolitan Area Occupational Employment and Wage Estimates)

HOUSEHOLD INCOME

\$410 MILLION

IN HOUSEHOLD INCOME

is generated annually for Allegheny County by the jobs that Arts & Culture organizations in the county and their Audiences create and sustain.

Much of this income is generated in cultural districts and other areas where arts & culture organizations cluster:

**\$398M
GENERATED**

IN PITTSBURGH

NORTH SIDE/NORTH HILLS	\$17.2M
LAWRENCEVILLE/SHADYSIDE & NE	\$38.3M
SOUTH SIDE/SOUTH HILLS	\$73.6M
DOWNTOWN	\$130.3M
OAKLAND/SQUIRREL HILL & SE	\$138.3M

With added income generated in surrounding neighborhoods:

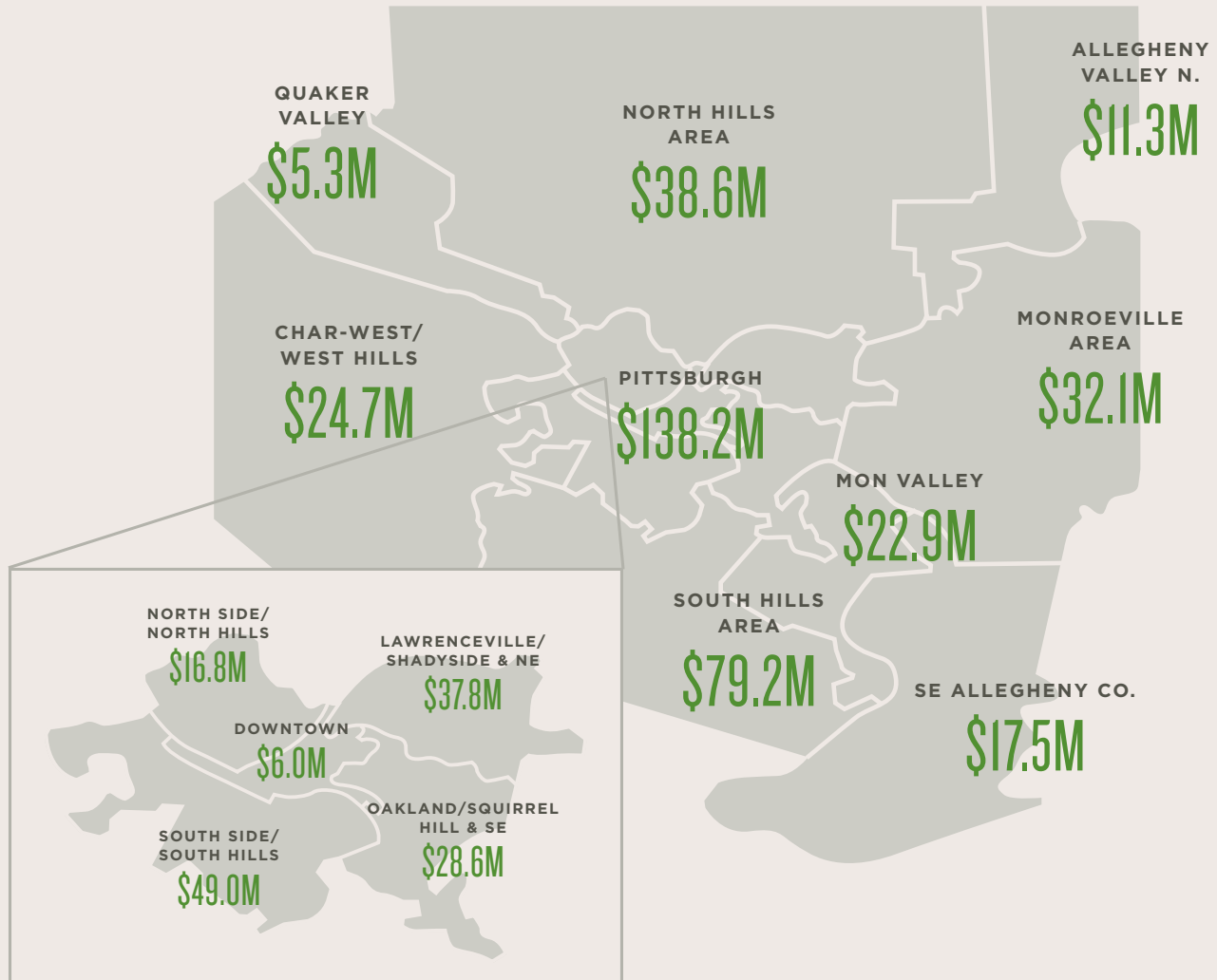
**\$11.8M
GENERATED**

**IN ALLEGHENY COUNTY
OUTSIDE PITTSBURGH**

NORTH HILLS AREA	\$1.0M
ALLEGHENY VALLEY N.	\$2M
MONROEVILLE AREA	\$4M
MON VALLEY	\$1.9M
SE ALLEGHENY CO.	\$4M
SOUTH HILLS AREA	\$2.6M
CHAR-WEST/WEST HILLS	\$1.4M
QUAKER VALLEY	\$1.1M

