

CITY OF AUSTIN

**IDENTIFICATION OF PUBLIC CULTURAL
ARTS FUNDING
BEST PRACTICES AND BENCHMARKS**

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Appendix A List of Research Local Arts Agencies and Survey Respondents

Appendix B Austin Cultural Arts Funding: Comparable U. S. Cities Survey

Dabney & Associates, October/November 2002

Designed for interviews with Executive Directors, Grant Program Directors and other relevant staff of local arts agencies, focusing on best practices and model programs relevant to Austin, Texas.

BIBLIOGRAPHY

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Dabney & Associates

INTRODUCTION

Dabney & Associates, a team composed of Marion McCollam, Eduardo Díaz and Lucille Dabney has been retained by the City of Austin to:

1. Evaluate the City's current cultural arts funding process;
2. Identify public cultural arts funding best practices and benchmarks; and
3. Identify and recommend viable cultural arts funding program model alternatives for the City, including strategies for implementing those alternatives.

As part of its Phase One engagement, the team has presented the Evaluation of the Cultural Arts Funding Process (Evaluation Report) and is scheduled to present the final report on December 11, 2002. Dabney and Associates is working under the supervision of the Office of the City Auditor. At the City's discretion, a Phase Two component to the project may ensue, in which consultants will provide assistance in the implementation of recommendations made in Phase One.

This identification of public arts funding best practices and benchmarks is the result of a methodical survey of local arts agencies in more than twenty cities in the United States (Appendix A). Selected cities either shared some of the attributes of Austin in terms of demographics, growth patterns, basic industries and economic base or featured a model program or process that appeared to respond to a need or opportunity that was identified either in the Evaluation Report or in the performance audit conducted by the Office of the City Auditor (Audit Report) that was appended to it. The list of cities was reviewed and approved by the Office of the City Auditor prior to the commencement of interviews with executive directors and key staff of local arts agencies, both public and private, in those cities. As we conducted the interviews, we reaffirmed our initial selection by an informal application of Nominal Group Technique. The survey instrument was an open-ended questionnaire (Appendix B) used as the basis of extended conversations. Information and data received in the process included not only the results of hour-long interviews based on that questionnaire, but also material from the local arts agencies' web sites and printed material subsequently received.

Ample information was available regarding best practices; benchmarking in the arts is not as easy. Benchmarks serve as standards for measurement. They are intended as useful reference points. The way in which artists work, the entirety of the creative process, the manner in which the arts are managed and presented, the range of

aesthetic considerations and the diversity of cultural differences and inflections make arriving at commonly held “standards” difficult. Admirably, national arts service organizations have established recommended standards of operation that help guide development in specific disciplines (e.g., Opera America, American Symphony Orchestra League, Theatre Communications Group and American Association of Museums). To our knowledge, the American Association of Museums is the only association that has adopted a formal accreditation program and procedure. While Americans for the Arts (formerly, National Association of Local Arts Agencies) has long-represented local arts agencies and has contributed to the growth and development of the field, it has not, similarly, laid out easily recognized standards. Given the range of cities represented by Americans for the Arts (size, geography, economic base, ethnic composition, history, etc.), the organization has not found it productive to establish a comparison-based set of operating standards. In this report, we describe approaches and programs adopted by leading cities that offer rich food for thought for Austin’s civic and arts leaders.

This Best Practices Report builds upon the Evaluation Report and anticipates the next report on viable cultural arts funding program model alternatives for the city, including strategies for implementing those alternatives. We are continuing to organize our report around the seven major topics that are designed to encompass issues and attributes found to be relevant to Austin’s arts funding concerns, the city’s particular assets and attributes, its challenges and opportunities and our findings and experience. Consequently, relevant research on best practices and benchmarks for public cultural arts funding will be examined under the following topics.

1. Public Policy: What is the background and context of public policy for the arts in American cities and how has its development and evolution shaped the mission, structure and function of local arts agencies charged with carrying it out?
2. Structure and Function of a Local Arts Agency: What functions should Austin’s arts agency serve that will address the community’s aspirations and opportunities and leverage the City’s investment and what form should its structure take to carry out those functions effectively, efficiently, equitably and accountably?
3. Arts and Economic Development: How can Austin’s vast cultural capital be valued, invested and promoted to help achieve City goals, not only for a vibrant cultural life but also as fuel for Austin’s economic engine?
4. Arts and Community Development: How can support of the arts enhance neighborhoods, serve special populations, such as youth and the elderly, and act as catalyst for revitalization initiatives?
5. Support and Resources: How can Austin maintain, and perhaps enhance, current public arts funding while also developing a more diverse portfolio of arts investments and an inventory of other types of resources?

6. Equity: In what ways can Austin assure equal access to arts resources for artists and organizations and broad participation of audiences in a diversity of artistic offerings throughout the city?

7. Communication: How can Austin design creative communication systems that bring the arts community together and involve it in dialogue with representatives of City government, the business community, the hospitality industry, educational institutions, and the Austin community at large and beyond?

Within discussions in each of these topics, the Best Practices Report will present processes, practices and model programs of cities comparable to Austin or notable for exemplary innovations relevant to Austin's interests. The current programs and processes, current structure and functions, will be measured against our related findings so that a final analysis can be done and an outline of alternatives for action can be presented. The final report will contain recommended alternatives in the same seven areas; alternatives that will also help civic leaders and the arts community rethink and revise fundamental arts public policy.

PUBLIC POLICY

Public policy emanates initially from the governing body, in this case the Austin City Council. As noted in the Evaluation Report, a 1986 City ordinance enunciates five goals as follows:

- ? To create a physical and human environment which nurtures artists, arts organizations and arts producers;
- ? To nurture and preserve cultural diversity, consistent with and reflecting Austin's population;
- ? To equalize access to the arts, both participatory and professional;
- ? To improve the artistic and administrative ability of Austin's offerings;
- ? To promote the inclusion of aesthetic consideration in local decision making through advocacy, services, financial and technical assistance and leadership in the community.

Subsequently program goals and values of the Austin Arts Commission have flowed from policy implications of this ordinance.

Perspectives on Policy

Perspective may be gained from some background and context concerning the evolution of the local arts agency field, of which Austin's Arts Commission is part. In 1965 the signing of the National Foundation on the Arts and Humanities act that created

the National Endowment for the Arts (NEA), a federal agency for policy, planning and grant making, provided an idealistic vision of the role of art in America. The agency granted federal funds to seed arts development and, over the next two decades, served as the catalyst for creation first of state arts agencies and then of local arts agencies, of which there are now about 4,000. President Lyndon Johnson said at the signing, "In the long history of man countless empires and nations have come and gone. Those which created no lasting works of art are reduced today to short footnotes in history's catalog. Art is a nation's most precious heritage, for it is in our works of art that we reveal to ourselves, and to others, the inner vision which guides us as a Nation. And where there is no vision, the people perish." This vision, shared by local arts agencies and embedded in public policy at the local level, made support of the arts a basic governmental service.

In the nineties, culture wars at the national level caused a hastening of decentralization of the NEA's policy, planning and support functions. In 1996, then Chair Jane Alexander created a national discussion called "American Canvas" that was designed to gain policy direction from the citizenry and a more populist image for the Endowment. In the process, however, it "raised a number of red flags about the state of the arts in America," according to Alexander in the published report. The NEA Chair further noted that the nature of public funding in the 21st century depends heavily on state and local elected officials.

In 1997, the 92nd American Assembly convened a national discussion of diverse local leaders from the nonprofit and commercial arts, business and education, who affirmed the interdependence of art forms, artists and "the enterprises that create, produce, present, distribute and preserve them." The Assembly saw the arts sector as a large, ubiquitous, economically and socially significant aspect of American public life, comparable in scale and importance to other sectors of American life, such as the health, education, and science sectors." Its report, "The Arts and the Public Purpose," brought the policy discussion into a broader arena and now policy development happens more frequently in foundations, universities and local arts agencies.

The importance of public policy on the arts to reflect public purposes of the community was never greater and the need for policy to be turned into plans of action never more pressing. The action flowing from policy and planning is initiated in community local arts agencies. In American's for the Arts survey of the arts agencies in the 50 largest U. S. cities entitled "United States Urban Arts Federation Fiscal; Year 2001," expenditures of those local arts agencies reached \$353 million in fiscal 2001 and "total spending by the nation's nonprofit arts organizations grew...to \$53.2 billion." In contrast, the federal agency's budget stands at approximately \$105 million.

Despite the policy implications of Austin's 1986 ordinance, which are reflected in the Cultural Contract guidelines, the Arts Commission has followed up on few policies and goals, nor has it developed sufficient objectives and strategies to carry them out, as noted in the Evaluation Report. Though it has been said that the City ordinance was drawn to address arts funding in a strict interpretation, its language is broad and applies more comprehensively to cultural development, though it does not explicitly link the arts to other priorities of City government. Since the mid-eighties Austin has changed in

many ways and a clear statement of current public policy on the arts is sorely needed to clarify the City's position on cultural development and the public role of the arts in Austin.

