



UNDERSTANDING THE SAN DIEGO REGION

WE MUST UNDERSTAND. THEN WE CAN ACT.

pARTicipate San Diego

ARTS & CULTURE

The Case for Increased Patronage for Arts and Culture in the San Diego Region
A RESEARCH REPORT OF THE ARTS & CULTURE WORKING GROUP OF THE SAN DIEGO FOUNDATION

TABLE OF CONTENTS

Arts & Culture Working Group

Roger Cornell, MD, Chair
 Elizabeth Yamada, Vice Chair
 Teddy Cruz
 Martha Dennis, Ph.D.
 Peter Ellsworth
 Tom Hall
 Victoria Hamilton
 Judith Harris
 Charlene Pryor
 Colette Carson Royston, RN, MN
 Fiona Tudor
 Staff: Julie Fry, Director,
 Arts & Culture Analysis and Strategy

Staff Leadership

Bob Kelly, President & CEO
 Mariano Diaz, Senior Vice President,
 Community Partnerships
 Duane Drake, CFO
 Deborah Hoffman, Senior Vice President,
 Fund Services
 Charlene Pryor, Senior Vice President,
 Endowments & Planned Giving
 Sarah Slaughter, Vice President,
 Finance & Administration
 Paul Thompson, Senior Vice President,
 Organizational Success
 Sara Wilensky, Senior Vice President,
 Marketing & Communications

Consultant Team

Research prepared by the Cultural+Planning Group:
 David Plettner
 Karen Masaki
 Suzanne Sato

The San Diego Foundation Board of Governors

Bruce Blakley, Chair
 Jack C. Raymond, Vice Chair
 Judge Rafael Arreola, Secretary
 Raymond V. Thomas, Treasurer
 Colette Carson Royston, Immediate Past Chair

Fred Applegate
 Jennifer Adams-Brooks
 Dennis Arriola
 Darcy Bingham
 James M. Cowley
 Martha Dennis, Ph.D.
 Nora Faine, M.D., M.P.H.
 Tom Fat
 Jane Trevor Fetter
 Tom Hall

Jerry Hoffmeister
 Murray H. Hutchison
 Gary Jacobs
 Conny Jamison
 Jerry Katzin
 Denise Lew, Ph.D.
 Paul Meyer
 Barry I. Newman
 Eugene L. Step
 Daniel Sullivan, Ph.D.
 Stephen L. Weber, Ph.D.
 Carisa Wisniewski
 John Wylie
 Elizabeth Yamada
 James Ziegler

Cultural Patronage	02
Summary	03
San Diego's Arts & Culture Imperative - Increase Participation	03
Five Key Findings Define pARTicipate San Diego	04
Other Findings of Note	05
Recommendations & Next Steps	05
pARTicipate San Diego - The Plan to Increase Cultural Patronage	06
Research Creates a Knowledge-Driven Outcome	07
Defining Arts and Culture	08
Findings:	09
The State of Cultural Patronage in San Diego	09
San Diego's Arts and Culture Community	17
Comparison of Arts and Culture Communities	25
Appendices	30
Bibliography	30
Summaries of Related San Diego Reports	31



Museum of Contemporary Art, San Diego

WE MUST UNDERSTAND. THEN WE CAN ACT.

April 2006

We are excited to share this research report with you. The San Diego Foundation understands the importance of arts and culture to the life of our community. *pARTicipate San Diego – The Case for Increased Cultural Patronage*, a research report in The Foundation’s “Understanding the San Diego Region” series, emphasizes the vital role the arts play on a daily basis in the region. We have found that there is a strong case to be made for increased support and sustainability of the arts and culture community, while recognizing the community’s inspiring achievements.

Long-term community solutions for arts and culture require a firm foundation of understanding, together with a plan of action that leads to focused results. Finding an effective path towards those solutions for our vibrant and diverse arts and culture sector, with you as our partners, is the purpose of this first step in the Foundation’s long-term plan to help build cultural patronage.

This project has illustrated the universal and diverse relationships that San Diego area residents have with arts and culture. Because of this diversity, the strategies for galvanizing those relationships and becoming a nationally-competitive arts and culture center are correspondingly diverse. There is no single path appropriate to the vision and no single leader.

The research conducted for this project presents a composite picture of arts and culture in San Diego County. It illuminates the many ways that the public relates to arts and culture, provides new perspectives on the nonprofit arts and culture community and places San Diego in the context of other communities and the nation.

A range of issues emerge from this picture. Advocacy and public awareness, arts education, audience development, increased funding and leadership are all identified as issues central to increasing cultural patronage.

The San Diego Foundation thanks The James Irvine Foundation for their ongoing partnership to advance arts and culture in the region and for financial support of this report. We also express sincere gratitude to USBancorp for additional funding of this report, and to the many people across the region who participated in the research process.

We look forward to working together as we endeavor to connect our community more fully with arts and culture.

Roger Cornell, MD
Chair, Arts & Culture Working Group

Bob Kelly
President & CEO

pARTicipate San Diego

CULTURAL PATRONAGE

“Cultural patronage” represents a fundamental, motivating idea for enhancing arts and culture in San Diego. The term describes The San Diego Foundation’s aspirations for a constantly growing relationship between a community’s citizens and its culture.

Cultural patronage imagines a society where every community member shares a stake in enhancing arts and culture. The goal is to synergize the factors customarily attributed to “cultural participation,” among them:

- Attendance at events
- Personal participation in cultural activities in school or other informal settings
- Public policy and resources to strengthen cultural institutions

- Volunteerism and advocacy at all levels
- Financial support in many ways
- Acknowledgment and appreciation of the role of artists and cultural traditions in society

The notion of cultural patronage also identifies a population that has a multi-faceted relationship with arts and culture, cares about having arts and culture as a part of community life and takes responsibility for maintaining and even defending its role. This is where the passion and commitment implied in the word “patronage” becomes clear. Cultural patronage is not just about policy and outcomes; it is about the deeper motivations underlying our involvement with arts and culture, and its meaning in our lives.



AjA Project



California Ballet Company

SUMMARY

San Diego's Arts & Culture Imperative: Increase Participation

Observers would find themselves hard pressed to locate any resident of the San Diego region who does not believe on some personal level that arts and culture stand as a critical quality-of-life component. From the simplest celebration of ethnic traditions to the most heralded traveling exhibit at a museum, everyone can find something with which to forge a cultural community connection.

Yet the San Diego region faces a formidable challenge if it wants to establish an arts and cultural environment on a par with other major cities in America. By size, population, diversity and location, the region boasts tremendous potential to be the country's cultural anchor.

The San Diego Foundation and its Arts & Culture Working Group have established a broad and ambitious vision for San Diego's arts and culture:

To galvanize the San Diego community around enhanced arts and culture and to ensure that the San Diego region has all the resources to become a nationally-competitive arts and culture center by 2009.

To raise the standard, the community must increase "cultural patronage," defined as increasing cultural participation at all levels. This means increasing knowledge about the region's cultural assets, actively accessing those assets and offering support to make them better. Cultural patronage envisions a community where every resident shares a stake in arts and culture success.

The Foundation conducted research and developed strategic recommendations for its arts and culture philanthropy, including grantmaking, partnerships and leadership to stimulate greater community involvement. Research included interviews and discussion groups with stakeholders, a countywide telephone survey conducted in English and Spanish, a countywide survey of arts and culture organizations, comparisons of San Diego with other communities and the nation and investigation of effective strategies and programs in other communities.



Oceanside Museum of Art



Lamb's Players Theatre

SUMMARY

Five Key Findings Define pARTicipate San Diego

From the research, a composite picture of arts and culture in San Diego County emerges, along with perspectives on critical factors to make cultural enhancement a reality. Advocacy and public awareness, arts education, audience development, increased funding and leadership were all identified as issues central to increasing cultural patronage.

Key Finding #1: Cultural participation needs to be deepened and expanded

San Diego is far from culturally undernourished. In fact, research says that virtually all San Diegans have a relationship with arts and culture. More than 99 percent personally participate in arts and culture activities and attend at least one such event each year. The challenge is to deepen and expand the ways the community participates in arts and culture, and in turn, to translate that participation into greater resources – larger audiences and greater earned income. A majority of arts and culture organizations have goals for audience development (96%) and marketing (98%), with a particular interest in expanding their education or outreach audiences and increasing the cultural diversity of their audiences.

Key Finding #2: San Diego's arts and culture community is under-funded

While San Diego has an arts and culture community of significant accomplishment and moderate size, it is under-funded in comparison to other communities, in a 2000 comparison of 20 cities. Among other measures, San Diego is low in both contributed and earned revenues of arts nonprofits per capita (19th and 17th of 20). A valid case can be made for substantially boosting both financial support and other resources: leadership, facilities, and coordination among institutions and interest groups, to name a few. Other communities that have cultivated resources for arts and culture in a comprehensive manner have seen significant community benefits.

Key Finding #3: People care about the arts – two-thirds of San Diegans would be willing to pay more taxes to support arts and culture

This majority would pay at both the \$5 level and the \$25 level, if they knew that the revenues would directly benefit the community's arts and culture activities and facilities. The community must alter the environment for financial support for arts and culture. While the solution to the challenge of cultural development is not merely money, increased funding represents the critical

foundation without which success cannot be achieved. A major increase in financial support will help make San Diego a nationally-competitive center for arts and culture. The funding mission, however, exceeds the capacity of The Foundation alone. While two unsuccessful attempts to expand the hotel tax (Transient Occupancy Tax) through ballot initiatives have failed, research suggests the potential for a two-thirds majority in support of a new tax-based revenue source. The missing element appears to be an effective voter education campaign linked to an appropriate taxing mechanism.

Key Finding #4: The region places high priority on increasing arts education

Out of 10 arts and culture features of a community, individual respondents placed highest importance on: 1) providing arts instruction in public school classrooms, and 2) providing arts and culture programs for young people. However, arts education provision in San Diego County is a mixed picture. According to the County Office of Education, 24 of the 42 school districts participate in their San Diego Arts Network, which strives to bring arts and culture back into the classroom. However, only two of those districts have full-time arts education coordinators. The arts and

culture community has identified arts education as the most effective means for increasing cultural patronage, and 87% of arts and culture nonprofits provide arts education and enrichment programs, delivered in-school, after-school and for adult learners – a remarkable amount of community service. Increased funding for these programs and greater commitment to arts education at the school district level is critical to success.