SEE HOW THIS INCOME SPREADS

TO FAMILIES' WALLETS AND CHECKBOOKS THROUGHOUT THE COUNTY:



All areas benefit. As an added bonus, jobs created by arts & culture organizations in Allegheny County also generate income for households in these SW Pennsylvania counties.

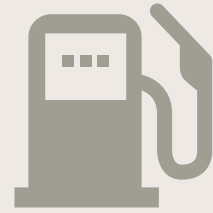
ARMSTRONG	\$3.9M	FAYETTE	\$3.2M	LAWRENCE	\$2.8M
BEAVER	\$11.6M	GREEN	\$1.5M	WASHINGTON	\$19.0M
BUTLER	\$16.0M	INDIANA	\$2.0M	WESTMORELAND	\$35.1M

These figures are estimates based on U.S. Census Bureau's *Longitudinal Employer-Household Dynamics* statistics gathered over the past decade.

WHAT CAN \$410 MILLION BUY FOR FAMILIES IN THE REGION?

\$410 million sounds like a lot of money, and it is! Let's see what local families that work in industries connected with arts and culture in our region can purchase with this income.

1 YEAR'S WORTH OF:



GAS* FOR
222,000
FAMILIES

— OR —



ELECTRIC BILL* PAYMENTS
333,000
FAMILIES



GROCERIES* FOR
103,000
 FAMILIES

OR



HOUSE PAYMENTS* FOR
44,000
 FAMILIES

OR



505,849,383
PIEROGIES

THAT'S 976 PIEROGIES** PER PERSON
 IN ALLEGHENY COUNTY

* U.S. Bureau of Labor Statistics/Consumer Expenditure Surveys, 2009-10, 2010-11: *Average Annual Expenditures and Characteristics for Consumer Households in the Northeast U.S.*

** Based on the average price for potato and cheese pierogi at five popular Pittsburgh pierogi purveyors - \$0.81 average per pierogi, and the population of Allegheny County (US Census, 2011 ACS).

BENCHMARK COMPARISONS

Allegheny County is one of 182 study regions that participated in the Americans for the Arts' *Arts & Economic Prosperity IV* project. That total includes 139 cities and counties, 31 multi-city or multi-county regions, 10 states, and 2 arts districts. So, how do we stack up?* When it comes to arts and culture expenditures, Pittsburgh/Allegheny County ranks at or near the top among its benchmark regions.

EXPENDITURES BY ARTS & CULTURE ORGANIZATIONS AND THEIR AUDIENCES

in comparable regions

REGIONS	TOTAL SPENDING	ORGANIZATIONAL SPENDING	AUDIENCE SPENDING
PITTSBURGH	\$686M	\$369M	\$317M
ST. LOUIS	\$562M	\$313M	\$269M
SAN DIEGO	\$570M	\$238M	\$341M
DETROIT	\$477M	\$345M	\$133M
BALTIMORE	\$388M	\$266M	\$122M
INDIANAPOLIS	\$384M	\$193M	\$191M
MILWAUKEE	\$299M	\$220M	\$79M
KANSAS CITY	\$273M	\$204M	\$69M
PORTLAND (OR)	\$254M	\$153M	\$101M
COLUMBUS (OH)	\$226M	\$131M	\$96M

ECONOMIC IMPACT ON JOBS, HOUSEHOLD INCOMES, TAX REVENUES

local and state

REGION	JOBS	HOUSEHOLD INCOME	TAX REVENUES
PITTSBURGH	20,550	\$410M	\$74M
ST. LOUIS	19,000	\$452M	\$57M
DETROIT	18,700	\$425M	\$55M
SAN DIEGO	17,800	\$447M	\$61M
INDIANAPOLIS	13,100	\$318M	\$42M
MILWAUKEE	10,900	\$232M	\$38M
BALTIMORE	9,500	\$260M	\$10M
COLUMBUS (OH)	8,500	\$207M	\$26M
PORTLAND (OR)	8,500	\$195M	\$21M
KANSAS CITY	8,300	\$237M	\$22M

NATIONAL COMPARISONS

Our county makes Top Ten lists for arts industry expenditures and jobs generated (arts and non-arts) even among regions with much larger populations.