Public Policy in Comparable Cities

Our survey of public policy in selected cities revealed a range from clearly articulated formal statements of public policy adopted by governmental bodies to policies specific to funding, facilities and services, to agencies operating on informal policy that had simply become part of the culture of the community. Policy statements frequently are developed by a local arts agency and proposed to its governmental entity, be it city, county or regional government, for legislative action. A good example of this is the Revised Broward County Charter, as adopted May 18, 2002, which included key language proposed by the Broward Cultural Council in Fort Lauderdale, Florida. The preamble states (with emphasis added) that "The citizens of Broward County, joined together in the belief that County government should be reflective of the people of the County and should serve them in achieving a more responsive and efficient form of local government which will enhance their civic lives..." General Powers of the County include five statements, one being "The County shall use its powers to contribute to and to enhance the civic lives of its citizenry by the provision of design excellence in its facilities and programs and in relation to...arts and culture and the preservation of historic sites." The next section, entitled Broward Cultural Council, states "The Council's purpose is to further the County's commitment to excellence among its artists and cultural organizations and to foster a strong and vibrant cultural environment for both the residents of, and visitors to the County." The Cultural Council, under that broad mandate, provides a variety of programs and services as well as leadership for collaborative ventures and cultural planning.

Phoenix established an Arts Commission about the time that Austin did and placed it in the Parks Department, though it is now a division of the City Manager's Office. The Commission was established "to protect, enhance, serve and advocate excellence in the arts in Phoenix and to raise the level of awareness and involvement of all city residents in the preservation, expansion and enjoyment of the arts." San Diego's ordinance in the City's Municipal Code directs its Commission for Arts and Culture to function in a variety of ways: to advocate for a substantial increase in funds for the arts in a way consistent with City policy, to make all granting recommendations, to explore new sources of funding, to develop and regularly reevaluate comprehensive City cultural art policy, to serve as state/federal local program partner and to manage the public art program. The Commission has a Policy Committee that stays abreast of City policy and oversees policy development and review within the agency. Seattle's ordinance includes the charge to the Arts Commission to "act in an advisory capacity to the City in connection with the artistic and cultural development of the city." When in 1997, the Columbus City Council amended the City Code enabling arts organizations to derive revenues from the hotel/motel tax, it officially recognized the potential of artistic and cultural activities "to promote and publicize the city of Columbus as a desirable location for conventions, trade shows, and similar events."

Flowing from such public policy statements are policies associated with funding for artists and organization found in guidelines of local arts agencies and with a range of programs and services. Virtually all local arts agencies surveyed have policies covering conflict of interest, which are especially relevant to funding processes. These policies were either mandated by the governmental entity with which they were associated, an example would be that of Miami/Dade County's Cultural Affairs Council, or approved by the boards of those nonprofit agencies designated as the official arts agency of government, such as Portland's very detailed policy on conflict of interest adopted in 2002.

Specific Policy as Explicit or Implicit

Policies enabling public support for public art are often found in separate ordinances. Seattle, one the first cities in the country to adopt a percent for art ordinance and whose program remains exemplary, states on its web page that "the language of the 1973 ordinance set the tone for the work of the agency in the years to come." St. Louis posts a Freedom of Expression Policy on its web site. New Orleans has legislation dedicating a percent of almost all capital improvement projects to public art and urban design and a separate ordinance designating the Arts Council as the City's official arts agency and describing its role. However, in the case of New Orleans and numerous other cities, implicit policy that infuses workings of the City and the arts may be observed most clearly in its outcomes. Though not explicitly stated, policies of the City of New Orleans related to economic development, including tourism, workforce training, neighborhood and downtown revitalization, are clearly integrated into Arts Council policy and, hence, its programs and services. Whether implicit or explicit policy, whether a public or private agency, the relationship between the governmental body and the local arts agency can facilitate policy development in which the role of the arts is stated in public policy and is carried out and updated by the local arts agency.

Policy Development and Action Outcomes

Interest in current and comprehensive public policy is evident in the fact that several cities, Dallas, Seattle and San José among them, are in the process of rewriting public policy on the arts. This interest may be related to the shifts and demographic changes going on in American cities that form the context for public policy. As cities focus on policy related to economic development, education, infrastructure, city image, diversity, entertainment as well as cultural life, and how these threads can be woven together into the city fabric, new public policies that involve or affect the arts are being considered. Updated policy statements frequently grow out of urban and regional planning that includes the arts, or from cultural planning that embraces issues and opportunities affecting the whole community. Regional planning is spearheaded by City of Portland under an intergovernmental policy agreement with five governmental entities and by San José with Santa Clara County and the Silicon Valley area, with the belief that a shared and "guiding vision could wield a more coherent and accessible set of cultural opportunities for a wider range of citizens." Component plans or independent studies that may result from comprehensive plans may also impact public policy, including those focusing on economic activity (Nashville and the many cities in the study done by

Americans for the Arts are examples), civic art and design (Houston) and cultural facilities (Miami).

Local arts agencies then build on cultural plans to create strategic plans for three to five years and then annual plans for their agencies. Most of the agencies we surveyed (and 46 percent of the 50 biggest cities' agencies, according to Americans for the Arts) are very active in leading and implementing cultural plans and conscientious in involving stakeholders in their annual planning process. Miami's plan is updated annually in a very open and participatory process.

The Evaluation Report noted that while the source of practically all of Austin's arts funding is the "bed tax," or hotel/motel tax, current policy does not clearly associate the use of the tax revenues for investment in the arts with their source. Currently a number of cities in Texas have chosen to support the arts with that source of revenue and, though operating under the same state legislation, vary widely in the degree to which the use of funds is tied to tourism, aside from the very obvious nature of the arts as a magnet attracting visitors, relocating businesses and amenity migrants. Some consider that funding the arts constitutes an investment in marketable assets important to city life and city image and others consider that funding the arts means supporting promotional efforts that attract tourists. This issue is currently under study by the Austin City Attorney, who, we understand, will issue an opinion on this matter to the City Council and, consequently, further consideration of policy issues in this regard must await that decision. This does not mean, however, that the benefits accruing from communication and collaboration between the arts industry and the hospitality industry need to be deferred.

STRUCTURE AND FUNCTIONS OF A LOCAL ARTS AGENCY

In the evolution of the local arts agency field arts funding, facility management and cultural programming were, from the beginning, part of the core business. Art in public places, now more commonly referred to as public or civic art and design, was initiated by the local arts agency or arose as a separate function, sometimes later joined. Though, as the Evaluation Report noted, these are current functions of the Cultural Affairs Division, the sum is less than its parts, or at least not a picture of what is considered in the field to be a full-service local arts agency. Part of the difficulties encountered in the arts funding program are symptomatic of what is missing in terms of functions and structure of the Cultural Affairs Division. Lack of policy and planning, lack of linkage to economic development and community revitalization, limitation in levels and sources of funding, concerns with equity, breakdowns in communication and lack of standing with other City services all serve as symptoms of an agency that is not designed to meet the current challenges and opportunities of a vibrant and growing creative center.

From our observation and review, it is clear that Austin could benefit from having a full-service local arts agency. Austin has impressive cultural organizations, a solid arts in public places program (which, recently has been able to secure City Council approval of an increment in the public art ordinance to two percent), one of the highest concentrations of artists in the country, a high ranking on Richard Florida's "bohemian

index,” a major university with impressive art departments, branding as the “Live Music Capital of the World,” fiercely protected environmental attributes and a progressive state arts agency. Austin is widely considered one of the most popular places to live in the United States. Yet, its principal mechanism for fostering community cultural development is limited in scope and operates as a program of a division within a sprawling parks and recreation department.

Most of the largest cities in the nation and cities and/or counties in our survey are served by local arts agencies that are units of local government. Regionalism is a reality—35 percent of our respondents represent more than one unit of local government. Agency staff leaders work effectively within either a public or private agency structure as long as they are able to interact, as peers, on a regular basis with municipal government department heads. Private agencies are more successful in fundraising, but public agencies can create an independent fundraising arm.

All of the respondents run full-service local arts agencies involved in cultural programming, grant making, facility management, services to artists and organizations and community cultural policy. Although none of them currently resides in a parks department, they often collaborate with that department and several began their existence in one. Boards of nonprofit local arts agencies contain one or more representatives appointed by local government. Although the actual process may vary, elected officials appoint the voluntary public agency leadership. Whether they are public or private, local arts agencies actively participate in the selection of their leadership by forwarding names for consideration. Staff (public or private) is headed by a full charge executive with a title commensurate to the level of responsibility.

Public Versus Private

According to the Americans for the Art’s report entitled United States Urban Arts Federation Fiscal Year 2001 report (Americans for the Arts report) on the 50 largest cities in the nation, 31 local arts agencies are an integral part of government and 19 exist as private nonprofit organizations. In our survey of over 21 comparable cities and counties, we found 13 to be governmental entities and eight to be independent nonprofits. Of the 13 governmental agencies surveyed, five are constituted as full departments, seven as divisions within the office of the executive officer of local government and one as an office within another department. For example, in Seattle, the local arts agency is located in the office of the Mayor and enjoys cabinet-level status within city government.