Key Finding #5: The San Diego Foundation should be a catalyst to help strengthen the arts and culture community

The Foundation can play a catalytic role beyond grantmaking, in part because of its regional focus. The research consistently demonstrates a mandate for Foundation leadership in funding, providing community leadership and advocacy. As a voice outside the immediate arts and culture community, The Foundation can articulate the community benefits to be gained from further investment. And it can enhance the relationship donors have with arts and culture, while helping attract new donors.

SUMMARY

Recommendations & Next Steps

San Diegans relate to arts and culture in complex and varied ways. Strategies for increasing cultural participation at all levels must also be diverse. The San Diego Foundation sees an opportunity to develop an action plan that presents a set of inter-related approaches to build upon the community's many relationships to arts and culture, and the Foundation's ability to act as a regional convener. The strategies comprise an overall initiative, entitled "pARTicipate San Diego," the purpose of which is to increase cultural patronage by expanding and deepening all San Diegans' involvement with arts and culture. The Foundation, based on the case for increased patronage put forward by this research, is exploring five intertwining pARTicipate San Diego themes, in collaboration with the wider community, to form a multi-faceted, coordinated approach to increasing cultural patronage. These are:

- **Public Awareness and Advocacy** – increase public understanding of the role and value of San Diego's arts and culture; advocate for specific goals and legislation
- **Arts Education** – reintroduce the arts to every classroom in the County

- **Grantmaking**

- ◆ **Cultural Participation** - increase the capacity of arts and culture organizations to: 1) serve new audiences; 2) deepen their relationship with current audiences; and 3) enhance donor engagement.

- ◆ **Innovation** - support the creation of new work by artists associated with arts and culture organizations; fund innovation and the creative spirit

- **Donor Engagement and Cultivation** - increase the number of arts donors and the total amount of arts philanthropy by cultivating donors' passion for and understanding of San Diego's arts and culture community.

This comprehensive approach, which will be formally launched later in 2006, can help to elevate San Diego's cultural environment to role model status.

Next steps will include:

- Gather community input into the action plan
- Develop key partnerships in the community to implement the action plan
- Create task forces to provide guidance for each strategy
- Commission additional research into the state of arts education in San Diego County

The Foundation and the Arts & Culture Working Group have defined a goal of increasing cultural patronage for the long term that is, indeed, broad and ambitious. As Robert Lynch, President and CEO of Americans for the Arts, said of this far-reaching vision, "The eyes of the nation will be on San Diego."

Other Findings of Note

- More than one in four San Diegans (26%) donated money to an arts and culture organization in the past year and one in eight (13%) volunteered time.
- Nearly three-quarters of all arts and culture organizations (73%) are concentrated in central San Diego, with a secondary concentration in the northern coastal suburbs.
- When asked which areas needed improvement within their organizations, 75% indicated fundraising as their greatest need in order to build capacity to reach more people and gain greater income.
- San Diego's nonprofit arts and culture organizations have a substantial impact on the local economy and one that is higher than the national average. Based on a national 2000 study of 91 U.S. communities, arts organizations in San Diego County generated a total economic impact of more than \$326 million in direct and secondary spending, compared to the national average of \$276 million in the same year.

pARTicipate San Diego

THE PLAN TO INCREASE CULTURAL PATRONAGE

In 2003, The Foundation created the Arts & Culture Working Group, one of six such groups in different fields of interest at The Foundation¹. Working Groups, which advise The Foundation's Board of Governors, provide a communications link between the community and The Foundation, helping The Foundation in its efforts to be more responsive to the needs of its constituents. In 2004, The Foundation began an initiative, "Understanding the San Diego Region," based on the premise that one must understand before one can act. Through "Understanding the San Diego Region," The Foundation strives to acquire and share a deep and clear understanding of the region's largest issues, then engage the community in collaborative planning and execution that produce solutions. The Working Groups play an important role in this process by conducting research, setting priorities and recommending grants in specific fields of interest.

Convening and interviewing arts and culture professionals and donors, to gauge opinions on the appropriate focus and role of The Foundation, represented the inaugural effort of the Arts & Culture Working Group. This initial work led to the articulation of the Working Group's vision statement:

To galvanize the San Diego community around enhanced arts and culture and to ensure that the San Diego region has all the resources to become a nationally-competitive arts and culture center by 2009.

As a step towards its vision and as part of the "Understanding the San Diego Region," the Arts & Culture Working Group conducted a research and planning project to develop strategic recommendations for The Foundation's arts and culture philanthropy, including not only grantmaking but also partnerships and leadership which would draw in other elements of the community. The planning process included substantial community input to identify effective actions in support of regional arts and culture. The project's objectives were to:

- Analyze and compare San Diego's arts and culture community, and the cultural participation of its residents
- Identify ways to broaden support and participation at all levels
- Articulate the importance of the arts and culture sector
- Identify the particular role of The Foundation in increasing cultural patronage



Lower Left Dance Collective at the NTC Cultural Promenade

¹The San Diego Foundation's six Working Groups are: Arts & Culture Civil Society, Environment, Health & Human Services, Organizational Success and Science & Technology.

RESEARCH CREATES A KNOWLEDGE-DRIVEN OUTCOME

The overall approach to developing the strategic plan involved:

- Community Research and Assessment to determine the community's needs and priorities in relation to increasing cultural participation.
- Comparative Study and secondary research about key issues in comparable communities and nationally to provide interpretive context.
- Strategy Development to identify ways to increase cultural participation, including investigation of model programs.

The process included the following research tools and methods:

- **Arts & Culture Working Group:** Consultations with senior staff and the Arts & Culture Working Group of The Foundation, as the “knowledge group” for the overall project.
- **Telephone Survey:** A countywide, random household survey, conducted in English and Spanish by Galloway Research Service. The survey generated a statistically valid picture of cultural participation and opinions of all San Diego County residents, across different demographic groups (800 completed interviews, providing a 3.5% margin of error and 95% confidence level).
- **Survey of Arts and Culture Organizations:** A web-based survey of San Diego County's arts and culture organizations developed a detailed profile and understanding of this community (234 known organizations and 101 respondents, with a response rate of 43%).
- **Discussion Groups:** Participants invited to explore specific issues arising from the research.
- **Individual Interviews:** Focused on community leaders to explore specific issues.
- **Comparative Research:** Review of existing studies and reports to develop comparisons of San Diego with other relevant communities and the nation.
- **Model Programs:** Investigation of effective programs in other communities to identify key success factors that might be applied to efforts in San Diego.



Young Audiences of San Diego



Fern Street Community Arts

DEFINING ARTS AND CULTURE

This report adopts an expansive, inclusive definition of arts and culture, but not one that is unlimited. It includes high or fine arts as well as popular, ethnic and commercial arts. It also includes cultural events, such as festivals and celebrations, and the preservation of history and heritage. While there are many other aspects of culture and creativity, this definition does not encompass cultural forms such as religion or the environment.

The Arts & Culture Working Group and The San Diego Foundation's leadership generally rejects past notions of valuing some art forms more than others. Rather, they value what is essentially "artistic" about all art forms. They also include many aspects of culture within their definition of arts and culture.

"Arts" has traditionally meant the fine arts: visual arts, music, theater and dance. Choreographer Liz Lerman, winner of a 2002 MacArthur "Genius" Award, describes the

shift to a contemporary definition as a vertical hierarchy becoming a level playing field. Using the dance field as an example, ballet used to be on the top of a pyramid, with dance forms such as folk dance and hip hop on the bottom. Now we see all art forms as having similar value but different focuses. Similarly, we now include in our definition of "arts" such art forms as crafts, ethnic, traditional, popular, design and electronic or digital arts.

"Culture" is most often defined in anthropological terms. A standard textbook definition is:

The system of shared beliefs, values, customs, behaviors, and artifacts that the members of society use to cope with their world and with one another, and that are transmitted from generation to generation through learning.

(Bates and Plog, "Cultural Anthropology," McGraw Hill, 1990)

This very broad definition extends far beyond the boundaries of even an expansive definition of the arts. The field of arts and culture draws an indistinct circle around its central territory of the arts, and acknowledges other cultural expressions on a case-by-case basis. Community context is one useful key to determining what is a part of "arts and culture." For example, Charlotte, North Carolina, is the regional home of stock car racing and the NASCAR circuit. Charlotte views this racing as a cultural form and offers tours and events celebrating the races, racing history, and the community's "racing culture." San Diego clearly does not place the same emphasis on stock car racing. However, San Diego's Hispanic culture and location on the Mexican border make cultural celebrations such as Dia de los Muertos a central part of the cultural landscape.



Playwrights Project



Jean Isaacs San Diego Dance Theatre
Photo by: Victor Ha

FINDINGS: THE STATE OF CULTURAL PATRONAGE IN SAN DIEGO

To gain an understanding of cultural patronage, or participation in the San Diego region, an extensive, bilingual telephone survey of residents throughout the county was conducted. This survey appears to be the first comprehensive research done on the attitudes and behaviors of all San Diego citizens in relation to arts and culture. The objectives of the research were to measure:

- What arts and culture activities people personally do (e.g., playing a musical instrument, quilting) and how often
- What arts and culture events people attend and how often
- What they would like to attend more often
- What activities their children do
- What would facilitate greater attendance
- What arts and culture programs people consider important to have in their community, and how they rate San Diego
- How many people make contributions to arts and culture groups and how many volunteer
- How willing are voters to support increased taxes for arts and culture

A decade of research has widened the focus beyond the fine arts to include the broader range of arts and culture activities. This produces a more accurate understanding of the relationship of a community to arts and culture, and better enables strategies for strengthening that relationship.

Cultural participation deserves a broad – and unconventional – definition, one that encompasses the extraordinary variety of artistic and cultural expression in a diverse society. Under a broader definition people participate in the arts at much higher rates than have been previously measured. Frequent participants also tend to be active in civic, religious and political activities. Early experiences make a difference in the cultural participation of adults. People are more likely to attend arts events at community locations. These findings have implications for arts organizations desiring to expand participation. *Reggae to Rachmaninoff: How and Why People Participate in Arts and Culture*, Urban Institute 2002.

Consonant with this approach, the telephone survey defined arts and culture broadly, ranging from activities such as attending a church or neighborhood festival to visiting an art museum. It measured personal participation, such as singing and reading, as

well as attendance at movies, performances and museums. The survey reached a highly representative sample of all San Diego residents, with 20% of all interviews conducted in Spanish. It is the most complete portrait to date of the range of San Diego's cultural participation.

Perhaps the most surprising result is the near-universal extent of personal participation and attendance among all San Diegans. Arts and culture are already a part of every resident's life, in some form. The following summary presents the results of the survey, supplemented in some areas by additional research.