CHICAGO	\$2.19B
WASHINGTON, DC	\$1.51B
PHILADELPHIA COUNTY	\$1.40B
LOS ANGELES	\$1.39B
MIAMI-DADE COUNTY	\$1.08B
HOUSTON	\$978M
ALLEGHENY COUNTY	\$686M
SAN DIEGO COUNTY	\$665M
ST. LOUIS	\$562M
SE MICHIGAN	\$447M



CHICAGO	60,500
PHILADELPHIA COUNTY	43,700
LOS ANGELES	37,400
MIAMI-DADE COUNTY	29,800
HOUSTON	29,100
WASHINGTON, DC	29,000
ALLEGHENY COUNTY	20,550
SAN DIEGO COUNTY	20,400
SAN FRANCISCO	19,800
ST. LOUIS	19,000

*Allegheny County is regularly compared with benchmark regions, counties, and cities with which it shares economic, demographic, historical, social, and cultural features. In choosing the 9 benchmark comparison regions, we drew on the list of 15 used by Pittsburgh TODAY, the area's indicators program that compares our region with others nationwide to see how we measure up on a range of variables. Only regions that participated in both *AEP IV* and the *Local Arts Index* were included, so traditional benchmarks of Cleveland and Cincinnati could not be used. Also, while the population size of these regions varies, Allegheny County was at the median.



Close-up and outdoor courtyard views of the Elsie H. Hillman Auditorium, a performance space within the Hill House Association's Kaufmann Center, built in 1928 and completely renovated in 2010.

CONCLUSIONS & NEXT STEPS

(by the Greater Pittsburgh Arts Council and its many partners)

CONCLUSION 1

The arts and culture sector of the Allegheny County region has significant economic impacts on the area in the form of new jobs, increased household incomes, and expanded tax revenues, at rates higher than most of our comparative benchmark regions and high enough to be in national Top Ten Lists for economic impact.

STEPS: Disseminate findings widely to arts, culture, foundation, business, and civic audiences via public presentations, print reports in multiple formats, the Greater Pittsburgh Arts Council website, and social media.

CONCLUSION 2

These economic impacts are imperative to the ongoing economic recovery of the region.

STEPS: Work in close partnership with elected officials from state and local governments, economic development agencies, and civic associations to strategically position the arts and culture sector as a key economic engine for the region.

CONCLUSION 3

Earned and contributed revenues from all sources are essential components of our region's cultural vitality and hence the economic impacts of the arts and culture sector.

STEPS: Track trends in consumer, foundation, business/corporate, city, county, and state support for the arts and culture, and propose and advocate for new models and policies which provide operating income and other funding to our area's organizations and individual artists.

CONCLUSION 4

The arts and culture sector faces challenges to its vitality and economic impacts, including fiscal uncertainties, cultural facilities issues, and a low percentage of organizations established in or since 2000, as well as persistent challenges to quality arts education and racial equity.

STEPS: Track changes in these issues, facilitate public conversations about their meaning and implications for the sector, and develop policy ideas and advocacy strategies to address them.

CONCLUSION 5

Rigorous research can be a highly effective tool to generate and interpret data which, in turn, helps to define actionable issues in the arts and culture for stakeholders and policy-makers.

STEPS: Commit to future economic impact studies, both in the arts & culture and in comparison with the sectors of healthcare, higher education, professional sports and energy, among others that: a) compares *Arts & Economic Prosperity IV* results with those of future economic impact studies, b) studies the economic impacts of the entire Southwestern PA arts and culture sector, c) further mines data from *Arts & Economic Prosperity IV*, the *Local Arts Index*, Cultural Data Project, and other sources, d) utilizes qualitative as well as quantitative methods, e) takes the full creative sector, including individual artists and the for-profit arts, into account, and f) explores the impacts of the arts and culture in non-economic areas of value, such as social, cognitive, ethical, and civic realms.