Not surprisingly, virtually all of the survey respondents indicate a decided preference for their current structure. Directors managing governmental departments or divisions talked about the importance of being considered a city service and the opportunity for effective collaborations and working relationships afforded by attendance at regular meetings of city department heads. On the other hand, directors managing independent nonprofits cite the opportunity to provide programs and services that respond to community needs and desires with less need to react to shifting political agendas and players. Additionally, private directors feel they have greater opportunity to attract nongovernmental funds and to develop private as well as public sector

partnerships. The best of both worlds may be achieved in New Orleans, where the local private arts agency executive regularly attends city department head staff meetings as a full member.

Seven (Charlotte, Houston, Indianapolis, Nashville, Tucson, Portland, St. Louis) of the surveyed agencies represent more than one unit of local government. Portland serves the largest number of governmental entities, including the city, three counties and a regional authority.

Most of the private independent local arts agencies surveyed receive a great deal, if not most, of their funding from municipal government. As a major funder, government exerts measurable influence over the activities of the “independent “ local arts agency. One of the organizations surveyed (Charlotte) operates as a united arts fund and a local arts agency. United Arts Funds are private nonprofit organizations established to fundraise collectively for at least three arts and cultural organizations in a community. According to James L. Shanahan in *United Arts Fundraising in the 1990's*, in 1992, there were 64 united arts funds in operation across the nation. Serving arts, science and heritage organizations Charlotte enjoys the third largest local arts agency budget in the nation at nearly \$18 million. Broward, a county-based agency, maintains a “friends” organization that provides assistance in fundraising and Los Angeles County's agency created a nonprofit that helps support cultural facilities.

Full versus Limited Service

As our survey of comparable cities and the Americans for the Arts report show, local arts agencies may be part of government or a private nonprofit organization. They may vary in structure and functions, but those that operate most efficiently, effectively and productively share certain characteristics. Americans for the Arts reports that the 50 largest U.S. cities' local arts agencies provide grants (or contracts) and an array of services to artists and arts organizations, present programs, manage facilities (Los Angeles manages 21 art and cultural centers and theatres) and “use the arts to address social, educational, and economic development issues such as literacy, environmental concerns, and homelessness.” Americans for the Arts notes the percentages of local arts agencies active in five broad areas, as follows :

1. cultural programming (96 percent),
2. grant making (94 percent),
3. facility management (32 percent),
4. services to artists and arts organizations (92 percent) and
5. community cultural planning (46 percent).

As also stated in the report, “Similarly, all such agencies collaborate with other local government department or community agencies such as parks and recreation departments, school districts and neighborhood and/or community organizations.”

Full-service local arts agencies impact the physical environment through civic art and design programs, provide technical and managerial assistance to artists and organizations through either in-house programs or contractual/collaborative

relationships with other community service providers, provide community-wide information and referral services and, most importantly, provide leadership and facilitate community planning and cohesion. A number of respondents are actively involved in arts marketing and cultural tourism. These efforts, as well as those related to other aspects of economic and community development, are described later in this paper.

Services that, from our survey, appear to be increasing include provision of support to artists and arts organizations, not only through grants but also in management assistance, technical training and organizational development. The aim of such services is to build the capacity of individuals and groups to sustain their efforts and diversify their support. Local arts agencies may create and manage major projects designed to significantly impact the community as well as develop ongoing programs. For example in the mid-nineties, Columbus ran both a major stabilization project aimed at eight large organizations and a pilot working capital reserve program for four midsize arts organizations. Programs that exemplify an ongoing type of service include the comprehensive capacity-building Management and Organizational Development Enterprise (MODE) program of Houston's Cultural Arts Council, the arts incubators (patterned on business incubators) of New Orleans and San José and the collaborative agreements of Broward County and Dallas, and, San Antonio that employ a local management service organization to serve that function. Seattle's Arts Resource Network provides online and in-person learning and support. The Community Arts Training Institute in St. Louis provides a five-month professional training institute and support program for artists and social service partners in order that they may carry out successful arts programs that impact the community-at-large. (New Orleans corporately sponsored Entergy Business Center won the National Business Incubator Association's Incubator of the Year Award a few years ago.)

Seattle, Los Angeles and New Orleans, like Austin, have comparatively large communities of individual artists. In addition to a civic art and design program and several targeted grants programs, Seattle, through its Arts Resource Network, provides individual artists with information and resources to help them manage the business of art, including publicity and promotion, grant and proposal writing, legal and tax issues, health, safety and insurance. Los Angeles County, with an artist population estimated at 150,000, boasts the largest arts internship program in the country with \$500,000 in funding to support training experiences. The Arts Council of Indianapolis supports not only individual artists but also arts administrators in its Creative Renewal Arts Fellowship Program, funded by the Lilly Foundation, which awards \$7,500 to each of 50 recipients who are offered a unique and challenging way "to renew and refresh their creativity." New Orleans' Fresh Arts Festival provides an outdoor gallery for artists' sales of work and will soon break ground for Louisiana Artworks featuring artist studios, classrooms and a sales gallery, among a number of other uses. The Arts Council there also affords artists employment with support from City Economic Development funds and sponsors a Visual Arts Entrepreneur Series. The program involves 25 groups of five each, in weekly three-hour sessions in which they ultimately produce individualized business plans.

Governance

Voluntary leadership of the local arts agency is basically of two types: (1) boards of directors serve the nonprofit arts agencies and (2) commissions provide leadership to the arts agencies that are components of local government. The board of directors is a legal construct, bound by applicable state and federal laws pertaining to nonprofit organizations. In addition to legal responsibilities, the board is bound by generally accepted rules and regulations promulgated by such industry groups as BoardSource (formerly the National Center for Nonprofit Boards), Independent Sector and the Alliance for Nonprofit Management. Commission appointments and governance procedures are generally spelled out in the enabling ordinance and relevant policies.

Charlotte, an independent united arts fund and local arts agency, is governed by over 40 leaders of industry, education, religion and government. The board is self-perpetuating, that is, they elect their own members according to defined organizational needs and objectives. Until very recently, Columbus, an independent local arts agency, had a completely self-perpetuating board. City Council now appoints two members to the 26-member board of directors. In Houston, the majority of the board seats are also filled through an election process; with one board member appointed by the Mayor and one by the County Judge. Tucson-Pima's elected board includes an official liaison from the City Council and another from the County Board of Supervisors. The Mayor appoints seven members of St. Louis' 15-member board with the remaining eight members appointed by the County Executive.

For most of the surveyed local arts agencies, elected officials of the governmental entity, or entities that provide funds, appoint the advisory board members or commissioners. In Nashville and Los Angeles the Mayor appoints the entire commission. San Antonio's City Council and Mayor each appoint individual members to the board. Seattle's Mayor appoints the members of the commission, subject to the approval of council. In San Diego, the Mayor directly appoints seven members of the 15-member board, subject to City Council confirmation. The remaining eight positions are selected from 24 recommendations of the eight-member city council, three from each City Council Member.

In most of the entities mentioned above, the public or private arts agency plays an active role in the selection of its board or commission members by providing a slate of leaders for consideration. New Orleans and San Diego proffer names that fit a matrix of organizational needs and community representation. In Denver commission membership must include "eight members of acknowledged accomplishment as professionals or amateurs in a variety of film, artistic and cultural fields, two representatives of the film industry, four representatives of the geographic and demographic diversity of the City, three representatives of the business and labor industry and the Director of the Mayor's Office of Economic Development and International Trade." This method has the beneficial effect of not only keeping the board or commission responsive to local government, but also increasing the organizational capacity of the local arts agency by ensuring effective, appropriate leadership that also reflects the community's cultural diversity.

In the case of a private nonprofit arts agency, city government could ensure additional accountability through the appointment of a governmental staff liaison to the private nonprofit, as was the case some years ago in Houston.

Board or Commission committees provide an additional opportunity to involve members of the community in the development of the arts infrastructure. Committees provide support to the governing bodies in the areas of program, publicity and community relations, resource development and fundraising, planning, finance and administration, human resources, real estate and cultural facilities and leadership development.

Staffing

Whether public or private, the local arts agency is headed by a full-charge executive who reports to an executive officer of local government or a board of directors. Formal titles for the arts agency heads, of the surveyed entities, include: president & chief executive officer (2), chief executive officer (1), executive director (11), director (5), general manager (1) and deputy director (1). In addition to overseeing the daily operations of the local arts agency, the chief executive interfaces with the board or commission, elected and appointed officials, and business, civic, arts and other nonprofit leadership. The chief executive provides leadership to the entire arts community and, with the support of the local arts agency's voluntary leaders, represents the entire nonprofit arts industry.

Depending on the size and complexity of the local arts agency, staff will also include a position such as a deputy director, chief operating officer or associate director who is directly responsible for managing the day-to-day operations of the agency. Among our respondents, the smallest staff was four and one half persons in Nashville and the largest staff was over 90 in Los Angeles.