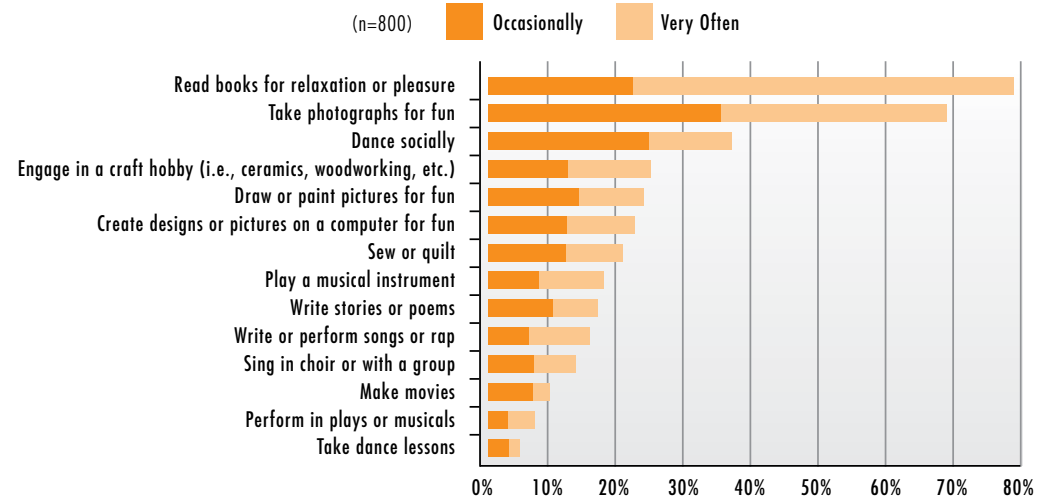
*New Village Arts
Photo by: Randy Rovang*

FINDINGS: THE STATE OF CULTURAL PATRONAGE IN SAN DIEGO

Personal Participation in Arts and Culture Activities

Personal participation in arts and culture activities is almost universal (99%) among San Diego's population. Out of 800 respondents only eleven reported that they did not engage in any of the activities listed in the survey questionnaire. Reading for pleasure (79%), taking photographs (70%) and social dancing (38%) were the three most frequently cited activities that respondents said they engaged in either occasionally or very often. Performing in plays and taking dance lessons were the activities with the lowest incidences of participation. However, even at 7% and 6% respectively there are notable numbers of San Diegans who engage in these activities, given a countywide population of more than 2.9 million people (source: US Census 2004).

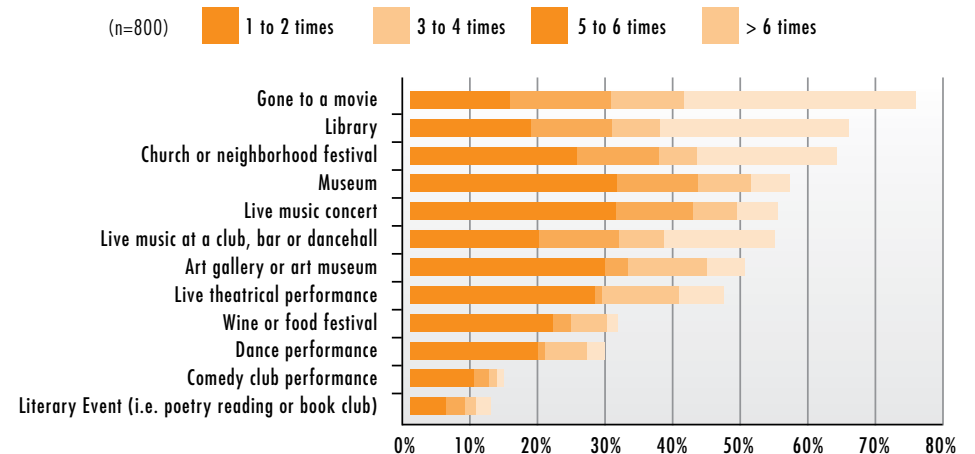
PERSONAL PARTICIPATION IN ARTS-RELATED ACTIVITIES



Attendance at Arts and Culture Events

As with personal participation, attendance at arts and culture events is almost universal among San Diegans. More than 99% attend at least one such event each year. More than three out of four San Diegans say they have gone to a movie in the past year, two out of three have visited a library, and more than half have visited an art museum or art gallery and attended live music concerts.

OVERALL ATTENDANCE AT ARTS-RELATED EVENTS IN PAST YEAR



FINDINGS: THE STATE OF CULTURAL PATRONAGE IN SAN DIEGO

Participation rates in any given activity and attendance at various events varies greatly by population subgroup. What some people do frequently others don't do at all. While parameters such as age, ethnicity, voting status and geographic area influence participation rates, the demographic characteristics that seem to drive most variation are education and income. As many other studies have shown, higher education is tied to higher involvement in arts-related activities, and income acts as either an enabling or limiting factor in the type and frequency of involvement.

Respondents were asked which arts-related activities they would like to do more often. The three top-ranked activities were:

1. Attending live music concerts
2. Attending live theatrical performances
3. Attending movies

Perhaps more interesting is the measure of latent demand, that is, the number of people within the current audience for a given activity that would like to attend more of that activity. By this measure, attending movies is supplanted by literary events:

1. Attending live music concerts
2. Attending live theatrical performances
3. Attending literary events

Again, given the large numbers of people represented by even small percentages of the total population, each of these activities represents a significant opportunity to increase attendance.

The top-ranked factors which will lead the most people to increase their attendance at arts activities and events are:

1. Lower prices
2. More of the type of things they like
3. Activities and events closer to home
4. Easier access to information about scheduled events

Examples of the demographic diversity revealed by this survey include the fact that younger people, minorities and the less affluent more often say that San Diego needs to improve the availability of information about arts and culture activities. This suggests that current marketing efforts are generally not targeted to, or are not reaching, these groups. These same groups also more often say that they would like to see "more of the type of things I like," suggesting that arts and culture organizations wanting to expand or diversify their audiences could benefit from learning more about the interests of these populations. Similarly, young people, minorities and women more often expressed a preference for activities closer to where they live.



Mo'olelo Performing Arts Company



FINDINGS: THE STATE OF CULTURAL PATRONAGE IN SAN DIEGO

Children's Participation

For San Diegans with children at home, personal participation in arts and culture activities very frequently means taking—or accompanying—their children. Depending upon the activity, 50% to 80% of respondents said they occasionally or very often involve their children.

More than half (58%) of households with children report that their children participate in arts-related activities, such as playing a musical instrument, creative writing, and performing with a musical or dance group.

Financial Contributions and Volunteerism

More than one in four San Diegans (26%) donated money to an arts or culture organization in the past year, and one in eight (13%) volunteered time. This represents approximately 544,000 individual donors, out of a total adult population (excluding children, since donors are all considered to be adults) in the county of about 2.1 million. It also means there are approximately 273,000 volunteers.



*Eveoke Dance Theatre
Photo by: Ana Gatchell*



FINDINGS: THE STATE OF CULTURAL PATRONAGE IN SAN DIEGO

Rating San Diego's Arts and Culture

When asked how they would prioritize ten arts and culture features of a community, respondents placed the highest importance on:

1. Providing arts instruction in public school classrooms
2. Providing arts and culture programs for young people
3. Having information about arts and culture activities readily available
4. Having a wide variety of arts and culture activities

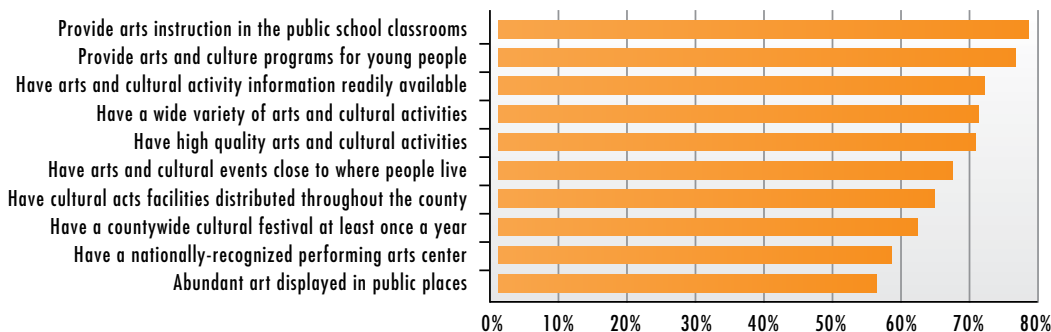
It is noteworthy that respondents ranked all features as relatively important; more than two-thirds listed each of the ten as important or very important. This suggests the overall value that residents place on arts and culture in the community, and corresponds with the extent of their personal participation and attendance.

Respondents did not generally rate San Diego's performance on these ten arts and culture features highly; opinions about their excellence were in the mid-range. Respondents ranked having a wide variety and high quality of arts and culture activities as San Diego's best features.

Respondents' opinions vary according to demographics in their assessment of how San Diego performs in respect to these features. Younger, less educated and less affluent respondents rate the city as doing an average job. Older, better educated and more affluent respondents see the city's performance as below average.

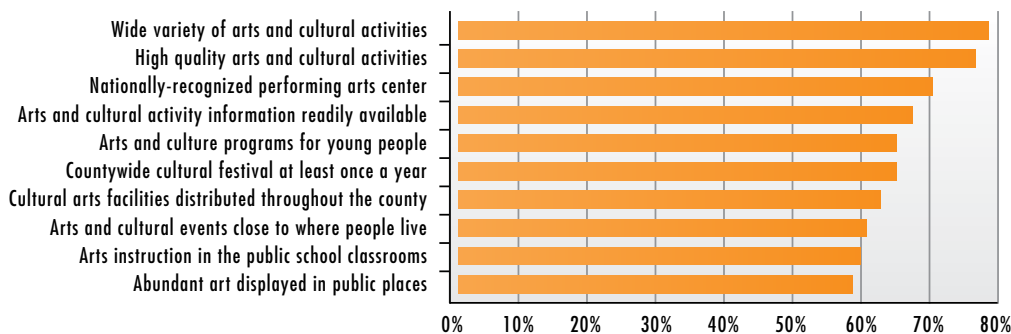
IMPORTANCE OF COMMUNITY ARTS AND CULTURAL FEATURES

(% Giving Top 2 Box Scores on a 5 point Scale of Importance n=800)



RATINGS OF SAN DIEGO'S ARTS AND CULTURE FEATURES

(% Giving Top 2 Box Scores on a 5 point Scale of Importance n=800)



FINDINGS: THE STATE OF CULTURAL PATRONAGE IN SAN DIEGO

Support for New Arts-Related Taxes

A two-thirds majority of San Diegans indicate they would be willing to pay additional taxes at both the \$5 level and \$25 level if the funds were used to directly benefit the community's art and culture activities and facilities. That said, the preferred tax-based sources of arts support were hotel/motel room taxes (Transient Occupancy Tax) and an entertainment tax.