REPORT METHODOLOGY

Each of the 182 study regions participating in the *Arts & Economic Prosperity IV* study nationwide identified its comprehensive universe of nonprofit arts and culture organizations using the Urban Institute's National Taxonomy of Exempt Entity (NTEE) coding system. Detailed information on eligible organizations' 2010 expenditures was gathered in more than 40 categories (e.g., labor, local and non-local artists, operations, materials, facilities, and asset acquisition), as well as their event attendance. In Allegheny County, these data were drawn from profiles in the state's Cultural Data Project. 120 of the approximately 341 eligible nonprofit arts and culture organizations identified by the Greater Pittsburgh Arts Council participated in this study — a rate of 35%. (The national average per region was 43.2%). Each study region's results are based solely on the actual survey data collected. No estimates were made to account for non-respondents. Therefore, less-than-100 percent response rates suggest an understatement of the economic impact findings in most regions.

Another data-gathering strategy involved "audience-intercept surveying." Randomly-selected respondents provided itemized expenditure data on attendance-related activities such as meals, souvenirs, transportation, and lodging. In Allegheny County, a total of 918 valid and usable audience-intercept surveys were collected from attendees to nonprofit arts and culture performances, events, and exhibitions during 2011.

To derive the most reliable economic impact data, input-output analysis was used to measure the impact of expenditures by nonprofit arts and culture organizations and their audiences. The method traces how many times a dollar is re-spent within a local economy before it "leaks out," and it quantifies the economic impact of each round of spending. For Allegheny County, project economists customized an input-output model based on the local dollar flow between 533 industries within the county's economy. The model drew on data from employment, incomes, and government revenues provided by the U.S. Department of Commerce, and local tax data (sales taxes, property taxes, and miscellaneous local option taxes), as well as the survey data from the responding nonprofit arts and culture organizations.

HOW TO CALCULATE YOUR ORGANIZATION'S ECONOMIC IMPACT

Curious how your organization stacks up in terms of economic impact? Americans for the Arts researchers determined that for every \$100,000 in direct spending by a nonprofit arts & culture organization in Allegheny County, there were these economic impact ratios:

FTEs (2.90)
Household Income (\$69,103)
Local Tax Revenue (\$4,250)
State Tax Revenue (\$4,758)

To calculate the economic impact of your organization's spending:

1. Divide the total expense budget for your most recent fiscal year by 100,000.
2. Multiply that result by the ratios above for:
 - a) FTEs, b) household income, c) local tax revenue, and d) state tax revenues.
3. Add together these four figures. That sum is the economic impact of your organization's spending.

Americans for the Arts researchers also determined that the average event-related spending on food, transportation, gifts, clothing, lodging, and childcare, excluding event admission costs, is \$21.44 per person. Economic impact ratios, per category, for every \$100,000 spent by audiences, are:

FTEs (3.12)
Household Income (\$48,889)
Local Tax Revenue (\$4,980)
State Tax Revenue (\$8,095)

To calculate the economic impact of your audience's spending:

1. Multiply the per-person spending figure of \$21.44 by your organization's total annual attendance
2. Divide that result by 100,000.
3. In turn, multiply the figure, in succession, by the audience spending ratios above for: a) FTEs, b) household income, c) local tax revenue, and d) state tax revenues
4. Add together these four final figures. That sum is the economic impact of your audience's spending.

For example, here are economic impact calculations for Allegheny County-based arts and culture organization with an annual expense budget of \$250,000 and 25,000 total attendees:

	FTEs	Household Income	Local Tax Revenues	State Tax Revenues
Via organizational spending	7.3	\$172,758	\$10,625	\$20,238
Via audience spending	16.7	\$262,045	\$26,693	\$43,389
TOTALS	24.0	\$483,424	\$37,318	\$63,927