Typically arts agency program staff includes positions in the following areas: grants, managerial and technical assistance, facilities (management, planning, architecture and construction), art-in-education, community arts, civic arts and design, information and referral, marketing, and cultural tourism. Additionally, agency programs may be supported by the staff positions in areas that include: development (fundraising), research and planning, financial management, communications, public relations, information systems and other administrative support staff.

Relationship to Parks Department

If form follows function, then the question of whether Austin's arts agency will perform most effectively in the Parks Department may have an obvious answer. Currently very few agencies, and none that we surveyed, remain in parks departments, though arts activities may continue to be provided in park venues and there may be cooperative ventures with parks departments. In the history of local arts agency development there was a period in which many local arts agencies were incubated in parks departments. However, most that were have since evolved into separate departments or divisions of the mayor's office or the city manager's office with cabinet status, or have become

independent nonprofits designated as the governmental entity's official arts agency. Among cities surveyed, Dallas and San Antonio are examples of the transition of local arts agencies to city departments. In Phoenix the local arts agency became an office of the City Manager. In Toledo, Ohio, in the early eighties, the transition was from parks to a nonprofit organization. In Portland the transition was from a city agency to a regional nonprofit organization.

ARTS AND ECONOMIC DEVELOPMENT

As noted in the Evaluation Report, City Leaders have expressed interest in exploring a range of opportunities and options linking the arts with economic development. As further noted, the arts' role in economic development strategies has not been fully explored. As a result, artists and arts organizations are not able to quantify or articulate their role in Austin's economic development nor can they advocate for support based on that contribution.

According to American's for the Arts annual survey of the 50 largest arts councils, 80 percent provide direct support to art activities designed to increase economic development activity. Increasingly, local government legislation and arts agency policies include language regarding the role of the arts in economic development, tourism, community development and revitalization. For example, Los Angeles includes the support and nourishment of economic development as a component of one of its strategic goals.

Economic Impact

In June of this year Americans for the Arts released the most comprehensive economic impact study of the nonprofit arts industry ever conducted. "Based on surveys of 3,000 nonprofit arts organizations and more than 40,000 attendees at arts events in 91 cities in 33 states, plus the District of Columbia, *Arts & Economic Prosperity: The Economic Impact of Nonprofit Arts Organizations and Their Audiences* reveals that America's nonprofit arts industry generates \$134 billion in economic activity every year, including \$24.4 billion in federal, state, and local tax revenues. The \$134 billion total includes \$53.2 billion in spending by arts organizations and \$80.8 billion in event-related spending by arts audiences.

- ? The \$53.2 billion represents a 45 percent increase (from \$36.8 billion) since 1992, when Americans for the Arts last studied spending by arts organizations.
- ? The \$80.8 billion in event-related spending by arts audiences reflects an average of \$22.87 per person in spending for hotels, restaurants, parking, souvenirs, refreshments, or other similar costs-with non-local attendees spending nearly twice as much as local attendees (\$38.05 compared to \$21.75). The \$134 billion total economic activity has a significant national impact, generating the following:
 - ✍ 4.85 million full-time equivalent jobs
 - ✍ \$89.4 billion in household income

- ✍ \$6.6 billion in local government tax revenues
- ✍ \$7.3 billion in state government tax revenues
- ✍ \$10.5 billion in federal income tax revenues “

Cities and counties who chose to participate in the national study received economic information specific to their communities. Of the 21 agencies we surveyed, nine participated in this national study and distributed both the local and national information to elected officials and stakeholders. Columbus, St. Louis and others sent press releases to the media and others and incorporated the findings into general agency and arts industry information. Miami/Dade and Broward County published brochures on the local arts economic impact for wide distribution. Austin was not among the 91 cities that participated in the economic impact study. Going forward, it will be important for Austin to set aside the financial and human resources required to take advantage of such national comparative studies.

Closer to home, Dr. Ray Perryman of The Perryman Group performed a study for the Texas Cultural Trust Council to demonstrate the significant impact the cultural arts have on the Texas Economy. The study, entitled *The Catalyst for Creativity and the Incubator for Progress: The Arts, Culture, and the Texas Economy*, examined the economic impact of the arts both as a component of the entire economic system and as they are traditionally measured. In looking specifically at the nonprofit arts sector the report estimates the impact to be:

- ✍ \$19.0 billion in annual Total Expenditures
- ✍ \$9.5 billion in annual Gross Product
- ✍ \$5.9 billion in annual Personal Income
- ✍ \$3.4 billion in Retail Sales
- ✍ 203,554 Permanent Jobs

The report goes on to make the case for the nonprofit arts as the incubator of all cultural activity. “For every \$1 spent on these activities, more than \$298 of long-term cultural impact on the economy occurs, as well as \$9.20 in State revenues.”

Fortunately, the report also details the results by metropolitan statistical area and provides comparable statistics for Austin-San Marcos:

- ✍ \$1.2 billion in annual Total Expenditures
- ✍ \$514 million in annual Gross Product
- ✍ \$320 million in Personal Income
- ✍ 11,686 Permanent Jobs

Perryman makes several important points about the nonprofit arts as a catalyst to future prosperity. Seeing its real value on a comparative basis to other economic investments requires a long-term view that encompasses the “big picture.” He urges the proactive investment in the arts to counteract the inability of the arts to keep up with increasing productivity in other industries gained by the absorption of new technologies, i.e. “it still requires four musicians to play a quartet...”

Marketing and Cultural Tourism

Local arts agencies can effectively provide leadership to the arts community in the areas of arts marketing and cultural tourism. The general community and visitors benefit from a “one-stop” source of information that invites them to enjoy the cultural offerings of the community. Artists and small and large arts organizations benefit from the opportunity to consistently and economically communicate with old audiences, reach new audiences and earn income. The city benefits from the national and international perception that Austin is a “happening” place with a smorgasbord of cultural offerings meeting a variety of tastes and interests. According to the Perryman Report, using a traditional measurement (visual, literary, media and performing) of economic activity, the cultural arts are responsible for 19.8 percent of the total tourism in the state.

In surveying the local arts agencies of over 21 cities and a number of associated counties, we found that they assisted communities in marketing to citizens and visitors by conducting community-wide research, conducting marketing campaigns, providing grants to stimulate and assist marketing and advertising on behalf of arts organizations and creating and maintaining community calendars (paper and electronic).

A marketing study commissioned by Columbus surveyed 45 percent of households and provides artists and arts organizations with an in-depth view of current audience participants, attendees and contributors, as well as factors that influence their buying habits. Following the completion of the study, the Columbus City Council awarded the local arts agency \$500,000 to create and implement a marketing campaign to increase awareness of Ohio’s cultural offerings. San Antonio specifically advertises galleries that sell the work of local artists on its web page. Broward County and New Orleans go even further in supporting artists by maintaining points-of-sale for wares of individual artists and groups.

Several local arts agencies (San Antonio, Columbus, Seattle, St. Louis) assist their constituents by providing comprehensive community calendars. Notably, St. Louis’ calendar is fully searchable and can be independently updated through the web by artists and arts organizations. The Greater Columbus Arts Council took the lead to in establishing www.artsinohio.com. Today, this service operates a collaborative of the Convention and Visitors Bureaus and local arts agencies in Columbus, Cincinnati and Cleveland. You want to know what is happening in dance in Cincinnati tonight?; theater in Columbus tomorrow?; exhibitions in Cleveland on Sunday? No problem, just plug in the date and a range of opportunities in the three cities pop-up. You can even reserve tickets on-line. The Ohio Arts Council is now a full-fledged partner, with a link to its website. This allows other Ohio communities to enter their arts event information and gain access to the same web surfer. The Ohio Division of Tourism and Ohio Magazine are also players, which provides additional promotional outlets. Representatives from the “3Cs,” as they are often called, meet on a regular basis to improve the website and plan other initiatives.

As discussed in the Evaluation Report and documented by the Travel Industry Association of America, Cultural and Heritage Tourism is one of the fastest growing

segments of the visitor industry. Local arts agencies have varying relationships with the visitors industry. At the very least, they share reciprocal web page links. At the other end of the spectrum Los Angeles County, Miami, Broward County, Portland and San Diego seeded the salary of a cultural tourism staff person strategically located in the visitors bureau office. Subsequently, in all of the cities the position became fully supported by the convention and visitors bureau. Over time the staff person in the Los Angeles Bureau rose to the position of Director of Marketing, further cementing the relationship between the arts and tourism.

San Antonio has a staff person dedicated to promoting the city as a cultural destination, marketing activities to citizens and assisting local organizations in developing products attractive to the cultural tourist market. Denver received the 2001 Tourism Star, from the Denver Metro Convention & Visitors Bureau, for its Millennium Celebration attended by an estimated 250,000 people. One of the most engaging examples of the importance of a close relationship between the arts and tourism is San Diego, where the executive director of the local arts agency and the head of the visitors bureau recently renewed “marriage vows”. (The first “marriage” was a festive affair; the bride wore a white gown and veil!).

