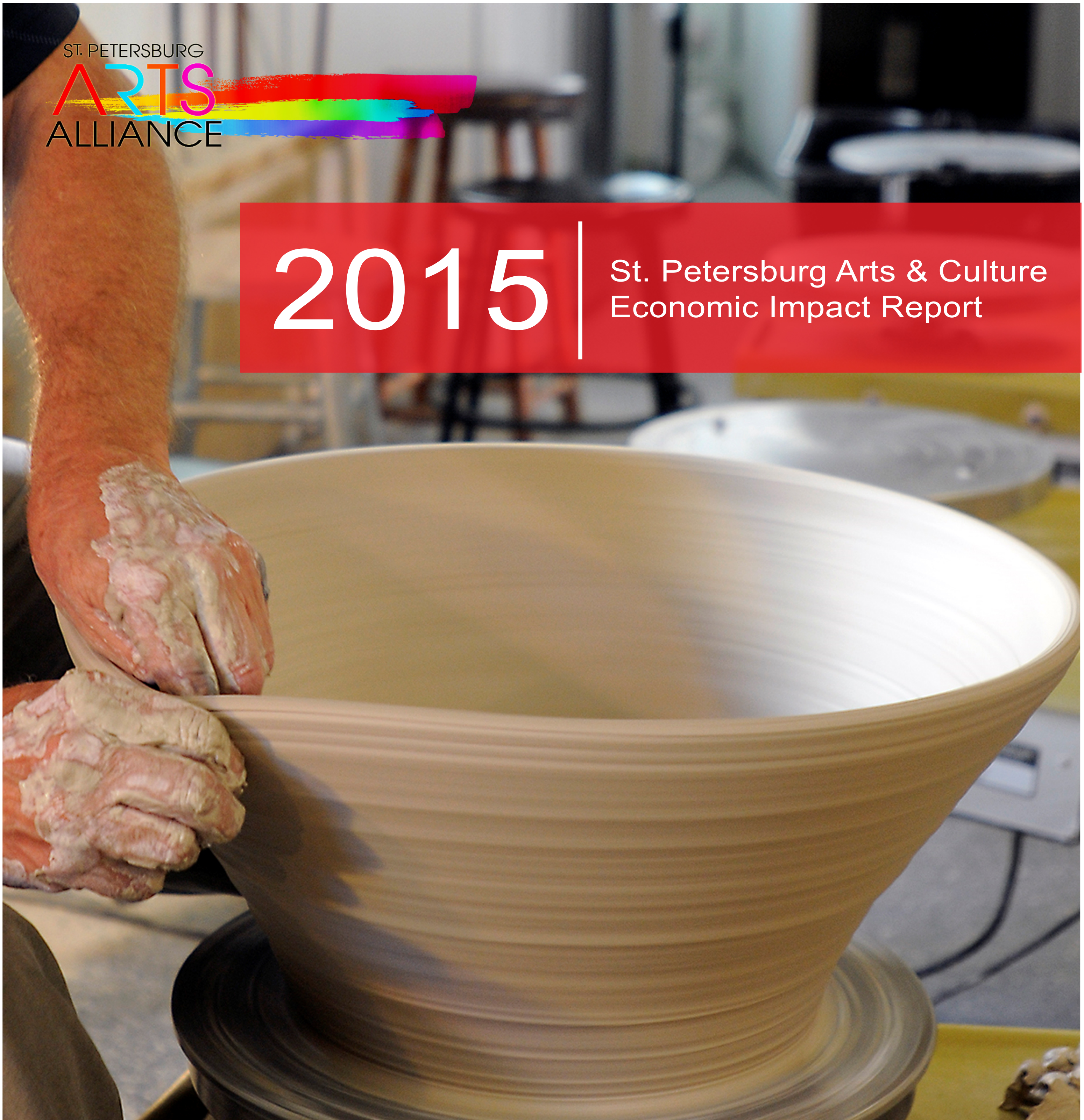
ST. PETERSBURG ARTS ALLIANCE



2015 | St. Petersburg Arts & Culture Economic Impact Report

Produced on behalf of:

st.petersburg
www.stpete.org

Made Possible By:

Bank of America

ST. PETERSBURG ARTS ALLIANCE

The Economic Impact of Arts and Culture in St. Petersburg 2015

Attributes of a thriving city include the strong presence of arts and cultural activities, museums, art galleries and studios, and performing arts centers. A community's focus on arts and culture contributes to the quality of life of its citizens; drives tourism; and supports business relocation and employee recruitment efforts. St. Petersburg is a perfect example.

