

# **Arts & Economic Prosperity: The Economic Impact of Nonprofit Arts Organizations and Their Audiences in Glendale, CA**

## **FACT SHEET**

**Background:** The City of Glendale, represented by the Arts and Culture Commission, was one of 91 municipalities that participated in a national study initiated by Americans for the Arts that captured the impact of spending by nonprofit arts organizations and quantified the economic impact of event related spending by their audiences. The objective of the study was to document the experience of a cross-section of American communities and demonstrate what is gained economically from investing in the arts. The study focused solely on the economic impact of the nonprofit arts organization and event related spending by their audiences. Not included in the study was spending by individual artists nor the for-profit arts and entertainment sector.

**Methodology:** In 2000, detailed expenditure data was collected from 3,000 arts organization and 40,000 arts attendees in 91 communities across 34 states. Project economists customized input/output models for each of the 91 communities to provide specific and reliable data about the impact of the arts in each community, as well as part of the national context.

**National Findings:** Nationally it was determined that the nonprofit arts industry generates \$134 billion in total economic activity by arts organizations and their audiences, which is more than the gross domestic product of most nations in the world. This spending supports 4.9 million full-time equivalent jobs. Additionally this industry generates \$24.4 billion in federal, state and local government revenues annually. By comparison, federal, state and local governments collectively spend less than \$4 billion on support for the arts each year – a financial return of more than 8 to 1. It was also discovered that the nonprofit arts, unlike many other industries, leverage significant event-related spending by their audiences, with non-local audiences spending 75% more than their local counterparts.

**Local Findings:** The results of this study indicate that the nonprofit arts are a significant industry in Glendale, generating \$10.5 million in local economic activity. This figure includes \$3.8 million in spending by nonprofit arts organization plus \$6.7 million in event-related spending by their audiences. Audience attendance was reported to be 333,851, which translates to an average of \$19.96 per person, per event, not including the cost of admission. Additionally this industry supports 308 full time jobs and delivers \$1.2 million in local and state government revenue to the City of Glendale.

Other findings include the fact that 1,313 volunteers donated 19,417 hours to local arts nonprofits. Using a rate of \$15.40 per hour (the value of the average volunteer hour as set by Independent Sector), resulting in an estimated value of \$299,022. In kind donations valued at \$176,368 were also received in 2000.

**Data Collection:** To reach these conclusions, data were collected from 20 nonprofit arts organization in Glendale. Each provided detailed budget information about more than 40 expenditure categories, such as labor, operations, materials, facility costs and total audience figures. Budget sizes ranged from \$0 to \$2,298,208.

Data were also collected from 595 event attendees during 2001 through an audience intercept surveys methodology conducted by volunteers and staff at a variety of arts events throughout the community.

**Local Participating Nonprofit Organizations:** A Noise Within, Alex Film Society, Alex Regional Theatre Board, Associates of the Brand Library Cultural Arts Center, Atanian Art Center, Committee for a Clean and Beautiful Glendale, Forest Lawn, Glendale Center Theatre, Glendale Community College Performing and Visual Arts Department, Glendale Community Concert Association, Glendale Human Relations Coalition Art Events Committee, Glendale Symphony Orchestra Association, Glendale Youth Orchestra, Lehman Engel Musical Theatre, Make Keppel Special, Montrose-Verdugo City Chamber of Commerce, Mousa Ler Association of California, Music Theatre of Southern California, National Society of the Daughters of the American Revolution, Stepping Stone Players, Women's Committee of the Glendale Symphony Orchestra Association, and Yenching Educational Foundation.

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