The web page of the San Antonio Office of Cultural Affairs provides information and “Beyond the Alamo” tours of the unique and interesting cultural history of San Antonio neighborhoods and cultural districts. San Antonio was the first city to pilot a cultural tourism grant program that, in five years, supported over 140 collaborations between arts organizations and travel industry entities (e.g., travel packages, discounted admissions, joint marketing campaigns, etc.). This experiment built lasting relationships, increased the knowledge of both the arts and tourism industries and set the stage for the arts agency’s development of an interactive database as part of its Cultural Tourism Marketing Program. The program will actively promote joint promotional strategies with the Convention and Visitors Bureau, such as the recent and notable \$10,000 ad placement by the Bureau in *Art in America* to advertise San Antonio’s Contemporary Arts Month.

Broward County supports a “Cooperative Marketing Program” that provides an opportunity for cultural organizations to stretch their advertising dollars. Broward provides over \$150,000 that is matched by cultural organizations to purchase more than \$340,000 in bulk advertising. Nearly a third of the money supports out of the area ads for funded cultural tourism projects. The program lowered the advertising expenses of 61 organizations and allowed larger placements. Program participants also benefited from workshops on topics such as media relations, how to write a marketing plan, and how to work with the hospitality industry. The arts agency and visitor’s bureau in Broward County each contributed \$50,000 to the \$1.5 million “Culturally Florida” campaign. American Express documented the success of the campaign. There was an impressive increase in the number of response cards received and significant increase in the arts and culture related spending by the people who mailed in the cards.

All respondents spend considerable time providing direct information and referral services to end users including visitors as well as persons aggregating the information for conventioners, concierges, tourists and other users, such as realtors.

Downtown, Near Town and Other Development

Arts districts (cultural districts, arts and entertainment districts and so forth) are big. According to a book by Hillary Anne Frost-Kumpf, *Cultural Districts: The Arts as a Strategy for Revitalizing Our Cities* (Americans for the Arts – 1998), "More than 90 cities in the United States have planned or implemented a cultural district – positioning the arts as the center of urban revitalization efforts." Later, "A cultural district is a well-recognized, labeled, mixed-use area of a city in which a high concentration of cultural facilities serves as the anchor of attraction." They boost urban revitalization in many ways: beautify and animate cities, provide employment, attract residents and tourists to the city, complement adjacent business, enhance property values, expand the tax base, attract well-educated employees and contribute to a creative innovative environment.

Of the cities surveyed, the following have designated cultural districts: Cleveland, Dallas, Fort Lauderdale, Houston (has two), Miami Beach, New Orleans, San José, St. Louis and Tucson. Of those, seven were initiated by arts organizations and two by the local arts agency. New Orleans' Arts Council initiated planning for its Arts and Cultural Sector: the Warehouse Arts District in the eighties and published the plan in 1989. Tucson's Arts District was founded in 1984 "by artists concerned about the loss of arts facilities" and its mission is to "revitalize the downtown and to provide a focused arena for Tucson's rich artistic and cultural heritage so as to re-establish the area as the heart of our community." Tucson also has the Río Nuevo arts/entertainment district, funded through Tax Increment Financing (TIF) in the development stage. A TIF also funds the \$340 Million cultural facilities complex in Miami.

Phoenix works closely with the Phoenix Community Alliance in the downtown development of cultural facilities and artists live/work spaces. Broward County participates as a member of the Downtown Development Authority's Marketing Alliance Committee, provides collateral materials and participates in the its downtown signage and streetscape project. New Orleans works closely with the Downtown Development District, as does Houston through its Civic Arts and Design program. San José's redevelopment agency animates the streets downtown at noon and at the end of the day. Indianapolis' Artgarden promotional and ticket center is connected to the Circle Center Shopping Mall that has over one million visitors on a monthly basis.

Some of the locals are involved with larger planning efforts. New Orleans acted as the developer of Louisiana Artworks, controlling all aspects of the project including concept, land acquisition, design and financing. Through civic arts and design initiatives, local arts agencies contribute to the enhancement of infrastructure and streetscape amenities as a spur to district development in downtowns and adjacent areas.

Business Development and Job Creation

Professional artists and arts organizations measurably benefit from the same kind of entrepreneurial developmental programs generally provided to small for-profit businesses. They “get” the art part; they need help, however, with packaging, marketing, setting up financial and human (paid and volunteer) management systems. To reap the rewards of healthy, agile and creative nonprofit and for-profit (artists) arts businesses, communities must be willing to make long-term targeted investments that support its cultural entrepreneurs.

Los Angeles County’s Economic Impact Study (done independently of the Americans for the Arts Economic Impact Study) proved the impact of individual artists. Twenty-five percent work in both commercial and nonprofit sectors at the same time (recording industry in the morning, musician in the evening, for example). They came for the jobs and stayed because of the creative concentration. There were more jobs in the arts than in the defense industry.

Arts business incubators began in Chicago in 1987, when a local consulting firm, with a client base that included emerging arts groups, joined with arts administrators and facility development professionals to adapt the business incubator model for the arts and cultural community. Since then, arts business incubators sprang up around the country and include Arts Bridge in Chicago, Illinois, ArtServe in Fort Lauderdale, Florida, Houston, New Orleans, Metro Arts of the Capital Region in Harrisburg, Pennsylvania and San José.

In 1998, the National Business Incubation Association (NBIA) took note of the potential of these model programs and presented a one-day preconference entitled “Incubating the Arts.” On the heels of the success of the preconference, NBIA commissioned a book *Incubating the Arts: Establishing a Program to Help Artists and Arts Organizations Become Viable Businesses* to assist in the development of business incubators for the arts across the country. According to the NBIA, a business incubator for the arts “...equips nonprofit cultural groups and arts entrepreneurs with the skills, tools, and business environment necessary to meet short-and long-range objectives. *Integrated* facility and organizational development services are what distinguish arts incubation from a cooperative arts space or a more traditional technical assistance program. The multidimensional relationship with clients and proactive rather than reactive approach to management growth (i.e. preventative maintenance versus crisis management) also set incubators apart.” And also, “The ultimate goal of business incubators for the arts is to enable a group like Chicago A Cappella to sing; to make money from singing; sing for more people; contribute to the economy; create jobs; expand tourism; and become an integral part of its community. Doing the job of arts business incubation right means the affiliated artists and art organizations are able to quit their day jobs because they earn a healthy living in the arts.”

Fulton County and Denver manage arts education and job training programs for youth. In Fulton County, Art-at-Work, in collaboration with the Fulton County Juvenile Court, provides year round arts instruction and business skills to youth between the ages of 14 and 18 years of age. Denver’s Arts Street hires and trains youth in teams to produce artworks for clients. Qualified “graduates” are eligible for paid internships at local businesses.

Although not included as a member of our surveyed local arts agencies, we take note of the Creative Economy Initiative; A Blueprint for Investment in New England's Creative Economy. This initiative, begun in 1998, is a collaboration of the New England Council and the New England Foundation for the Arts together with regional state arts councils. The project establishes the importance of understanding the makeup and economic impact of the creative sector or cluster and lays out a specific set of strategies in forming regional partnerships (involving local government, financial institutions, educational institutions, technology companies, etc.)

Festivals

Festivals provide a unique opportunity for communities to celebrate themselves and offer both citizens and visitors an opportunity to explore and celebrate the music, dance, art, food and other customs that help define the community. Here again, local arts agencies play varying roles in the creation, management and support of these citywide celebrations. San Antonio provides direct grants support to the festivals such as the International Accordion Festival, for which it is a major sponsor. The event, that includes workshops, lectures, readings and a photographic exhibit, promotes the city's stature as a music center and multicultural crossroads. The *San Antonio Current* declared that the festival "is on its way to becoming San Antonio's premier music event." Additionally, the Office of Cultural Affairs, through its Director's Awards, provides support to special projects by individual artists that will enhance the artistic merit of an ongoing festival.

The 41-year old Columbus Arts Festival predates the local arts agency that administers it. In New Orleans, the local arts agency's Fresh Arts Festival provides artists and arts organizations citywide vending and marketing opportunities, as does Denver's. The Office of Cultural Affairs in Los Angeles not only provides special grants support to festivals and parades, but maintains a web accessible Festival Guide that spotlights over 180 festivals annually.

Civic Art and Design

Civic art and design contributes to a city's economic development in two important ways: (1) attracting highly skilled workers and companies and (2) providing a visual feast and destination for visitors. As Richard Florida stated in his recent study profiling the elements of successful metropolitan areas, "the leadership should instead develop an environment attractive to the creative class by cultivating the arts, music, night life and quaint historic districts."

Support for the tourism benefits of civic art was described by Jessica Cusick, civic art consultant in a catalogue essay, *Art for Arlington*, published in 2000 by the University of Texas at Arlington, "Cities with active arts and design programs have found they contribute directly to cultural tourism, with ensuing economic benefits. For example, when the Los Angeles subway system opened, the unique public art featured at every station was highlighted in several travel articles. Each urged tourists to visit the city's new linear museum."