Our City's identity as an arts and culture destination has been formed by the presence of a strong performing arts community that includes award-winning professional theatres; eight museums, with a new Museum of the American Arts and Crafts Movement under construction; a thriving indie music scene; more than 50 public studios and art galleries; dozens of creative businesses in five identified arts districts; and two city recognized neighborhood arts enclaves, Kenwood and Old Southeast. The number of artists, performers and writers in St. Petersburg, Clearwater and Tampa has increased 44% from 2002 to 2012. (See Table 6.) And millions of people attend various arts and cultural programs offered by different venues here.

Clearly, the arts are an important economic and social driver. In this report, which is based on information from 32 non-profit arts and cultural organizations, we will demonstrate their direct and indirect economic impact on the city of St. Petersburg.

Highlights

- These non-profit organizations self-reported attracting 5,167,494 visitors in 2014, and generated total revenues of $38,270,987.
- Our analysis shows that 32% of these visitors came from outside the Saint Petersburg area.[1]
- The 32 organizations earned revenue total was approximately $38,270,987.[2]
- Direct spending was $32,248,513.[3]
- Indirect spending based on admissions was $180,277,327 for a total economic impact of $212,525,840.
- Local government revenue estimate was over 6M; state government revenue estimate was over $9M
- These 32 organizations were responsible for 822 jobs (185 full time, 637 part time)

---

[1] 32% is the average of 19 non-profits reporting admissions on their 2014 City Grant Award applications. 31.8% is the average of non-residents' admissions reported in the Americans for the Arts Report: *Arts and Economic Prosperity IV*.

[2] 32 organizations: 22 organizations calculated from 2014 budgets and 10 from 2012 revenues (Form 990s).

[3] 32 organizations calculated from 2014 budgets: 10 from budgets, 22 from revenues

Our 2015 economic impact report results from the collaborative work of Dr. Maling Ebrahimpour from the University of South Florida St. Petersburg; John Collins from the St. Petersburg Arts Alliance; and interns, Guillaume Le Curieux-Durival and Habib Feghouli, with support from the Bank of America. Data were collected from sources including an online survey, city documents, IRS form 990s, and federal government documents. This report builds upon *Arts & Economic Impact Report 2010* produced by Dr. Maria Luisa Corton, Dr. Ebrahimpour and John Collins.

Knowing the economic impact of our creative businesses and arts & culture organizations enables us to demonstrate their investment potential. Legislators, local businesses, and individual contributors will be more willing to provide financial support when they have a clear understanding of what the return on their investments in the sector will be.

Data

The data set for the analysis consists of 32 non-profit arts and cultural organizations located in the City of St. Petersburg. Many of these participate in the St. Petersburg Grant Awards program. See Appendix A for complete list of participants. An additional dataset derived from a survey of 132 artist entrepreneurs and creative businesses provides ancillary information in Appendix B.

Limitations

Economic impact studies measure indirect economic impact. However, we must note that these are estimates and are not exact results given the assumptions made about the flow of goods and services when they are calculated. The most important assumption is that trading patterns are fixed. In the particular case of the arts and culture industry, it is assumed that the local economy responds in the same way to each additional change in the arts and culture industry provision of services.

Additionally, incoming firms in this industry are not always a net new source of economic activity because they can take business away from existing organizations. New arts and culture developments create indirect economic impacts only if they capture spending that formerly left the area or if they attract new spending from outside the area. Furthermore, the *Arts & Economic Prosperity IV* informs readers that when using their model one must always keep the following caveats in mind:

1. the results from using their model are based upon the averages of similarly populated communities,
2. input/output models were customized for each of these similarly populated communities, providing very specific employment, household income, and government revenue data, and
3. the results are therefore estimates.