This is an interesting result given the fact that there have been two unsuccessful attempts to raise San Diego's hotel tax for the benefit of the arts. Also, a recent KPBS poll measured only 58% support for a new arts tax. The results of the research for this report suggest a different understanding of public support for increasing tax-based arts revenues. First, this survey focused on a wider definition of

arts and culture, one that better represents the actual relationship residents have with this field. The questionnaire referred to a tax for "arts and culture," not an "arts tax." Ironically, the survey interview process may have served as a simple form of public education; by raising arts and culture issues in a systematic context, respondents may have been led to a more informed or considered opinion. This supports the possibility that a public awareness or voter education campaign could generate the needed two-thirds majority for instituting a new or increased tax dedicated to arts and culture. A tax of \$5 per adult resident would result in a revenue stream of approximately \$10 million per year, or at \$5 per household, approximately \$5 million. A tax of \$25 per adult would generate approximately \$50 million annually, or at \$25 per household, about \$25 million.



San Diego Youth Symphony

FINDINGS: THE STATE OF CULTURAL PATRONAGE IN SAN DIEGO

Political Orientation

Stakeholders often commented on the relatively conservative political orientation of the San Diego region. There are common perceptions in San Diego and elsewhere that arts and culture are the province of liberals and vice versa. A recent KPBS poll appeared to confirm this perception. The larger data set of this research portrays a more complex relationship between political orientation and arts and culture.

San Diego does, indeed, have a majority conservative population. Asked to rank their political orientation on a six-point scale from very conservative to very liberal, respondents said they were:

Political Orientation in San Diego County

Very Conservative & Conservative	55%
Very Liberal & Liberal	35%
Somewhat Conservative, Some what Liberal and In-between/Unsure	10%

Participation and attendance in most types of arts-related activities does vary by political orientation. Generally, people who define themselves as liberal are more likely than conservatives to support arts organizations with money and volunteer time. Liberals generally have higher rates of participation and frequency of participation for the majority of arts-related activities included in this study.

Nonetheless, nearly all residents are personally participating in and attending arts-related activities and events at some level, and more than two-thirds of respondents, consider it important or very important to have each of the ten arts and culture community features listed. Even public art, which has sometimes been seen as politically controversial, received strong support and respondents wanted to have public art abundantly available. Finally, a two-thirds majority of the entire population, an unusually high percentage, say they are willing to support new taxes dedicated to arts and culture.

A deeper analysis of the correlation between political orientation and cultural participation

by ethnicity, geography, income level, education, etc. is beyond the scope of this report. However, the results certainly raise questions about the relationship between these factors, though their connection is neither direct nor simple. The survey suggests that there are complex differences between residents' personal participation and attendance, and the value they place on arts and culture.



The Stephen and Mary Birch North Park Theatre

FINDINGS: THE STATE OF CULTURAL PATRONAGE IN SAN DIEGO

Arts Education

As noted previously, residents consider arts education in the public schools and providing programs for young people to be of utmost importance, ranking as the most important of the ten cultural features for a community to establish. This aligns with more than ten years of national Harris polls on arts attitudes, conducted by Americans for the Arts, which have consistently demonstrated greater than 90% public support for arts instruction in schools (e.g., Harris Poll, May 2005, American Attitudes Towards Arts Education). This public support has been the basis for political advocacy and legislation. Congress has mandated the teaching of the arts as a core subject and many states, including California, have adopted similar provisions. In addition, the University of California and California State University require a minimum level of arts instruction as a prerequisite for admissions.

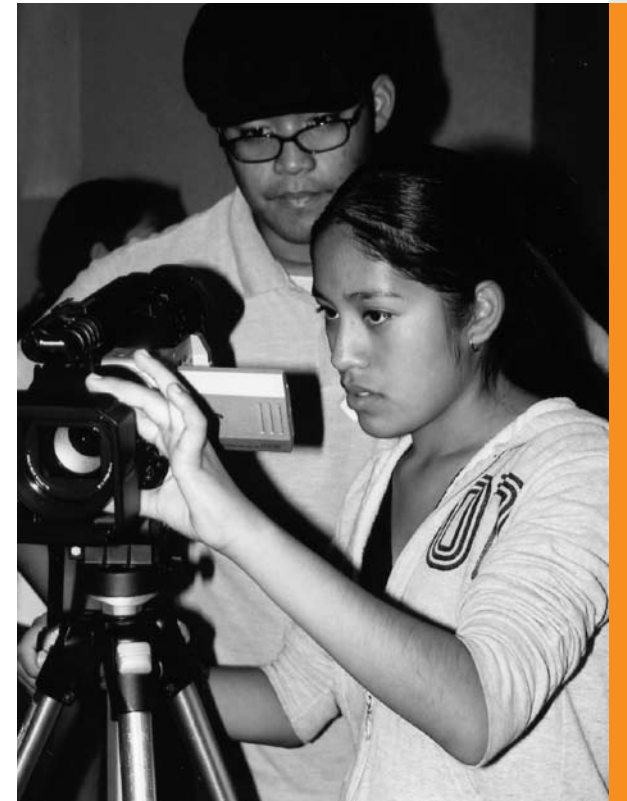
The state of arts education in San Diego County is a mixed picture. According to the County Office of Education (COE), 24 of the 42 school districts participate in their San Diego Arts Network, which aims to reintroduce arts education in a comprehensive manner to all schools. However, only two of those districts have full-time arts education coordinators, a key indicator of a district's commitment and level of arts instruction. The COE has been hampered in its efforts to facilitate arts education by competing educational priorities and a lack of funding, classroom time for arts instruction, arts training for classroom teachers,

shared understanding among districts, and data on arts education. There is also the sheer magnitude of the task: the County has a total of 680 schools and nearly 500,000 students.

The City of San Diego Commission for Arts and Culture reports that its grantees provided free arts and culture experiences for nearly every public school in the city during 2004. However, the Commission notes that cuts to its budget in recent years have been partly responsible for a decline of approximately 18% between 2002 and 2004 in the number of students served by its grantees.

The San Diego Unified School District, the largest in the county, has made significant progress in building its arts education programs. The district has several full-time professional arts education staff and provides training for classroom teachers, other key indicators of progress in arts education. Nonetheless, even in this district the same impediments noted by the COE have inhibited providing the mandated levels of arts education to all students.

The San Diego Arts Education Partnership, a program until recently housed at the San Diego Unified School District, was created following a comprehensive strategic planning process addressing arts education in 2000. The main focus of the Partnership has been serving as a clearinghouse for information and fundraising to support the provision of arts education in schools by arts and culture organizations in the community.



*Media Arts Center
Photo by: Karen Evenson*

FINDINGS: SAN DIEGO'S ARTS AND CULTURE COMMUNITY

This description of San Diego's arts and culture community draws on a survey of nonprofit arts and culture organizations conducted for this project. In addition, it relies on stakeholder interviews and other research.

The organizational survey is the first countywide assessment addressing the needs and perspectives of nonprofit arts and culture organizations, in relationship to the challenge of increasing cultural patronage. The objectives of the survey were:

- To gauge opinions about potential strategies for increasing cultural patronage and strengthening the arts and culture community
- To prepare a "resource map" of arts and culture organizations in San Diego County, including location, discipline and budget size
- To identify organizational needs and priorities
- To document audience size, and the amount of free and tourist/visitor attendance

- To probe specific issues, including audience development, marketing, arts education and facilities
- To gauge opinions about the potential role for The San Diego Foundation

All 234 known nonprofit arts and culture organizations in San Diego County were invited to respond to the survey. The 101 respondents brought the total number of known organizations to 245, yielding a response rate of 43%.

Strengthening the Arts and Culture Community

When asked what, in addition to more funding, would most strengthen arts and culture in the San Diego area over the long term, respondents identified arts education, advocacy, marketing and increased attendance as the most effective means.

How to Strengthen San Diego's Arts and Culture

Arts education in schools for all students	63%
Advocacy for arts and culture to community leaders and the general public	50%
Marketing campaign promoting San Diego artists and culture organizations	43%
Increased attendance to arts and culture events	41%

*Percentages do not total 100 because respondents could identify three choices



FINDINGS: THE STATE OF CULTURAL PATRONAGE IN SAN DIEGO

Increasing Cultural Patronage

Asked to identify ways to increase cultural patronage among people in the San Diego region, respondents identified fostering greater public understanding, increasing attendance and increasing financial contributions as the most effective.

Role of The San Diego Foundation

When asked where, in addition to providing funding, The San Diego Foundation should focus its attention to help strengthen the arts and culture community, respondents identified advocacy, audience development, arts education and marketing.

In addition to this survey result, interviewees also voiced strong opinions on the possibilities for The Foundation's role. While they nearly all encourage increased grantmaking by The Foundation, they also encourage an expanded leadership role. Interviewees defined leadership as donor development, raising the profile of arts and culture among business and community leaders, and convening leadership groups. The premise is that The Foundation confers legitimacy on arts and culture support through its focus and advocacy. As a resource for the community as a whole, The Foundation has a credible, nonpartisan, and valuable voice among decision-makers and with the general public.

Audience

The 101 cultural organizations responding to the survey serve a total annual audience of more than seven million people. Extrapolating to all known organizations in the county, the total audience was more than 17 million. Of this audience, more than one-third (37%) attended for free and more than one-third (34%) were tourists. When compared to San Diego County's total population of 2.9 million, these audience figures represent enormous community impact and community service. These attendance estimates also tend to corroborate the finding of the telephone survey that attendance at arts and culture events is nearly universal.

Most Effective Ways to Increase Cultural Patronage in San Diego*

Fostering greater public understanding of the role and value of arts and culture	70%
Increasing attendance at arts and culture events and institutions	61%
Increasing financial contributions to arts and culture organizations	52%

*Percentages do not total 100 because respondents could identify three choices

How The San Diego Foundation Can Best Strengthen Arts and Culture Community*

Advocacy to community leaders and general public	51%
Audience development	46%
Arts Education	41%
Marketing	39%

*Percentages do not total 100 because respondents could identify three choices

Audience of Arts and Culture Organizations

Total Attendance for Respondents*	7,102,777	100%
Subtotal Paid Attendance	4,465,554	63%
Subtotal Free Attendance	2,637,223	37%
Total Tourist Attendance**	2,389,929	34%
Total Attendance for County	17,060,592	

*Excludes 12 million figure for Balboa Park

**Tourist attendance includes both paid and free

FINDINGS: SAN DIEGO'S ARTS AND CULTURE COMMUNITY

Artistic Achievement

In addition to the large audience served by San Diego County's arts and culture organizations, the City of San Diego Commission for Arts and Culture has documented the extent of San Diego's record of artistic innovation and export (FY2004 Economic and Community Impact Report). For example, according to the San Diego Union-Tribune (Theater, Inc., January 16, 2005, de Poyen and Welsh), San Diego's theatre community has the most professional theaters of any west coast city, and is the third-most active theatre producer per capita outside of New York City and Chicago. The Old Globe and La Jolla Playhouse have originated productions which have received a total of 34 Tony awards.