ARTS AND COMMUNITY DEVELOPMENT

As noted in the paper “Community Arts Council: Historical Perspective,” written by Maryo Ewell on the occasion of the Winston-Salem Arts Convocation: Remembering the Past, Envisioning the Future, “Local arts agencies are often the facility development-manager in their community. Local arts agencies are adding programs for seniors, youth-at-risk, and other underserved community groups. They are often at the table for the development and aesthetics of new housing, transportation and community ‘redevelopment.’” Whether through the planning and development of community facilities and artists housing, the creation of grant programs encouraging passive and active arts participation on a community level or the enhancement of the environment through civic art and design, the local arts agency can play a pivotal role in efforts to revitalize communities.

Certainly, local arts agencies are wise to tread carefully in their new role as catalysts for change. In 1996 the National Endowment for the Arts (NEA) began a series of discussions held around the country, later published as *The American Canvas*, to share ideas and information on issues of vital importance to the nonprofit arts. The report reminds us of an observation made by arts administrator Ruby Lerner at the Challenge of Change conference nearly eight years before, “All of a sudden the arts are valuable if they can solve social problems, and of course, God knows we couldn’t solve social problems in the social area, but now it’s expected that in the cultural arena we’ll be able to solve all the problems – ‘and, by the way, we won’t be able to give you many resources to do this.’” Careful consideration must be given to the community’s priorities and the local arts agency must be adequately resourced if it is to accomplish them.

Neighborhood Revitalization

San Antonio’s Neighborhood Heritage Initiative Grants Program provides substantial support for cultural and art-centered activities that advance neighborhood and commercial revitalization plans in designated Neighborhood Commercial Revitalization Zones. The Zones are main corridors designated by city government for concentrated development and revitalization efforts. One of six review criteria examines the proposed project’s link to other City of San Antonio efforts or initiatives that target particular communities for economic development or revitalization.

Dallas’ Office of Cultural Affairs funds and manages a well-established Neighborhood Touring Program. This program provides \$375,000 annually to ethnic artists to provide free artistic services to the citizens of Dallas. Suitably, its motto is: “Celebrating Diversity: Preserving Heritage.” The Dallas local arts agency maintains a roster of ethnic artists and groups, and host organizations apply for them to perform and exhibit in their communities. Hosts can be churches, schools, community organizations, recreation centers, social service agencies and other nonprofit groups. Services range from one-time performances, to exhibitions and lectures, to long-term residencies. This program acknowledges, first, that is important to appreciate and celebrate the artistic expressions of culturally diverse cultures and, secondly, that artistic services can be effectively delivered in community settings and have a positive economic impact. Dallas also builds and operates cultural centers in neighborhoods, offering a warm

environment for artist expression and celebration on both an amateur and professional level. Miami helps to establish and support coalitions and service organizations in the ethnically diverse and underserved neighborhoods there. Los Angeles satellite neighborhood arts councils?????

Additionally, San Antonio, through its Arts in the Community Grants, supports partnerships between artists and arts organizations and community-based organizations to promote an activity that will contribute to making the neighborhood a more enjoyable place to live. The grants, ranging from \$5,000 to \$20,000, are distributed citywide based on established equitable council district allocations.

Other local arts agencies support neighborhood-based activities through targeted grants to support projects such as Houston's Neighborhood Arts Program or through operational grants that encourage a broader definition of arts organizations encompassing not only aesthetic concerns and aspirations, but also a mission to use the arts to uplift and to achieve social justice goals. These organizations, much like the settlement houses of the 1800's, provide arts and a diversity of other programs in communities of lesser financial resources.

Arts-In-Education

The NEA chose six cities for the conversations that culminated in *The American Canvas*. They were chosen for their recognized leadership in the development of innovative strategies for supporting the arts and using the arts to build strong communities. Although each forum began with selected broad, general topics for discussion, the importance of arts in education came up repeatedly in all of the meetings. As noted in the publication, "If there was one thing on which all participants in the American Canvas could agree, in fact, it was the importance of arts in the classroom, not simply for the arts community, but also for the public at large."

Although countless scientific studies have proven the value of an arts education to the mental capacity, socialization and quality of life of young people, budget constraints and indeed the complexity of accommodating a diverse and evolving student population have placed it on the back burner of educational system concerns. For the local arts agency primarily concerned with supporting artists and arts organizations, the dearth of arts training and programming in the general educational system is almost too large an issue to successfully engage. That said, the nonprofit arts infrastructure and the public educational system are locked in desperate embrace of mutual need. As Yuen states in *Community Vision*, "...education is the infrastructure that discovers the artistic talent, nurtures it, and develops the audience that sustain it." And also, "No art can thrive without education; no education can be complete without the arts."

The local arts agency has no choice but to form a partnership with the local educational system(s). That partnership can include: research and community planning, information and referral, advocacy, grants support and direct programming. The strategic selection of the direction and depth of that partnership is heavily influenced by the financial and human resources available and the potential for having a meaningful impact. One respondent, in justifying a decision to "get out of arts ed.," flatly described the enormous

need in the community and the miniscule impact the local arts agency could make with limited resources. Still, around the country local arts agencies have developed programs that support arts-in-education as a long-term investment toward a preferred future. Nearly all of the surveyed agencies support in-school educational arts training and programming with the participation of artists and arts organizations.

Charlotte significantly supports education initiatives through its funded affiliate, the Cultural Education Collaborative. Los Angeles maintains as an organizational objective “to support exemplary arts-in-education programs for youth throughout the City” and supports schools designated by the Los Angeles United School district as Arts Prototype Schools with grants to support arts enrichment programs integrated into the classroom curriculum. To leverage support, each Arts Prototype School must partner with an artist or arts organization and either a local business or service organization. Columbus recently launched ArtsCLASSifieds, a comprehensive inventory of community arts education services and programs with a goal toward developing and increasing public access to local arts education.

After-School

According to the American for the Arts report, 86 percent of the members use the arts to address the issue of youth “at-risk”. Most respondents support the after-school and summer program activities of artists and arts organizations, and some provide project support for arts activities of social service and neighborhood organizations.

Government resources related to parks, public safety and neighborhood development often support arts activities. For example, in Seattle the Department of Neighborhoods provides funding to arts activities. Through its AmeriCorps’ Children of the Future Program, Columbus is able to bring additional federal dollars into the community while providing “at-risk” youth with safe after-school activities using the arts to teach communication skills and conflict resolution. St. Louis spun off a successful youth arts program supported by funds available through federal funds associated with the Job Training Partnership Act (JTPA).

San Antonio was one of the first cities to develop an “at-risk” youth art program. Urban SmARTS went on to win a prestigious “Coming Up Taller” Award from the National Endowment for the Arts and the President’s Committee for Arts and Humanities. Later, the Office teamed with its colleague agencies in Portland and Atlanta to produce the YouthARTS Toolkit, considered by the field to be the premier guide for the development of arts programs targeting “at-risk” youth. Americans for the Arts distributes the toolkit nationally.

SUPPORT AND RESOURCES

Demand for arts support is going up and, for now, supply is going down. Austin’s artistic assets appearing to merit City support are increasing, while the one source now dedicated to cultural contracts is decreasing. Interest in all forms of art has grown, but public and private sources of support have shrunk in Austin and in most parts of this country. And the nonprofit arts have not and will not survive solely on earned income.

Austin is good at growing artistic talent but should not make it an export crop. Austin's attraction to the creative class and amenity migrants must be maintained. Answers can be found in the entrepreneurial actions of local arts agencies that have taken a tip from investment advisors and have diversified and, in that way, have secured additional revenues. Los Angeles' portfolio of government funds is an example of such diversification as it includes hotel motel tax, Community Development Block Grant (CDBG) funds, admission tax, sales tax, property tax, income tax and capital bond funds. Local arts agencies have also formed joint ventures providing benefits to the arts and to partners in economic development, tourism and business. They have provided training to strengthen the management and governance of organizations toward greater self-sufficiency and have acted as convener and broker, bringing groups together for problem solving and collaborative efforts. Resources that include facilities, space, and equipment have further augmented support services.

Support and Resources from Governmental Sources

Americans for the Arts latest report on the 50 largest U.S. cities' local arts agencies indicates that governmental support for public arts agencies represented 93.1 percent of their income, with 2.8 percent coming from private support and 4.1 percent from earned income. The private nonprofit agency picture was somewhat different; 57.9 percent was government funding, 29 percent private and 13.2 percent was earned. In the aggregate, local government accounts for 75.8 percent of arts funding, other government for 6.5 percent. General funds of the relevant governmental body or bodies are most frequently the largest source of support for most programs and services of the local arts agency, including Dallas and Phoenix, but there are some very interesting differences in other sources among cities surveyed.