Direct Economic Impact of Non-profit Arts & Cultural Organizations

As shown in Table 1, total direct spending in 2014 from the 32 arts and culture organizations participating in the study was $32,248,513. Of this amount, 40.6% goes to local salaries and wages as analyzed in the A*mericans for the Arts Report*. These 32 organizations represented some 822 local jobs (185 full time, 637 part time).

Table 1 displays the data organized by type of organization. The data in this table is for illustrative purposes rather than to perform a rigorous financial analysis given that gross income is underrepresented due to self reporting.

TABLE 1: DATA BY TYPE OF ACTIVITY

	NUMBER OF ORGANIZATIONS	TOTAL VISITORS	EXPENDITURES ($)	GROSS INCOME($)
Arts Center/Gallery	7	1,153,874	4,186,609	6,148,175
Museums	5	1,600,952	12,844,502	16,543,362
Performing Arts	20	2,412,668	15,217,402	15,579,450
Total	32	5,167,494	32,248,513	38,270,987

Indirect Spending Economic Impact of Non-profit Arts & Cultural Organizations

The 32 non-profit organizations reported 5,167,494 visitors in 2014, with 32% of these visitors from outside St. Petersburg. According to the Florida Tax Watch Tourism Research Report released by the Florida Cultural Alliance, "74.9% of visitors to Florida participate in cultural activities. Research demonstrates that of the 58-million attendees (84% residents) and visitors (16%) at Florida arts and cultural events, the non-local attendees spend an average of 137% more (lodging, meals, transportation, souvenirs, etc.) than resident attendees per person: $57.49 vs. $24.25." [4]

Table 2 illustrates that the total indirect economic impact of the 32 organizations in terms of impact of visitors' expenditures alone is $180,277,327.

TABLE 2: NON-LOCAL AND LOCAL INDIRECT IMPACT OF VISITOR SPENDING

Total Visitors	5,167,494
Non-Local Visitors	1,653,598
Non-Local Visitors' Indirect Impact	$95,065,349
Local Visitors	3,513,896
Local Visitors' Indirect Impact	$85,211,978
TOTAL INDIRECT IMPACT	$180,277,327

[4] *The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences in the State of Florida*, Americans for the Arts' Arts & Economic Prosperity III Study and Americans for the Arts' *The Creative Industries in Florida*, 2014.

Table 3 presents the direct and indirect impact of the expenditure on arts and culture industry for St. Petersburg. It also illustrates the impact of arts and culture industry multiplier not only on the city, but also for the local and the state governments with a total direct and indirect economic impact of a little over $212,500,000.

The table demonstrates that for every $1 spent directly on arts and culture, an additional $4.59 is generated; well within the industry axiom that every dollar invested in the arts is returned five-fold.

TABLE 3: DIRECT AND INDIRECT ECONOMIC IMPACT IN ST. PETERSBURG

	Total Expenditures
Nonprofit Arts and Culture	$32,248,513
Organizations	
Nonprofit Arts and Culture	$180,277,327
Audiences	
Total Industry Impact The Sum of Organizations and Audiences	$212,525,840

Using the Americans for the Arts online *Arts and Economic Prosperity Calculator*, we can calculate approximate local and state government revenue estimates.[5] Further, the analysis indicates that the total impact on the household earnings for St. Petersburg was over $84 million, representing "total dollars paid to community residents as a result of the expenditures made by your arts and culture organization and/or its audiences. Household income includes salaries, wages, and proprietary income." (See Appendix C)

TABLE 4: ECONOMIC IMPACT FOR LOCAL AND STATE REVENUE

	Local Government Revenue	**State Government Revenue**
Nonprofit Arts and Culture	$1,233,506	$1,448,281
Organizations		
Nonprofit Arts and Culture	$5,079,949	$5,606,174
Audiences		
Total Industry Impact The Sum of Organizations and Audiences	$6,313,455	$7,054,455

[5] Americans for the Arts online *Arts and Economic Prosperity Calculator,* http://www.americansforthearts.org/sites/default/files/aepiv_calculator/calculator.html#fineprint

City and County Arts Economic Impact Quick Facts

Based on the preceding findings, it should not be any surprise that the size of the visual arts, performing arts, museums and related activities in the Pinellas County's economy represents a significant creative arts driven economy.