Similarly, Dance Magazine (April 2005) describes the depth of San Diego's dance community:

Local dance watchers use terms like "cultural maturity" and "critical mass" to describe a scene that includes three ballet companies, multiple generations of modern choreographers and the largest dance festival in Southern California.

Despite the community's artistic resources and accomplishments, interviewees voiced a mixed message about self-image or self-assessment. Many people with a credible basis for comparing San Diego with other arts communities commented that San Diego is in some ways already at the level of "nationally-competitive." Others rated San Diego as needing artistic improvement to compete with other arts communities in other large cities.

Economic Impact

San Diego's nonprofit arts and culture organizations have a substantial impact on the local economy and one that is higher than national averages. According to a study of the economic impact of nonprofit arts organizations in 91 US communities, arts organizations in San Diego County generated a total economic impact of more than \$326 million in 2000 in direct and secondary spending, as well as \$17 million in local taxes paid by arts workers, vendors and other government revenue (Arts and Economic Prosperity, Americans for the Arts, 2002). This impressive economic impact should be compared with less than \$10 million in combined local government arts allocations of the City and County of San Diego. It is important to note that these measurements of economic impact only count the organizations participating in the study; including all organizations in the county would provide a more complete accounting and substantially increase these numbers.

Total Economic Impact of Spending by Nonprofit Arts Organizations and Their Audience in FY2000

	Total Spending	FTE Jobs	Resident Household Income	Local Govt. Rev.	State Govt. Rev.
San Diego County	\$326 M	9,956	\$214 M	\$17 M	\$25 M
National Average*	\$276 M	8,843	\$197 M	\$11 M	\$16 M

*Average of seven communities participating in the study with the populations greater than 1 million

The City of San Diego Commission for Arts and Culture has also tracked the economic impact of the city's arts and culture organizations on an annual basis. In 2004, 86 organizations supported by the Commission had combined expenses of \$117.5 million and sustained 4,889 jobs. These same organizations also generated substantial tourism benefits. They sold 1.5 million admissions to out-of-town visitors and accounted for \$369 million in total visitor spending.

FINDINGS: SAN DIEGO'S ARTS AND CULTURE COMMUNITY

Organizational Needs

When asked in which areas their organizations needed improvement, respondents most often said:

Organizational Areas Needing Improvement*

Fundraising	75%
Marketing the Organization	40%
Board of Directors/Governance	36%
Audience Development	36%

*Percentages do not total 100 because respondents could identify three choices

These needs reflect an overall goal of improving organizational capacity to reach more people and gain greater income. Marketing and audience development relate not only to expanding the audience, but also to increasing the earned income portion of organizations' budgets. At the same time, organizations regularly identify fundraising—contributed income—as their greatest need, and the board of directors/governance area is closely related to that function.

Audience Development and Marketing

Nearly all organizations have goals for audience development (96%) and marketing (98%). In addition to increasing the size of the audience, organizations are most interested in expanding their education or outreach audiences and increasing the cultural diversity of their audiences.

Audience Development Goals*

Increase audience size	81%
Increase education or outreach audience	60%
Increase cultural diversity	52%

*Percentages do not total 100 because respondents could identify three choices

Marketing goals reflect a belief in basic techniques: more advertising, better printed materials and additional staff to implement marketing efforts.

Marketing Goals*

More advertising	75%
Additional marketing staff	64%
More/better printed materials	53%
Better electronic marketing	52%

*Percentages do not total 100 because respondents could identify three choices

A comprehensive, statewide arts marketing study, sponsored by a coalition of private foundations, concluded that electronic marketing was one key to successful adaptation to current marketing and audience development challenges (California Arts Audience Research Project, ArtsMarket 2000). Respondents to the organizational survey rank the goal of better electronic marketing as a priority. However, their email lists are relatively small (20%) in comparison with their mailing lists. This suggests that most organizations still rely primarily on traditional mailing and need assistance in developing e-marketing capacity.

Traditional vs. Electronic Marketing

Total Number of Names on Mailing Lists	765,146	100%
Total Number of Email Addresses	149,860	20%
Average Number of Names of Mailing List	7,970	
Average Number of Email Addresses	1,647	

Countywide Arts and Culture Festival

Nearly all respondents (91%) say they would be interested in participating in a large-scale, countywide arts and culture festival. However, they rank such a festival as the least effective way (out of a list of nine) of strengthening San Diego's arts and culture.

By contrast, the public opinion survey showed stronger support for such a festival among residents than among arts and culture organizations. Nearly three-quarters (72%) of residents rated having a countywide cultural festival at least once a year as important or very important.

FINDINGS: SAN DIEGO'S ARTS AND CULTURE COMMUNITY

Arts Education Programs

A large majority (87%) of organizations provide arts education programs, delivered in-school, after-school and for adult learners. As with the total audience figures, these education programs represent a remarkable amount of community service and a substantial educational capacity. The County Office of Education utilizes a network of 90 arts organizations that provide in-school programs.

One important measure of arts education programs is whether they are designed to comply with the state's Visual and Performing Arts (VAPA) curriculum standards. Fewer than half of the organizations (49%) report that they use these standards in planning their in-school programs, and nearly one-quarter (22%) are unsure if their organizations do. This suggests the need to train organizations to provide programs that align with the educational needs of schools.

When asked what would most improve arts education in the San Diego area, respondents identified:

How to Strengthen Arts Education in San Diego Area*

More funding for arts organizations to provide arts education programs	78%
Greater school commitment to arts education	71%
Greater community awareness of the importance of arts education	66%

*Percentages do not total 100 because respondents could identify three choices

The need for greater school commitment aligns with the opinions of arts education interviewees that securing a systemic commitment to arts education at the school district level is critical to success.

Size

There are at least 245 nonprofit arts and culture organizations in San Diego County, based on existing lists of organizations compiled by arts funders and respondents to the organizational survey. While there are almost certainly more organizations located in the county, this is

a reasonable measure of the potential stakeholders of programs and initiatives that will result from this report.

Total annual revenues for the 101 organizations responding to the survey were nearly \$87 million. In 2004, an overlapping list of 86 organizations supported by the City of San Diego Commission for Arts and Culture generated total revenues of \$117.5 million. Extrapolated to all organizations in the county, total revenues were approximately \$208 million.

Total Annual Revenue

Total for All Respondents	\$86,700,000
Total for All Organizations	\$208,250,000

A range of budget sizes is represented among the 101 responding organizations, with two-thirds (67%) having annual operating budgets less than \$500,000. There is a gap in the mid-sized range, with budgets between \$500,000 and \$1 million. This suggests the presence of environmental challenges for organizational development beyond the \$500,000 threshold; in fact, some interviewees commented on what they observed to be a "glass ceiling" for organizations at this size. There are also a significant number of major institutions; nearly one-quarter (23%) have budgets greater than \$1 million.

Annual Operating Budgets

Less than \$100,000	30%
\$100,000 - \$250,000	17%
\$250,001 - \$500,000	20%
\$500,001 - \$750,000	7%
\$750,001 - \$1M	4%
\$1M - \$2M	10%
\$2M - \$4M	3%
\$4M - \$6M	2%
Greater than \$6M	8%
Total	100%

FINDINGS: SAN DIEGO'S ARTS AND CULTURE COMMUNITY

Individual Donors

Organizations were asked how many individual donors they had in the past year (including all individuals who gave money as contributors, members and/or by attending fundraising events). This is a key indicator of organizational sustainability. In San Diego, individual donations comprise the largest portion of an average arts organization's contributed income and 18% of all income. Individuals are a relatively dependable donor category, so organizations with more individual donors not only have a larger base of support, but also a greater degree of renewable support. Individual donors are also frequently a source of major gifts and capital contributions. In San Diego, organizations reported a total of approximately 66,050 individual donors, which equates to about 160,220 donors for all organizations. The average number of donors per organization was 654. There are no published national averages for this measure, but these figures establish a baseline to measure future change.

Artistic Discipline

Organizations span a range of artistic disciplines, with theatre and arts in education being the most numerous. While no design or literary organizations responded to the survey, interviewees noted that there are some organizations in these disciplines in the community. Along

with number of major institutions, this disciplinary diversity suggests a relatively mature cultural community, presenting an array of artistic offerings for the public.

Location

Nearly three-quarters of all arts and culture organizations (73%) are concentrated in central San Diego, with a secondary concentration in the northern coastal suburbs. There are strong environmental motivations for this concentration, including the ready availability of an arts-friendly population, venues, city funding and other support, and not least, distance and transportation. Nevertheless, given the importance of having arts and culture activities closer to where people live, as noted in the public opinion survey, this concentration indicates a gap between assets and increasing participation.

A comparison of the location of arts and culture organizations with the potential audience illustrates in general terms the distance challenge in increasing attendance. The following three maps show zip code concentrations of respondents who said they would like to attend three specific types of arts events more often (music, theatre and museums), plus the locations of 213 of San Diego's arts and culture organizations. Note that the organizational locations are for all disciplines, not only for music, theatre or museums.