Public dollars can come from numerous sources besides general funds, and local arts agencies may receive funding from a variety of local option taxes such as hotel/motel, Community Development Block Grant funds, economic development funds, sales taxes, video rental, lottery or gambling, property or income tax and others related to capital funds and hence capital expenditures. Relevant to Austin is the fact that of the cities we surveyed, half received hotel/motel or bed tax, including Columbus, Houston, Los Angeles, Miami, Portland, San Antonio, San Diego, San José and Tucson as well as Broward County. Broward County also receives funding from the video rental and music purchase tax; Dallas, Miami, Los Angeles, New Orleans, San Antonio, and Tucson receive Community Development Block Grant funds; sales tax helps support the arts in San Antonio, Los Angeles, Indianapolis, St. Louis, Denver and Charlotte; and property tax is a source for Miami. In the late 1980's, the local arts agency in Denver was part of an unprecedented campaign to acquire the legislation and voter approval for a portion of the sales tax for the purpose of creating and funding the Scientific & Cultural Facilities District (SCFD). The SCFD distributes over \$38 million to 304 organizations and groups. Economic development funds support the arts in New Orleans and Miami, which also receives tax increment finance (TIF) support for infrastructure, as does Tucson. The U. S. Department of Justice supported arts programs for "at-risk youth" in San Antonio and Portland. Capital funds support public art and urban design in Charlotte, Dallas, Houston, Los Angeles, Miami, New Orleans, Phoenix, Portland, San José, Tucson and Broward County, among those in our survey. Other sources include

the redevelopment agency and library systems in San José and Los Angeles, special taxing districts are found in New Orleans, the Waste Fund supports neighborhood arts in Portland and the Airport Authority funds programming in terminals in Nashville. Miscellaneous other sources in use in various cities include utility late fees, real estate transfer taxes and bridge tolls. In Columbus the Arts Council created the Columbus Arts Endowment to supplement existing philanthropic support. The Cultural Foundation of Broward was established as a nonprofit membership organization to “recognize the importance of promoting and supporting the arts.”

Resources such as facilities, space and equipment, provided at no cost or subsidized, represent significant support to the arts, and those most frequently are provided by the public sector, though corporate contributions are made in this area also. These facilities are not only in the center of the city, but also throughout neighborhoods, and all are considered catalysts for economic development and community revitalization, so benefit is not only to the arts but also to the broader community. Provision of facilities or space, mainly by government, is common in many of the cities surveyed, often in partnerships with parks and recreation departments or libraries. Less frequent is the service provided by Miami/Dade County and New Orleans in which the local arts agency serves as the catalyst, planner, designer and initial developer of cultural facilities.

Capital Funds for Cultural Facilities and Civic Art and Design

Generally grant or contract programs may be thought of as the largest category of expenditure cities make in relation to the arts. However, year-to-year in those cities with public art programs, cultural facility or arts district plans, it is the capital expenditure that is greatest. The use of these funds is legally constrained, of course, to those endeavors that fall within the definition of capital projects. Of the cities surveyed, almost half have public art ordinances dedicating a percent of some or all capital projects to public art. There are also private sector art and design projects, or those associated with public authorities like the transit or airport system, that may be independent of city government. Cultural facilities may be supported by the public sector, may be constructed in partnership with the private sector or may be entirely funded by private contributions and sometimes then given to the governmental entity. This is one more area in which resources for the arts and the community may be initiated, planned, designed and developed by the local arts agency.

Support and Resources from Private Sources

As earlier noted, public local arts agencies are not as successful as private agencies in tapping into private sources of funds, although some may bridge that gap by creating 501(c)(3) organizations as “friends” groups for fund raising and advocacy as Los Angeles County has done. Private agencies that are united arts funds, such as the Charlotte Arts and Sciences Council, mount significant fund raising campaigns. Charlotte’s \$17 million dollar budget last year included \$5.7 million in government funds, virtually all of the remainder being privately raised. Local arts agencies may not raise that much money for their programs, but are successful in the usual development strategies of nonprofits, such as membership contributions, fund raising events, securing contracts for services and producing earned income in different ways.

Indianapolis, for example, raises substantial funds from foundation, corporate and individual contributors, hosts a major event and earns income from rental of the Artgarden facility that the Arts Council manages. New Orleans not only raises funds in a similar manner from events, festivals, contributions and sales, but also has put together approximately \$25 million toward a multiuse facility called Artworks from federal, state and local government and foundations, corporations and individuals. A loan from the Department of Housing and Urban Development (HUD) is part of the package to support the artists' studios component. Funding for development may also be put together with assistance from Artspace, an innovative nonprofit developer for the arts. Artspace brings a host of nontraditional financing and resources such as: historic tax credits, low income housing tax credits, national bank investments and Local Initiatives Support Corporations (LISC) funds to its work with local arts agencies and other community-based arts organizations.

Cultural Arts Funding Needs and Opportunities

The kinds of support and resources the arts and cultural community need would be identified during a future community cultural planning process, as the Evaluation Report states. However, it appears that the cultural community, its artists and arts organizations, clearly merit additional support if those assets are to continue to provide the cultural experiences that enrich the community and spur the economy. During the evaluation process a suggestion was made to discourage perceived organizational dependency on City funding by limiting the period of time an organization is eligible to receive it and/or limiting eligibility to organizations with budgets under a certain budget ceiling. We find little evidence of that as a policy in the agencies surveyed, except for special instances such as challenge or endowment grants. Sometimes private foundations may limit support for a period of years in order to shift emphasis to different constituents, but they serve different purposes from public arts funders and broad access to funding may not be a priority. Since very few nonprofits are able to subsist entirely on earned income, those applying for public arts funding who continue to meet grant or contract standards and are judged by review panels to merit support in a competitive process, should most likely receive it. It should be clear, however, that grant makers do not consider organizations simply entitled to funding because they may have received it in the past.

If the range of services provided by the Cultural Affairs Division were to expand, additional revenues would be needed to support them. Since the single major source for funding the arts in Austin, the bed tax, is a volatile source depending mainly on the actions of convention attendees and visitors from outside of Austin, the income stream to the arts could be made more predictable with a mix of other sources, in some cases tailored to uses to which they were to be put. The Cultural Affairs Division does not currently seek revenue from other sources though reduction of funding is limiting its effectiveness in sustaining the arts assets of Austin.

Austin's current crisis concerning the process for allocation of cultural arts funding strongly suggests the need for a thorough revamping of the process and a careful matching of the policy and purpose for which the City provides those funds and the policy and purpose, categories and criteria, for cultural contracts. Policies and practices

of cities surveyed provide ample evidence of effective, fair and equitable processes for a program of grants or contracts for artists and organizations that devolve from the respective city's policies and plans, goals and objectives, needs and opportunities as they relate to the arts and other city priorities.

Grants or contracts are still part of the core business of arts agencies. However, the categories of grants are changing as cultural planning efforts define more accurately the specific kinds of support needed by the arts community that may, in turn, help to meet community goals through the arts. General operating support to organizations producing quality products that are broadly accessible to the public is basic, though the criteria for decisions on funding and allocations vary. Criteria may be different for different types or sizes of organizations to encourage both healthy development and community service. In Indianapolis, for example, though large and midsize groups are scored 60 percent on artistic program and administrative health, the remaining 40 percent for large organizations is scored on marketing and cultural tourism activities, while for midsize organizations it is stabilization measures, including financial health. For the smallest the scoring is 60 percent on marketing and stabilization while 40 percent is program-based and includes arts education, community outreach and youth activities. In several cities, grants or contract programs with multiple categories of funding frequently include arts education, neighborhood arts, technical assistance, facility support, and public art design projects. Presently, Miami is adding a category for arts and social services.

With a purpose of developing cultural excellence, diversity and participation, Miami/Dade County sees grants as an investment portfolio (of 14 programs) and also assigns organizations by budget size, providing incentives to the larger organizations to develop new work and, when possible, "in a Miami voice." Investment in smaller organizations is viewed more as risk or venture capital to support community-based programs or projects. Miami/Dade plans to expand Individual Artists Fellowships to a broad range of artistic disciplines. Houston provides both Fellowship and Project Support to experienced and emerging artists of all disciplines.

Cities' core grants programs almost always start with operating and project support, technical assistance and artist fellowship grants. Since almost all of the cities surveyed support full-service arts agencies, strategically designed grant or contract programs are only one arrow in the quiver of support. San José, Broward County, Houston and New Orleans and others provide additional services such as: management assistance and organizational development; arts incubators providing space, equipment and training; public art and design services and information and referral. Such services are essential elements in the process of building the capacity of groups and artists and sustaining a healthy and vibrant arts community. Numerous interesting examples exist in the cities surveyed, and many reflect the particular community priorities of their locale, whether that is economic development, community revitalization, cultural tourism, image, diversity or something else. So it is Austin's particular priorities for cultural development and community life that must be factored into the specifics of any process and program to allocate funds to artists and arts organizations, balanced with the need to serve other functions as Austin's cultural developer.

EQUITY

For the purposes of this paper, equity alludes to the provision of equal access to arts resources for artists and arts organizations and to the broad participation of audiences in a diversity of arts experiences. Ensuring equity is, in itself, an activity that has its own intrinsic value. Further, as implied by Richard Florida in *The Rise of the Creative Class*, ensuring equity may be a key to attracting and retaining Creative Class people, “Creative people are not moving to these places for traditional reasons. The physical attractions that most cities focus on building – sports stadiums, freeways, urban malls and tourism-and-entertainment districts that resemble theme parks-are irrelevant, insufficient or actually unattractive to many Creative Class people. What they look for in communities are abundant high-quality amenities and experiences, an openness to diversity of all kinds, and above else the opportunity to validate their identities as creative people.”