- The St. Petersburg Arts Alliance has been surveying participation in the Second Saturday ArtWalk since 2012. While the number of ArtWalk participating studios and galleries varies from 35-45 each month, they are self-reporting well over 3,000 visitors a month, trending toward 4,000. Assuming each participant visits 3 galleries in one evening, we estimate a minimum of 1,000 visitors spending $24.25 each per month, generating annually an additional $291,000 in adjacent shops, restaurants, coffee shops and bars. This number does not include art purchases.

- Creative Placemaking -- Since the 2010 Arts & Culture Economic Impact Report was published, creative businesses in five districts now embrace arts as core to their development. The Warehouse Arts District, EDGE District and the Central Arts District associations have been founded, and with the Waterfront Arts and the Grand Central districts they help define our City of the Arts.

- With a growing number of studios, hotshops, and galleries, St. Petersburg is becoming America's Southeast leader in Glass Arts and the Clay Arts.

- The number of artists, writers and performers in St. Petersburg, Clearwater, and Tampa has increased 44% over ten years from 2002 to 2012. 5,902 artists, performers and writers, reported $103,278,000 in receipts in 2012. Average income was $17,498.81.

- St. Petersburg has 1,044 creative businesses, employing 6,108 people, reporting sales volume of $519,283,534. The creative cluster includes Design and Publishing, Film, Radio, TV, Schools, Visual Arts/Photography, Museums and Collections and Performing Arts. (Table 9)

- Artist relocation, redevelopment of areas with creative businesses, festivals, and events add to our ability to attract business. Eagle Datagistics, iQor, and GeniusCentral have moved their headquarters to St. Petersburg, with their leadership citing our vibrant arts community as a contributing factor to the relocation decision.

- Pinellas County is home to 2,664 arts-related businesses that employ 13,920 people. The creative industries account for 3.7 percent of the total number of businesses and 2.7 percent of the people they employ. The Creative Industries data is current as of January 2015 and is based on active businesses that are registered with Dun & Bradstreet. Because not all businesses register, our analyses indicate an under-representation of arts businesses (particularly those that are nonprofit arts organizations and individual artists). The data in this report should be considered conservative. www.AmericansForTheArts.org/CreativeIndustries.

[6] Data Source: ESRI, 2015, Cluster Source: Americans for the Arts, Creative Industries definition List, 2006

Cover Credits

- **Cover Photo**: Charlie Parker, Charley Parker Pottery. Photo by John Collins
- **Cover Design:** Michelle Fielding, Vibe Digital Media

References

- *Creative Industries Report 2015* -- Pinellas County
  Creative Industries: Business & Employment in the Arts,
  www.americansforthearts.org/creativeindustries

- RIMS: U.S. Dept. of Commerce, Bureau of Economic Analysis,
  https://www.bea.gov/regional/rims/rimsii/

- *Culture Builds Florida's Future*, Florida Arts Council, 2005
  http://dos.florida-arts.org/documents/cbff.pdf

- *Arts and Economic Prosperity IV: Economic Impact of the Nonprofit Arts & Culture Industry,* Americans for the Arts, 2014
  www.americansforthearts.org/by-program/reports-and-data/research-studies-publications/arts-economic-prosperity-iv/national-findings.

- *Investing in tourism, analyzing the economics of expanding of Florida tourism Florida Tax Watch Tourism Report, 2013*
  http://floridataxwatch.org/resources/pdf/2013TourismFINAL.pdf
  http://www.flca.net/images/A_Few_Arts_and_Culture_Facts_to_Use_1-6-15.pdf

- *Creative Economies in the South*, Florida Creative Industries Summary
  South Arts, Inc., 2012
  http://www.southarts.org/wp-content/uploads/Florida-Summary.pdf

- *Creative Placemaking, 2012.* A White Paper for The Mayors' Institute on City Design, a leadership initiative of the National Endowment for the Arts in partnership with the United States Conference of Mayors and American Architectural Foundation by Markusen Economic Research Services and Metris Arts Consulting, 2010
  http://metrisarts.com/wp-content/uploads/2012/06/CreativePlacemaking-Full-Report.pdf

- *Florida Tax Watch Tourism Research Report*, as reported by the Florida Cultural Alliance, sourcing *The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences in the State of Florida*, Americans for the Arts' Arts & Economic Prosperity III Study and *Americans for the Arts' The Creative Industries in Florida, 2014*.