Individual Donors

Total for Respondents	66,050
Total for All Organizations	160,200
Average per Organization	654

Artistic Discipline

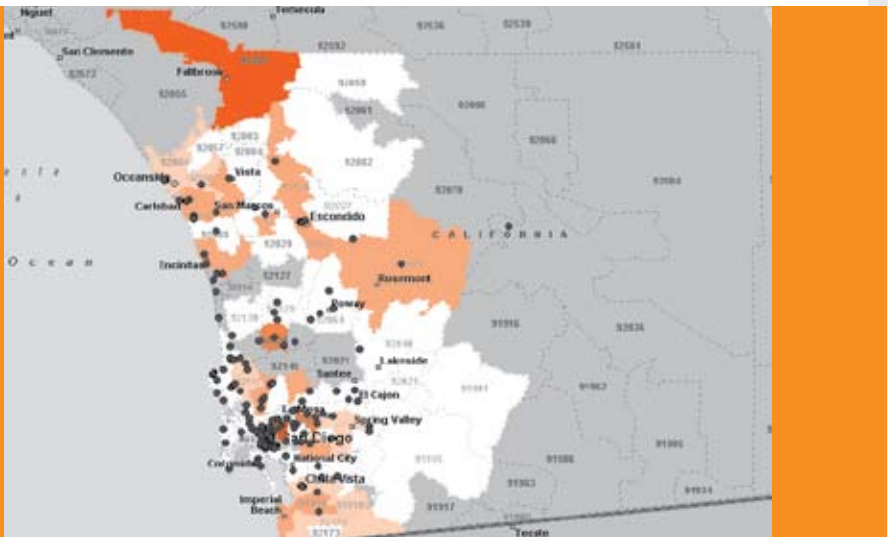
Theatre	18%
Arts in Education	15%
Museums	12%
Multidisciplinary	11%
Dance	9%
Music	8%
Media Arts (Film/Radio/TV)	6%
Visual Art	6%
Other	5%
Presenting	3%
Folk & Traditional Arts	2%
Musical Theatre	2%
Opera	2%
History/Preservation	1%
Humanities	1%
Design	0%
Literary	0%
Total	100%

FINDINGS: SAN DIEGO'S ARTS AND CULTURE COMMUNITY

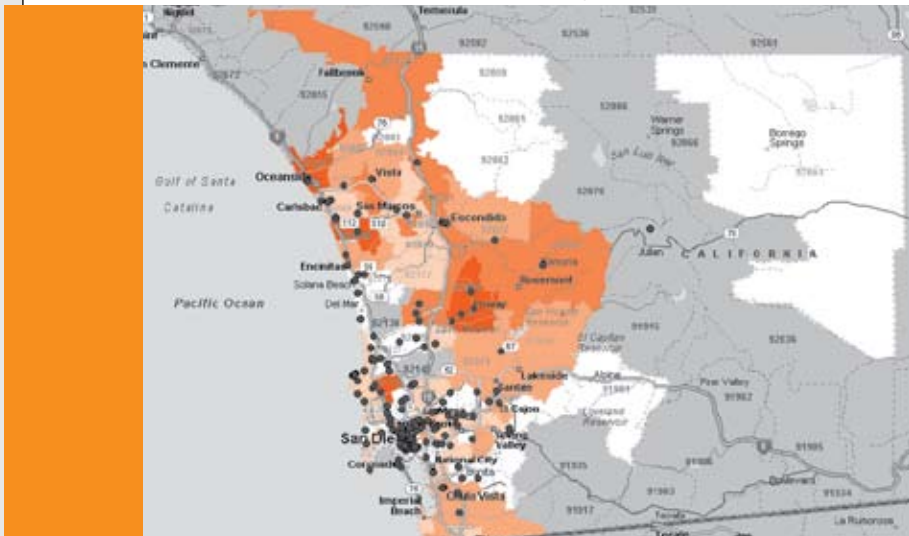
Location of Potential Music Audience and Arts and Culture Organizations



Location of Potential Museum Audience and Arts and Culture Organizations



Location of Potential Theatre Audience and Arts and Culture Organizations



These maps also suggest the potential value of the survey data (from both telephone and organizational surveys) for marketing and audience development research. Especially because of the rich data set generated by the scope of the telephone survey, further “data mining” can yield detailed new information about the demographics and location of potential attendees for many types of arts and culture events and venues.

Note: Map Shading Corresponds to Numbers of Respondents. The darkest areas are those with the highest concentrations. White areas have the smallest concentrations. Gray or un-shaded areas had no respondents responding that they wanted to do the activity more often. Organization plot points are based upon the physical addresses of the organizations.

FINDINGS: SAN DIEGO'S ARTS AND CULTURE COMMUNITY

Diversity

Some interviewees commented on the relative lack of cultural diversity among San Diego's arts and culture organizations. There are few ethnically-specific organizations in a community with substantial ethnic diversity and those that exist have comparatively small budgets. The City of San Diego Commission for Arts and Culture developed a Plan for Cultural Equity and Diversity in 1994 and, as an outgrowth of past work on this issue, recently developed a new initiative designed to foster greater diversity among its grantees.

Given the variety of relationships that residents have with arts and culture, fostering greater diversity among arts and culture organizations is of strategic importance. It appears that there is increasing diversity occurring among San Diego's smaller and emerging organizations. The 1994 Plan also indicated that the challenges to the organizational health of ethnically-specific organizations apply as well to small and mid-sized organizations in general. This underscores the suggestion that supporting diversity will require strategies and programs that acknowledge and include—and perhaps even target—such organizations.

Cultural Facilities

More than three-quarters (77%) of respondents reported having facility needs. The top two needs were improvements or upgrades to their current facility (34%) and a larger facility or more space (31%). Many respondents expressed the willingness to share facilities. Facilities issues were also a frequent topic in interviews and group discussions. The most common issue was the need for space for programs, especially among smaller organizations.

Community stakeholders also discussed the need for a major performing arts center and improvements to the Civic Theatre. But while cultural facilities are clearly a communitywide need, it is not a highly ranked need. Only 16% of respondents ranked having a new, nationally-recognized arts facility as a priority in strengthening the arts and culture community. Furthermore, addressing facilities needs was ranked next-to-last in respondents' opinions of the most effective role for The Foundation. Some interviewees pointed out that the total financial magnitude of cultural facilities needs is overwhelming, and beyond the reach of The Foundation.

Having cultural facilities more widely available in underserved areas is one obvious strategy for increasing attendance, by addressing residents' desire to have arts and culture activities available closer to home. Yet, cultural facilities in several communities outside central San Diego - El Cajon, Escondido, Poway – are underutilized because of scarce programming dollars. Rather than contradicting the need for facilities more widely distributed throughout the county, this circumstance illustrates the need for facilities that are planned and operated with realistic plans for financial sustainability. Cultural facilities succeed or fail on a complex set of inter-related factors, only one of which is audience demand.



Athenaeum Music & Arts Library

FINDINGS: COMPARISON OF ARTS AND CULTURE COMMUNITIES

To place San Diego in a larger context, its arts and culture resources were compared to other communities and national averages, using existing studies and data. Because of the importance of the resource issue in this project, financial comparisons were emphasized.

Total Funding of San Diego's Arts and Culture

San Diego's arts and culture community is under-funded, according to a national comparison of the state of the arts in 20 American cities (*The Arts Economy in 20 Cities: Where Does Atlanta Stand?*, Andrew Young School of Policy Studies, Georgia State University, 2000). Using data from 1996 through 2000, this study provides the most comprehensive national comparison available of the arts communities. The cities compared included Boston, Phoenix, San Jose, Seattle, Chicago, Dallas, Denver, Houston, Miami, Minneapolis/St. Paul and St. Louis, among others.

Compared to the other 19 cities, San Diego ranks in the middle in the scope of its arts community, as measured by the number of nonprofit arts organizations and the number of arts museums per capita. However, San Diego ranks near the bottom in metrics involving funding:

- Low in total revenues of arts nonprofits per capita (17th of 20), total revenues per arts nonprofit (19th of 20) and profitability/net annual revenues (19th of 20)

- Low in both contributed and earned revenues per capita (19th and 17th of 20 respectively)
- Low in all National Endowment for the Arts measures: number of applications, awards and grant amounts per capita

This study validates the frequently-voiced observation of interviewees that San Diego presents a challenging arts funding environment.

Government Funding

The City of San Diego Commission for Arts and Culture is the largest local government arts agency and the major source of government support for arts and culture organizations in the city. The Commission exerts the primary financial influence on the local arts ecology. There are several smaller city agencies in the county but no comparable county arts commission. The Commission has built up significant levels of support from city government but this has declined by 27% in the past four years, from its high of \$10.6 million in FY2002 to \$7.7 million in the current year (FY2006).

Commission grantees receive an average of 7.5% of their budgets from local government, compared to the national average of 3.1%. This comparison is misleading, however. It measures only grantees selected through a competitive process and excludes the many

organizations ineligible for support from this agency. Equally important, these San Diego organizations receive far less state and federal support than the national average.

Local government support is crucial to the financing of San Diego's arts and culture organizations. Grants from the National Endowment for the Arts to San Diego organizations are an insignificant total amount, less than 1/100th of one percent, of organizations' total countywide revenues. State government support has become irrelevant with the elimination of almost all California Arts Council grants programs in FY2004. This was a loss of approximately \$30 million annually for arts and culture organizations throughout the state. The budget of the Arts Council was cut from \$32 million in FY2001 to \$18 million in FY2003, and has remained at \$2 million since FY2004.

FINDINGS: COMPARISON OF ARTS AND CULTURE COMMUNITIES

Arts and Culture Organization Revenues

The breakdown of revenue for arts and culture organizations in a community reflects environmental factors, such as the relative availability of government or foundation grants. A comparison of the revenues of San Diego's arts and culture organizations against national averages shows a number of significant differences (note that this comparison includes only the 86 organizations funded in FY2004 by the City of San Diego Commission for Arts and Culture, and not all 245 organizations in the county).

Organizational Revenue Comparison

<i>Income Category</i>	<i>San Diego</i>	<i>Natl. Avg.</i>
Fed. Govt.	1.0%	1.5%
State Govt.	0.7%	3.1%
Local Govt.	7.5%	3.1%
Multi-Govt. Agencies	--	1.2%
Individuals	18.2%	9.3%
Businesses	3.7%	5.4%
Foundation	8.7%	8.9%
Fundraising	5.7%	3.7%
Contributed Other	6.3%	2.4%
Contributed Subtotal	51.8%	38.6%
Admissions	26.6%	23.1%
Contracted Services	3.5%	5.1%
Tuition/Workshops	3.0%	0.0%
Sales Concession	4.7%	9.2%
Investments Income	5.4%	12.2%
Earned Other	4.9%	11.8%
Earned Subtotal	48.2%	61.4%
Income Total	100.0%	100.0%

In addition to the relative dominance of local government support through the Commission for Arts and Culture and compared with national averages, San Diego has:

- Lower federal and state support, as described above
- Much higher individual support. This finding defies easy explanation. It may reflect a better climate for individual giving, a higher average household income or a difference in the sample of organizations
- Lower business support, including corporate sponsorships
- Much higher reliance on contributed income and correspondingly lower reliance on earned income
- Much lower amount of investment income. This finding corroborates the need for increasing endowment funds and speaks to the timeliness of the Foundation's Endow San Diego initiative

Individual Giving

There appears to be a relatively healthy base of individual support for arts and culture in San Diego. The telephone survey shows that more than one-quarter of all residents made a financial contribution to an arts or culture organization in the past year. Also, the comparison of arts and culture organization revenues reveals nearly twice the percentage of individual giving as compared to national averages. The organizational survey shows a countywide total of approximately 160,220 individual donors, which is an average number of 654 donors per organization.