TOTAL ECONOMIC IMPACT = \$527,505

PARTICIPANTS

Afrika Yetu; A-K Valley Historical Society; Alia Musica Pittsburgh; Allegheny Brass Band; Allegheny County Library Association; Allegheny Land Trust; American Jewish Museum of the JCC of Greater Pittsburgh; Andrew Carnegie Free Library; Andy Warhol Museum, Carnegie Museum of Natural History, Carnegie Science Center; Artists Image Resource; Arts Education Collaborative; Attack Theatre; Audubon Society of Western PA; August Wilson Center for African American Culture; Autumn House Press; Bach Choir of Pittsburgh; Balafoon West African Dance Ensemble; Balmoral School of Highland Piping; Bulgarian Macedonian National Educational & Cultural Center; Bodiography Contemporary Ballet; Boyce/Mayview Park of Upper St. Clair Township; Brew House Association; Bricolage; Calliope House; Carnegie Library of Pittsburgh; Carnegie Mellon School of Music; Carnegie Museum of Art; Center for Arts Management and Technology, Carnegie Mellon University School of Music; Chatham Baroque; Children's Festival Chorus; Children's Museum of Pittsburgh; City of Asylum/Pittsburgh; City of McKeesport Renziehausen Park; City Theatre Company; CORNINGWORKS; Creative Nonfiction Foundation, Dreams of Hope; Duquesne University Tamburitians; Edgewood Symphony Orchestra; Father Ryan Arts Center; Fiberarts Guild of Pittsburgh, The; Frick Art & Historical Center; Gateway to the Arts; Gemini Theater Company; Greater Pittsburgh Arts Council; Guiding Star Dance Foundation; Hill Dance Academy Theatre; Historical Society of Western Pennsylvania; InterPlay Pittsburgh; Jazz Workshop, Inc.; JFilm: The Pittsburgh Jewish Film Forum; Kelly-Strayhorn Theater; Kente Arts Alliance; Manchester Craftsmen's Guild; Mattress Factory; McKeesport Little Theater; McKeesport Symphony Orchestra; Mendelssohn Choir of Pittsburgh, The; MLK Community Mural Project; National Aviary in Pittsburgh; Nego Gato; New Hazlett Theater; New Horizon Theater; Nia Cultural Arts & Education Programs; North Hills Art Center; North Suburban Symphonic Band; Phipps Conservatory and Botanical Gardens; Pittsburgh Arts & Lectures; Pittsburgh Ballet Theatre; Pittsburgh Chamber Music Society; Pittsburgh Civic Orchestra; Pittsburgh CLO; Pittsburgh Concert Chorale; Pittsburgh Cultural Trust, Pittsburgh International Children's Theater and Festival, Three Rivers Arts Festival, First Night, Pittsburgh Dance Council; Pittsburgh Dance Alloy; Pittsburgh Festival Orchestra; Pittsburgh Filmmakers/Pittsburgh Center for the Arts; Pittsburgh Glass Center; Pittsburgh Irish and Classical Theatre; Pittsburgh Jazz Society; Pittsburgh Lesbian and Gay Film Society; Pittsburgh Mandolin Society; Pittsburgh Musical Theater; Pittsburgh New Music Ensemble; Pittsburgh Opera; Pittsburgh Opera Theater; Pittsburgh Playwrights Theater Company; Pittsburgh Public Theater; Pittsburgh Shakespeare in the Parks; Pittsburgh Society of Illustrators; Pittsburgh Symphony Orchestra; Pittsburgh Youth Pops Orchestra; Pittsburgh Youth Symphony Orchestra; Pittsburgh Zoo & PPG Aquarium; Prime Stage; Quantum Theatre; Renaissance & Baroque Society of Pittsburgh; Renaissance City Choirs; Renaissance City Wind Music Society; River City Brass Band; Saltworks; Shakespeare-in-the-Schools; Silk Screen; Silver Eye Center for Photography; Society for Contemporary Craft; Soldiers & Sailors Memorial Hall and Museum; South Hills Chorale; South Park Theatre; Squonk Opera; Steel Industry Heritage Corporation; Sweetwater Center for the Arts; Pittsburgh Camerata; Three Rivers Theatre Company; Three Rivers Young Peoples Orchestras; Tuesday Musical Club; Unseam'd Shakespeare Co.; Western PA Slovak Cultural Association; Western Pennsylvania Conservancy; WQED Multimedia Pittsburgh; and WYEP 91.3.

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ABOUT GPAC

The Greater Pittsburgh Arts Council (GPAC) expands the reach, influence, and effectiveness of the region's diverse and vibrant arts and culture community by providing leadership, advocacy, capacity building, and connections.

HOW WE SERVE

- We are a Megaphone for advocates who fight for arts-supportive policies
- We are a Counselor with legal and business advice for individual artists and arts nonprofit organizations
- We are a Bulletin board for artists to find calls for artists and exhibition opportunities
- We are a Laboratory where arts marketers can grow their audiences
- We are a Concierge for the public seeking new arts experiences

OUR GOALS

- Increase the visibility of and support for the arts
- Enhance the capacity, effectiveness, and efficiency of the arts and culture community
- Create an environment and opportunities that are supportive of individual artists

THE RESEARCH WE DO AND SHARE

- Indexes the strengths, needs, and potential of the arts
- Illustrates the arts sector's cultural and economic value
- Identifies policy issues and opportunities, and
- Bolsters advocacy activities

To these ends, we generate and analyze data through the Community Arts Survey, Southwest PA Culture Count, fiscal pulse surveys, voter analyses, and cultural vitality indexes, and it participates in nationwide research projects (the Cultural Data Project, Arts & Economic Prosperity, and the *Local Arts Index*).

SUPPORTERS

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