- Non-profits and for-profit businesses can calculate their own economic impact easily with the Americans for the Arts online *Arts and Economic Prosperity Calculator,*
  http://www.americansforthearts.org/sites/default/files/aepiv_calculator/calculator.html#fineprint

Appendix A: Arts and Culture Non-Profit Organizations

A Simple Theatre
Academy of Ballet Arts
Al Downing Tampa Bay Jazz Association, Inc.
American Stage Theatre Company
Arts Conservatory for Teens
Arts for Life
Boyd Hill Preserve
Boys and Girls Club - Royal Theater
Creative Clay, Inc., Cultural Arts Center
Dr. Carter G. Woodson African American Museum
EMIT, Helios Jazz Orchestra
Family Resources Inc. / Youth Arts Corps
Florida CraftArt
Florida Holocaust Museum
Florida West Ballet
freeFall Theatre
Great Explorations
Mahaffey Theater Foundation, Inc.
Master Chorale
Morean Arts Center
Science Technology Center
Second Time Arounders
SPIFFS -- St. Petersburg International Folk Fair Society
St Petersburg Clearwater Film society
St. Petersburg City Theatre
St. Petersburg Historical Society
St. Petersburg Museum of Fine Arts
St. Petersburg Opera Company
St. Petersburg Preservation
The Florida Orchestra
The Salvador Dali Museum
The Studio@620

Appendix B: For-Profit Creative Businesses

A second data set is taken from responses to a December 2014 – January 2015 online survey of 138 St Petersburg area artists, studio, and gallery owners who were invited to participate via email, Facebook and Twitter. This survey's economic impact did not include their economic drivers, as many have not registered for DUNS numbers. However, the information does provide an illustrative snapshot of our creative businesses in St. Petersburg.

Survey highlights:

- Half of all respondents work in the visual arts (Table 4). Arts educators, writers/editors, performing artists, and craft artists round out the top five.

- More creative businesses were formed in the last five years than in all previous years, especially in visual arts. (Table 5)

- The number of artists, performers, and writers has increased 44% from 2002 to 2012. (Table 6)

- 5,902 artists, performers and writers reported $103,278,000 in receipts in 2012. Average income was $17,498.81 (Table 6)

- The income of the artists, performers and writers has increased only 2.8%, from 2002-2012, which included a 13% decrease in 2009. (Table 6)

- 40% work in professional studios and galleries. 60% work in a home studio. (Table 7)

- 34% of respondents derive 100% of their annual income from their art. (Table 8)
  9% derive up to 75% annual income
  9% derive up to 50% annual income
  48% derive up to 25% annual income

TABLE 4: CREATIVE BUSINESS DISCIPLINES

Answer Choices	Responses	
Visual Arts (painting, drawing)	48.18%	66
Clay Arts	5.84%	8
Glass Arts	3.65%	5
Graphic Arts	9.49%	13
Performing Arts	13.14%	18
Writer/Editor	13.14%	18
Photographer	8.03%	11
Craft Arts	10.22%	14
Arts Educator	16.06%	22
A for-profit gallery	7.30%	10

TABLE 5: ESTABLISHMENT OF CREATIVE BUSINESSES BY YEAR

Year	Visual Arts	Clay Arts	Glass Arts	Graphic Arts	Performing Arts	Photographer	Craft Arts	Arts Educator	for-profit gallery	Writer/ Editor
0	13	3		2	3	4	2	5		3
1905	1									
1917										
1975			1							
1978										
1981					1					
1982	1						1	1	1	
1983	1		1				1	1		1
1984	1									
1988			1							
1989	1			1						
1992	1					1				1
1995	1				1					
1997	1									
1998	2									
1999										1
2000	2									
2001	1				1					
2002	1				1					1
2003	1			2						
2004										
2005	1								2	
2006				1	1	1				
2007	3	2		1	1		1	3		1
2008	1				2	1	1			
2009	2		1		2					
2010	4	1	1	3		1	2	2	1	
2011	7	1		2	1	2	3	2		
2012	6				1	1	1	3	5	2
2013	7							1		3
2014	7	1		1	3		2	4	1	5
Total	66	8	5	13	18	11	14	22	10	18

TABLE 6: Independent Artists, Writers and Performers in the Tampa-St. Petersburg-Clearwater, FL Metropolitan Statistical Area, 2002 through 2012

US Census Bureau – Non Employer Statistics originate from tax return information of the Internal Revenue Service. The data are subject to non-sampling error such as errors of self-classification of industry on tax forms as well as errors of response, non-reporting, and coverage.