FINDINGS: COMPARISON OF ARTS AND CULTURE COMMUNITIES

Foundation Philanthropy

San Diego faces a relative shortage in total foundation support (to all fields), including for arts and culture. Compared to other US communities, San Diego ranks low in the total amount of grants (10th of 12), total foundation assets (11th of 12), and attracting national foundation funding (10th of 12).

Compared to community foundations in other cities, the San Diego Foundation's total arts grantmaking is mid-rank (7th of 13) but it has very limited discretionary arts funding capability (9th of 11 foundations that report this data). Though the total dollars to the arts are not inconsequential, the bulk of these dollars are housed in donor-advised or legacy funds which restrict their use to specific organizations.

Foundation Funding Comparison (All Fields)

City	Total Metro Foundation Grants	Total Metro Foundation Assets*	Total Top 50 Grants to the city* - All fields
Seattle	1,482.3	32,331.1	339.7
San Francisco	1,197.0	23,646.9	469.0
Los Angeles	1,178.1	28,596.1	446.0
Chicago	1,171.3	19,663.3	308.4
Boston	798.8	11,584.5	481.4
Minneapolis	625.8	9,374.9	223.9
Atlanta	520.2	7,413.7	345.6
Houston	473.5	8,327.8	200.4
Dallas	369.9	4,627.3	116.1
San Diego	137.4	1,864.9	103.9
Phoenix	112.7	1,940.6	77.3
State of Hawaii	72.6	1,590.1	64.2

*\$ Millions / FY2004. Foundation statistics from www.fdncenter.org/fc_stats and foundation web sites

Foundation Funding Comparison (All Fields)

Community Foundation	Total Arts Grants	Subtotal Discretionary Arts Grants*	Subtotal Donor Advised Arts Grants*	Total Assets*
The San Francisco Foundation	\$10.5	\$1.4	\$9.1	\$757.7
The Seattle Foundation	\$5.4	\$0.7	\$4.7	\$440.8
The Chicago Community Trust	\$5.2	\$4.0	\$1.2	\$1,200.3
Communities Foundation of Texas**	\$5.2			\$605.6
The Boston Foundation	\$4.8	\$1.0	\$3.8	\$647.7
Community Fndtn. Greater Atlanta	\$3.4	\$0.1	\$3.3	\$309.7
The San Diego Foundation	\$3.3	\$0.2	\$3.1	\$378.5
Greater Houston Community Fndtn.	\$1.7	\$1.0	\$0.7	\$148.0
Arizona Community Foundation	\$1.7			\$355.3
Hawaii Community Foundation	\$1.3	\$0.5	\$0.8	\$265.2
Minneapolis Foundation	\$1.3	\$0.5	\$0.8	\$571.3
San Antonio Area Foundation	\$0.7	\$0.1	\$0.6	\$120.0
California Community Foundation	\$0.6	\$0.6	\$0.0	\$671.0

*\$ Millions / FY2004. Foundation statistics from www.fdncenter.org/fc_stats and foundation web sites

**Dallas is also served by The Dallas Foundation, founded in 1929, with total assets of \$90.8 million. However, it does not appear in the arts.

FINDINGS: COMPARISON OF ARTS AND CULTURE COMMUNITIES

The Need for Increased Revenues

The most significant aspect of San Diego's financial environment for arts and culture is the low level of total revenues in comparison with other US cities. While it is informative to understand the relative availability of various categories of income in San Diego, the critical factor is the current shortfall of total investment needed to fulfill The Foundation's vision of a nationally-competitive arts and culture community.

Local governments are increasingly recognizing the value of making substantial public investment in their arts and culture resources through dedicated revenue streams. Since the late 1980's, numerous communities

have demonstrated the effectiveness of this approach, and recent research and case-making around economic development, educational impact, neighborhood revitalization, cultural participation and cross-cultural dialogue have demonstrated repeatedly that the arts are a good investment. A large, annual revenue stream for the arts and culture also serves to stabilize or sustain the arts ecology, increasing organizational capacity and fostering greater private support.

For example, Denver created a seven-county Scientific and Cultural Facilities District in 1988, dedicating 1/10th of one percent of its sales tax ("a penny for every ten dollars") to its arts and culture organizations, including the science and natural history museums. This tax

generates approximately \$35 million annually, or \$13.62 per capita, for unrestricted operating support. This revenue source has helped stabilize the cultural community, providing a reliable level of support, thereby increasing the capacity of these organizations to serve the public. Over the years, attendance has increased dramatically; more than 11 million people, twice the population of Colorado, visited scientific and cultural organizations in 2004. Furthermore, almost 860,000 out-of-state visitors annually defray the cost by spending millions of dollars on tourism. More subtly, these revenues have facilitated the development of diverse cultural organizations in suburban areas, as Denver has become an exurban region.



The Old Globe



FINDINGS: COMPARISON OF ARTS AND CULTURE COMMUNITIES

There are similar programs and benefits in Salt Lake County, Allegheny County (Pittsburgh) and other communities. Philadelphia and San Antonio are among major cities currently considering adopting this approach. The key elements are:

- Sufficient resources to impact the budgets of local arts and culture organizations in a meaningful way
- Funding that is stable and predictable from year to year
- Documenting public benefit, assuring accountability to the voters

These programs provide between 10% and 20% of each organization's annual operating budgets, a guarantee of public support while avoiding undue reliance.

By contrast, San Diego's total local government grants to arts and culture organizations comprise less than 4% of the total budgets of all such organizations. Total revenues for all nonprofit arts and culture organizations in the county are approximately \$208 million. Total local government grants are currently approximately \$8 million. A government support program providing 10% support would require approximately \$21 million annually; at 20% the amount would be \$42 million.

Why should local government assume this responsibility? It is simply a sound investment. Economic impact studies illustrate that local government revenues generated by investments in arts and culture organizations typically exceed the amount of tax revenues invested. At the same time, more than 90% of the revenues of arts and culture organizations are derived from non-governmental sources; increased government support has a multiplier effect, generating substantially greater private income. While there are strong arguments in favor of increased tax-based funding, the arts and culture community would also benefit from efforts to increase each income category: individual contributions, foundation grants, business support, admissions and other earned income.



Alcazar Garden in Balboa Park



*Installation Gallery/inSite_05
Photo by: Danny Playami*

BIBLIOGRAPHY

Arts and Economic Prosperity: The Economic Impact of Nonprofit Arts Organizations and their Audiences. 2002. Americans for the Arts. (http://www.artsusa.org/information_resources/research_information/services/economic_impact/default.asp)

Bates, Daniel G. and Plog, Fred. 1990. *Cultural Anthropology (3rd Edition)*. New York: McGraw Hill.

Bergonzi, Louis and Smith, Julia. 1996. *Effects of Arts Education on Participation in the Arts.* National Endowment for the Arts. (<http://www.arts.gov/pub/Researcharts/Summary36.html>)

City of San Diego Commission on Arts and Culture; San Diego Regional Arts and Culture Coalition. *FY2004 Economic and Community Impact Report.* (<http://www.sandiego.gov/arts-culture/pdf/FY04EconomicReport.pdf>)

[Denver Metropolitan Area] Scientific & Cultural Facilities District. (<http://www.scfcd.org/about.shtml>)

FC Stats. 2005. The Foundation Center, (www.fdncenter.org/fc_stats)

Fiske, Edward B. 2000. *Champions of Change: The Impact of the Arts on Learning.* The President's Committee on the Arts and Humanities, and the Arts Education Partnership. (<http://artsedge.kennedy-center.org/champions/pdfs/ChampsReport.pdf>)

Harris Poll, May 2005, *American Attitudes Towards Arts Education.* (http://www.americansforthearts.org/information_resources/press/2005/2005_06_13b.asp)

Kushner, Roland J. and Brooks, Arthur C. *The Arts Economy in 20 Cities: Where Does Atlanta Stand?* 2000. Andrew Young School of Policy Studies, Georgia State University. (http://raweb2003.brinkster.net/FullReports/00_ArtsEconomy.pdf)

McCarthy, Kevin F. and Jinnett, Kimberly. 2001. *A New Framework for Building Participation in the Arts.* RAND Corporation. (http://www.rand.org/pubs/monograph_reports/MR1323/)

Model Arts Program: Arts Education Program Toolkit. 2001. California Department of Education. (<http://www.teachingarts.org/MAP/>)

Nienstedt, John. May 2005. *KPBS / Competitive Edge Research Public Art Poll: Involvement in the Arts.* (<http://www.cerc.net/kpbsdata/Arts%20Analysis.pdf>)

Quality, Equity and Access: A Status Report on Arts Education in California Public Schools Grades Pre-K through 12. 2005. California Alliance Arts Education. (<http://www.artsed411.org/artsed/docs/briefingpaper05.pdf>)

Steinberg, Janice. *San Diego report: another dance in paradise.* Dance Magazine, April 2005. (http://www.findarticles.com/p/articles/mi_m1083/is_4_79/ai_n13628954)

Stevens, Louise K. *California Arts Audience Research Project—The Performing Arts in California: Rebuilding, Repositioning, Re-emerging.* 2000. ArtsMarket. (<http://irvine.org/assets/pdf/pubs/arts/CAArtsAudienceProjectExecSum.pdf>)

US Census Bureau. *US Census 2000 (with 2004 update).* (<http://www.census.gov/>)

Walker, Chris; Scott-Melnyck, Stephanie; and Sherwood, Kay. 2002. *Reggae to Rachmaninoff: How and Why People Participate in Arts and Culture.* Urban Institute. (http://www.urban.org/UploadedPDF/310595_ReggaetoRach.pdf)

Welsh, Ann Marie, and de Poyen, Jennifer. 2005. *Theater, Inc.* The San Diego Union-Tribune, January 16, 2005. (http://www.signonsandiego.com/uniontrib/20050116/news_lz1a16theater.html)

Yoshitomi, Gerald D. 2000. *New Fundamentals and Practice to Increase Cultural Participation and Develop Arts Audiences.* Grantmakers in the Arts Reader, Vol. II, No. 1, 2000.



SUMMARIES OF RELATED SAN DIEGO REPORTS

San Diego has prepared a number of relevant reports, plans, studies and articles on arts and culture issues. The following are summaries of some that were particularly useful in this project.

A Plan for Cultural Equity and Diversity (1994)

This candid report by The Wolf Organization, Inc. was based on over 100 interviews with a culturally diverse cross-section of arts and community leaders. Contracted by the City of San Diego Commission for Arts and Culture to help develop a plan for cultural equity and diversity in the City's arts community, the Wolf team made six central recommendations: 1) a technical assistance program to strengthen organizational and board development skills; 2) communication, dialogue and collaborative programs among cultural groups and with the non-arts community; 3) artists' spaces and administrative facilities for smaller organizations and an inventory of existing spaces; 4) advocacy for arts education and strategies to link arts groups and schools; 5) identification of new funding sources as well as review of the Commission's funding procedures and panel composition; and 6) attention to ensuring a thriving community of working artists. The report also observed that many of these same concerns and strategies would be applicable to other small and mid-sized arts organizations.

The San Diego Arts Education Partnership Plan (2000)

The SDAEPP was researched and prepared by Arts Market Inc. with support from the Parker Foundation, the San Diego Unified School District and the City of San Diego Commission for Arts and Culture. Invoking the school district's noteworthy "Blueprint for Student Success," the plan makes a compelling case for the power of sequential arts learning and for putting the arts back in the schools, with a strategy based on effective cultural partnerships, supported by public/private funding support. It cites internal, systemic needs that must be met to make it possible to teach standards-based arts to all students, as approved in the 1998 adoption of the VAPA (Visual and Performing Arts) standards, and as required by the University of California and California State system.

The SDAEPP proposed three plans and five outcomes. The three plans were: 1) to establish the Partnership; 2) to develop methods for artists and cultural organizations to work

together in the schools; and 3) to implement the VAPA standards in the schools. In executing these plans, the Partnership was to enable: 1) the growth of infrastructure to sustain arts teaching; 2) institutionalization of professional development; 3) curriculum development to implement the VAPA standards; 4) funding to make arts central to learning; and 5) leadership and advocacy for arts education for every student.

Arts & Economic Prosperity: The Economic Impact of Non-profit Arts Organizations and Their Audiences (2002)

This landmark study by Americans for the Arts documents the key role of the nonprofit arts industry in strengthening the nation's economy. Building on its first 1994 economic impact report, the 2000 update measured not only the impact of arts organizations, but also of event-related spending by their audiences. Nationwide the nonprofit arts industry generated \$1.34 billion in total economic activity and supported 4.9 million full-time equivalent jobs, and proved its role as a major component of tourism and downtown revitalization. To advance its findings, Americans for the Arts coined the expression, "the arts mean business."

San Diego was one of 91 communities that participated in the study. Project economists designed input/output models for each community resulting in the following findings for San Diego: the nonprofit arts generate \$326.1 million, supporting 9,956 full-time jobs and \$42.1 million in local and state government revenue. Total expenditures by San Diego nonprofits were \$122.9 million annually, leveraging \$203.3 million in related spending. Attendance at nonprofit arts events totaled 5,533,404 with an average of \$36.73 spent per attendee, considerably higher than \$30.54 spent per attendee in communities of populations of 1 million or more, and far exceeding the \$22.87 average of 75 communities in the study.

Environment Scan: San Diego Foundation Arts & Culture Working Group (2003)

In 2003, The San Diego Foundation commissioned an environmental scan for the Arts & Culture Working Group from Strategic Community Consulting at University of California, San Diego. This scan utilizes the Boston Foundation's Indicators Project to compare San Diego to an ideal arts & culture environment along six metrics: Creativity (San Diego is #3 in

Richard Florida's ranking of creative cities), Connectedness (to the larger community), Cultural Participation (attendance and volunteerism); Diversity of Opportunities (arts instruction offerings and free admissions); Health of Cultural Community (city per capita funding); and Economic Impact (tourism and direct spending by nonprofits themselves). The report further describes several factors which will play a role in determining San Diego's future, including population growth, economic strength, socio-demographic shifts, the public policy environment, and trends within the arts community itself, both nationally and within San Diego. Participation and philanthropy are also discussed with the observation that grassroots fundraising, generational targeting (a focus on younger donors) and investment in educational outreach are opportunities for the future.

Rising on the Pacific: San Diego Downtown Community Plan (2004)

Prepared by Dyett & Bhatia, this extensive community plan lays out the policy framework toward a vision of San Diego as a center of economic, residential and cultural activity and influence on the Pacific Rim. The plan's Guiding Principles encompassed a distinctive world class downtown, at the physical and symbolic center of the region; a vibrant, intense, diverse, yet livable "City of Villages;" a regional economic and employment center; walkable, diverse and complementary neighborhoods, public spaces and street life that celebrate the climate and waterfront location; new and enhanced linkages among and between the different urban environments; and finally, that "all of downtown will be alive with arts and culture." Historic preservation, a heightened presence for education with downtown college and university campuses and enhanced civic facilities and amenities play a central role in the plan. But a central role is envisioned for the arts, not only for their positive impact on the quality of life, but also because "they attract business investment, counter urban decay, revitalize struggling neighborhoods and draw tourists." Proposed strategies included a strengthened presence for public art; cultural facility retention and development (including through developer incentives); and encouraging affordable downtown live/work space for artists.

SUMMARIES OF RELATED SAN DIEGO REPORTS

Public Art Master Plan: The Vision and Benefits to San Diego (2004)

The City of San Diego initiated its Public Art Program in 1984 with a Public Art Advisory Board, followed in 1985 by formation of the Fund for Public Art financed by 1% of the City Capital Outlay Fund. In the early 90's the 1% financing requirement ended, leaving an ad hoc funding structure overseen by the City of San Diego Commission for Arts and Culture Public Art Fund. Also in the early 90's, a new Public Art Master Plan was developed, which was reassessed in 2000. In 2001, a new Public Art Master Plan was initiated, a process involving community meetings, charettes, 150 interviews, and focus groups, facilitated by consultants Jerry Allen and Associates.

The new master plan envisions “a city with art woven into the fine grain detail of the public infrastructure . . . where every neighborhood, every ‘village,’ includes art that reveals its unique identity and character . . . establishing San Diego as a truly first-rate, world-class city.” It relies almost entirely on the City of San Diego Commission for Arts and Culture through its Public Art Program, to ensure the quality, inclusiveness and success of the plan, built around five key recommendations: 1) celebrating San Diego's identity and pride through neighborhood place-making, public and private partnerships, promoting opportunities for public art and engaging diverse and knowledgeable artists and advisors; 2) creating a community of support through community education and outreach, marketing and strategic alliances; 3) supporting artists through work with experienced artists, curriculum development, and elimination of performance bonds and guarantees; 4) enhancing the urban environment by involving artists in planning; 5) effectively managing the program process to ensure effective planning, artists' involvement, instituting policies that allow a wide range of artistic expression, as well as financing, maintenance and conservation of public art work; and 6) identifying funding through a 2% allocation from the Capital Improvement program and a 1% set-aside by private developers.

Involvement in the Arts: a KPBS Poll Analysis (2005)

Competitive Edge Research and pollster John Nienstedt presented findings that compare San Diegans to Californians as a whole on five arts-related questions: 1) attendance at performing or visual arts events; 2) attitudes about the arts with respect to improving the quality of life; 3) attitudes about the arts with respect to improving the academic performance of children; 4) volunteerism; 5) attitudes toward a \$5 tax increase to support the arts. These responses were then charted against demographic questions: zip code, voter registration, conservative/liberal, age, income and gender. Respondents between the ages of 35 and 44 were found to be the most frequent attendees, though Californians in general are more involved in the arts than San Diegans. Registered voters are twice as likely to volunteer as non-registered voters, and 39% of very liberal San Diegans contribute to the arts, as compared to 15% of

the very conservative. Similarly, political ideology was an important factor in whether respondents supported an additional tax of up to \$5 to be directed toward the arts. Family income is also a major factor in differentiating donors from non-donors, as well as those who attend the arts, with San Diegans trailing Californians in arts attendance despite a similar per capita income level.

Theater, Inc. – San Diego Union-Tribune January 9 & 16, 2005 by Jennifer de Poyen and Anne Marie Welsh

“Theater Inc.” is a thorough two-part article about the theatre community in San Diego, covering both commercial and nonprofit producers, but concentrating on the 90 nonprofit theaters that comprise a richly diverse but under-recognized resource for San Diegans and tourists alike. De Poyen and Walsh compare the direct and indirect economic impact to that of San Diego's professional sports teams and suggest that public support for theaters is a smart economic investment. Calling for increased and sustained public support for the nonprofit theater sector, the commentary also suggests the city would benefit from adding arts and culture to the “sun, sand and Sea World” message of San Diego's tourism promoters. While touting the Broadway bound productions that have brought national recognition and Tony Awards to San Diego's three LORT (League of Resident Theatres) institutions, De Poyen and Walsh also take note of several theatres—both established and upstart—that add texture to a theatre community. An accompanying article, “Carving Out a National Identity,” cites seven challenges to enabling San Diego to take its place among leading theatre towns in the nation: support for small and midsize Equity theatres; the need to build endowments; an increase in edgy and socially-engaged work; supportive and “evolved” audiences; solving the housing crunch; building the buzz factor through civic marketing and informed dialogue among critics, artists and audiences; and developing a San Diego style or identity.

**To receive a copy of this research report, contact
The San Diego Foundation at (619) 235-2300 or visit
www.participatesandiego.org.**



*San Diego Opera
Photo by: Ken Howard*



The San Diego Foundation

Founded in 1975, The San Diego Foundation is a broad-purpose community foundation helping individuals, families and organizations carry out their charitable plans, with the common goal of improving the quality of life in the greater San Diego region, now and for generations to come.

The Arts & Culture Working Group of The San Diego Foundation

The Arts & Culture Working Group of The San Diego Foundation engages the community as well as local, regional and national funders to support arts and culture in the San Diego region through research, convenings, initiatives and funding partnerships. In addition, the Arts & Culture Working Group develops funding priorities and awards grants to meet the most critical needs of San Diego's arts and culture community.



The San Diego
Foundation

A foundation for your passion

THE SAN DIEGO FOUNDATION

Main

Tel (619) 235-2300

Rancho Bernardo

Tel (858) 385-1595

Solana Beach

Tel (760) 269-3880

info@sdfoundation.org

www.sdfoundation.org

the James Irvine foundation

Expanding Opportunity for the People of California



UNDERSTANDING THE SAN DIEGO REGION

This research report is the result of UNDERSTANDING THE SAN DIEGO REGION, a continuing initiative of The San Diego Foundation based on a simple premise: *We must understand. Then we can act.* The Foundation strives to acquire and share and then share a deep and clear understanding of the region's largest issues, then engage the community in collaborative planning and execution that produce solutions.