7115 – Independent Artists, Writers and Performers – This industry comprises independent, i.e., freelance individuals primarily engaged in performing in artistic productions, in creative artistic or cultural works or productions, or in providing technical expertise necessary for these productions. This industry also includes athletes and other celebrities exclusively engaged in endorsing products or making speeches or public appearances for which they receive a fee.

Year	Number Reporting	Year-to-Year Change	Change Since 2002	Receipts	Year-to-Year Change	Change Since 2002	Per Capita Revenue	Year-to-Year Change	Change Since 2002
2002	4,094			$66,378,000			$16,213.48		
2003	4,153	1.4%	1.4%	$68,631,000	3.4%	3.4%	$16,525.64	1.9%	1.9%
2004	4,477	7.8%	9.4%	$76,097,000	10.9%	14.6%	$16,997.32	2.9%	4.8%
2005	4,783	6.8%	16.8%	$87,235,000	14.6%	31.4%	$18,238.55	7.3%	12.5%
2006	4,882	2.1%	19.2%	$89,912,000	3.1%	35.5%	$18,417.04	1.0%	13.6%
2007	5,341	9.4%	30.5%	$95,291,000	6.0%	43.6%	$17,841.42	-3.1%	10.0%
2008	5,111	-4.3%	24.8%	$94,551,000	-0.8%	42.4%	$18,499.51	3.7%	14.1%
2009	5,355	4.8%	30.8%	$86,230,000	-8.8%	29.9%	$16,102.71	-13.0%	-0.7%
2010	5,696	6.4%	39.1%	$95,037,000	10.2%	43.2%	$16,684.87	3.6%	2.9%
2011	5,760	1.1%	40.7%	$98,063,000	3.2%	47.7%	$17,024.83	2.0%	5.0%
2012	5,902	2.5%	44.2%	$103,278,000	5.3%	55.6%	$17,498.81	2.8%	7.9%

TABLE 7: Work Places

Answer Choices	Responses	
Studio	**26.40%**	33
Gallery	**12.80%**	16
Home studio	**60.80%**	76
Total		125

TABLE 8: ANNUAL INCOMES

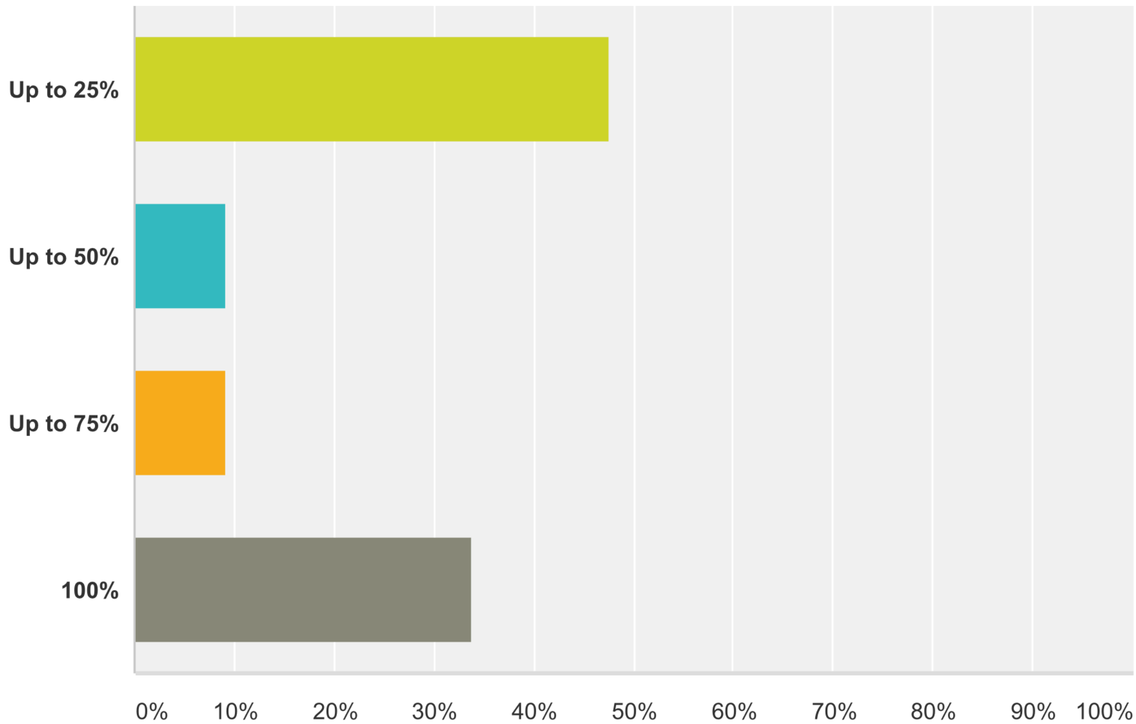


TABLE 9: ST. PETERSBURG CREATIVE BUSINESS IMPACT

Cluster	Number of Businesses	Number of Employees	Sales Volume
Design and Publishing	400	1,581	$179,352,328
Film, Radio, and Television	146	3,300	$250,191,330
Museums and Collections	15	194	$8,746,105
Performing Arts	172	401	$24,095,380
Schools and Services	19	51	$5,196,869
Visual Arts/Photography	292	581	$51,701,522
Grand Total	**1,044**	**6,108**	**$519,283,534**

Data Source: ESRI, 2015
Cluster Source: Americans for the Arts, Creative Industries Definition List, 2006

Appendix C:

ARTS & ECONOMIC PROSPERITY IV

ECONOMIC IMPACT OF THE NONPROFIT ARTS & CULTURE INDUSTRY > CALCULATOR

INFORMATION

STEP 1: POPULATION

POPULATION of your community: 100,000 to 249,999

STEP 2: TOTAL EXPENSES

Your Organization's TOTAL EXPENSES (please do not use commas): $ 32248513

STEP 3: TOTAL ATTENDANCE *(OPTIONAL)*

TOTAL ATTENDANCE to your organization's arts events (again, do not use commas): 5167494

CALCULATE Reset

TOTAL ECONOMIC IMPACT OF:

	Total Expenditures	FTE Jobs	Household Income	Local Government Revenue	State Government Revenue
Nonprofit Arts and Culture Organizations:	$32,248,5	1186.7	$26,591,1	$1,233,50	$1,448,28
Nonprofit Arts and Culture Audiences:	$98,544,1	2798.7	$58,272,0	$5,079,94	$5,606,17
Total Industry Impact: (The Sum of Organizations and Audiences)	$130,792,	3985.4	$84,863,2	$6,313,45	$7,054,45

Print Your Results

Please see the fine print below.

DEFINITIONS

Total Expenditures: The total dollars spent by your nonprofit arts and culture organization and its audiences; event-related spending by arts and culture audiences is estimated using the average dollars spent per person by arts event attendees in similarly populated communities.

FTE Jobs: The total number of full-time equivalent (FTE) jobs in your community that are supported by the expenditures made by your arts and culture organization and/or its audiences. An FTE can be one full-time employee, two half-time employees, four employees who work quarter-time, etc.

Household Income:	The total dollars paid to community residents as a result of the expenditures made by your arts and culture organization and/or its audiences. Household income includes salaries, wages, and proprietary income.
Government Revenue:	The total dollars received by your local and state governments (e.g., license fees, taxes) as a result of the expenditures made by your arts and culture organization and/or its audiences.

When using estimates derived from this calculator, always keep the following caveats in mind: (1) the results of this analysis are based upon the averages of similarly populated communities, (2) input/output models were customized for each of these similarly populated communities, providing very specific employment, household income, and government revenue data, and (3) your results are therefore estimates, and should not be used as a substitute for conducting an economic impact study that is customized for your community.

© Copyright 2012 by Americans for the Arts.
www.AmericansForTheArts.org