As discussed in the Evaluation Report, the 1986 ordinance adopted by the Austin City Council to establish an arts funding program clearly delineates the importance of equity to Austin: “To nurture and preserve cultural diversity, consistent with and reflecting Austin’s populations” and “To equalize access to the arts, both participatory and professional.” The ordinance also provides for the creation of vehicles to “improve the artistic and administrative ability of Austin’s arts offerings...”

In *Community Vision: A Policy Guide to Local Arts Agency Development*, author Cheryl Yuen postulates three foci under which the local arts agency can develop strategies to support and preserve cultural pluralism: (1) looking within at its own values, leadership, operations and programming; (2) determining ways to support the evolution of culturally and ethnically diverse artists and arts organizations and (3) developing ways to influence and support “mainstream” arts institutions’ commitment to cultural diversity. These foci provide a workable context within which to discuss the best practices (or lack thereof) within the field.

Within the Local Arts Agency

According to Yuen, local arts agencies need to incorporate the preservation of diversity into all levels of agency operations including: board composition, policy development and programming. According to Americans for the Art’s report on activities of local arts agencies in the 50 largest cities in the nation, since 1996, 90 percent have used the arts to address cultural and/or racial awareness.

In the 1990’s many local arts agencies included goals and objectives in their cultural or strategic plans that informed and directed their activities in the area of cultural diversity and access. This had the effect of shining a spotlight on the issue and ensuring that it received consideration and an allocation of resources. ArtWorks, the cultural plan for the Houston and Harris County Region, addressed the issue of cultural diversity and the underserved and formulated objectives for accomplishment by the local arts agency and other entities. The objectives led to the development and continuance of arts agency grants and technical assistance programs designed to increase the organizational capacity and stability of organizations primarily serving communities of color.

More recently, local arts agencies feel that issues of equity are “integrated into everything we do.” San José’s recently completed cultural plan surrounds the issue with a larger discussion of community and neighborhood arts. This “integrated approach” may not adequately assist the local agency leadership in achieving tangible change. One survey respondent lamented “the whole issue demands more attention when it is outside” and “that we probably aren’t doing as much as we should.”

By way of comparison, at the close of the 72nd Legislature, the Texas Commission on the Arts adopted operating principles and a procedure for the equitable distribution of grants to recipients that reflect the geographical, cultural, and ethnic diversity of the state’s population. Accountability is ensured through staff reports to the Commission and the Legislature regarding specific efforts to distribute grants equitably as part of the biennial Legislative Appropriation Request. Grantees of the Commission, including Austin, must comply with this equity mandate as part of their contractual relationship with the Commission.

Supporting Diverse Arts Organizations, Artists and Activities

Again, Yuen provides a framework for looking at the tools available to local arts agencies to effect equity as it applies to ethnicity, size, geography and economic capacity. Agencies have two primary ways to support equity: (1) grantmaking and technical assistance and (2) the promotion, presentation, and production of arts activities that showcase diversity.

Grantmaking and Technical Assistance

Local arts agencies struggle between providing adequate diverse grantmaking categories that place artists and arts organizations in panels that are fair in their competitiveness yet, in the aggregate, are administratively manageable by the agency. Technology may offer local arts agencies the opportunity to streamline their administrative processes while providing access and reasonable opportunities for success to applicants seeking to provide arts activities that meet the articulated needs and desires of visitors and community residents.

All of the respondents to our survey providing direct support to artists consider them separately from organizations. Seattle, Houston, San Antonio, Broward County and Indianapolis provide separate grant application and selection processes for artists fellowship and/or projects.

St. Louis, Seattle, Broward County, Los Angeles County, Phoenix, Indianapolis, Dallas, Tucson/Pima and San José provide different funding categories for operating and project support reflecting the budget size of the applicant organizations. Miami/Dade created an “emerging majors” category for inclusion of organizations of color in the “majors” category, thus making a Hispanic symphony, black theatre company and others eligible for that funding category. San Antonio’s grantmaking portfolio guides artists, arts organizations and non-arts organizations interested in using the arts to impact neighborhoods to project grant programs designed to meet those objectives.

Local arts agencies attempt to handle the issue of aesthetics through selection panels carefully juried by artistic training and experience and not just ethnicity. Some agencies augment hometown expertise by inviting regional and or national arts professionals to, essentially, volunteer their services in return for relevant expenses and modest honorarium. All of the panelists in Indianapolis are from out-of-town and the director credits the equitable, unbiased and uncontested outcomes of the review process partly to that fact.

Houston, through its Expansion Arts Program, meets the objective of serving ethnically diverse communities by allowing organizations of color to request larger sums of money than a “mainstream” organization of the same budget size. In San Antonio, the Cultural Arts Board determines grant allocations using four criteria including: (1) the panel scores, (2) organizational stability and growth, (3) cost of services, and (4) the provision of diverse services to the community. One of Broward County’s 11 grant programs is the Cultural Diversity Program. The director expressed interest in seeing that grants overall match the criteria for diversity and are related to the community’s make up.

Dallas actively assists the transition of ethnically specific organizations from project to organizational support through its Leadership Exchange and Advancement Program (LEAP). Organizations are eligible for annual operating support and intensive technical assistance for up to three years. Dallas’ statements on cultural equity, patterned after those of the Texas Commission on the Arts, are written into policy documents, the agency’s mission statement and its grant guidelines. Houston’s Management Assistance and Organizational Development Enterprise (MODE) program specializes in increasing the organizational capacity of emerging to midsize organizations with a variety of technical assistance programs including: physical incubation space, and programs of twelve months or longer providing, consulting, training, mentoring and financial support. In response to needs articulated in Houston’s cultural plan, the first year of MODE’s capacity building programs were restricted to ethnically specific organizations. Within San José’s Arts Incubator Program is a specific category referred to as the Multicultural Arts Incubator.

Promotion, Presentation and Production of Arts Activities

Small, neighborhood and ethnically specific arts organizations universally suffer from an inability to promote their artistic offerings throughout their local community and beyond. Local arts agencies develop paper or electronic calendars of events to assist organizations in attracting audiences and earning income. These widely available calendars have the added benefit of helping small organizations meet funding source requirements for visitor accessibility.

Festivals, sponsored or promoted by the local arts agency, as further discussed in the section of this paper entitled Economic Development, provide an excellent opportunity to showcase the work of individual artists and small to midsize organizations and to spotlight culturally significant neighborhoods.

Influencing “Mainstream” Arts Organizations

Local arts agencies encourage community-based activities of larger, mainstream organizations by providing grants programs that direct services to underserved (geographic, ethnic, “at-risk” youth) communities. In Houston, major institutions used the financial support provided by the Neighborhood Arts and Regional Touring Programs to reach communities located within and outside of Houston’s city limits.

Grant programs that encouraged collaborations between mainstream and culturally specific organizations in the nineties had mixed results. Culturally specific organizations reported feeling used by efforts of mainstream organizations to access their diverse audiences and mainstream organizations bemoaned the uneven manpower and resources invested in relationships with understaffed and under-resourced small to midsize organizations of color. Since that time, a great deal of knowledge has been developed that points to the criteria and time required to support successful collaborations. The Amherst H. Wilder Foundation provides invaluable assistance through both its published research in this area: *Collaboration: What Makes It Work – A Review of Research Literature on Factors Influencing Successful Collaboration* and the *Collaboration Handbook*, a step-by-step guide to creating effective collaborations. St. Louis not only offers financial support to consortiums or collaborative projects through its grant program, it also builds collaboration skills through its Community Arts Training Institute among “artists and social service providers in order that they may develop and implement partnerships in carrying out successful arts programs that impact the community-at-large.”

Local arts agencies often engage the professional staff of large mainstream arts organizations in providing technical assistance through workshops and volunteer consulting assignments to smaller and culturally specific organizations. Seattle plans to recast its technical assistance program to more fully use the available professional human resources of local major institutions.

COMMUNICATION

Effective, open and inclusive communication is not only an obligation but also an opportunity for an agency charged with public arts funding. The Evaluation Report and the Audit Report both gave instances of problems either created or exacerbated by lack of communication among individuals and groups. Both the Evaluation Report and this report emphasize the critical need for strong linkages of communications between the City Council and the Arts Commission, between the Arts Commission and staff of Cultural Affairs and Cultural Contracts, between the Commission and staff and the arts community and the community at large. Communication in an effective system is not one way, of course, from the top down. A dynamic system of communication is a continuous loop that infuses information throughout the system and to and from all links. Interaction between the City Council and the community at large is thus direct. If a communication system were to be working effectively, for example, clear City Council policy on the arts and their public purposes, having been informed by the Arts Commission and staff, would be enunciated by Council and then would be directed back

to the Commission. Policies and plans of the Arts Commission would be aligned with overall public policy in open communication with stakeholders and with their active participation. At the same time, information critical to the operations of the Arts Commission, such as projected bed tax revenues, would be part of the environmental scan forming the context for planning that would also contain information on current needs and opportunities emerging out of open dialogue. The results of breakdowns in communication can be very clearly seen in the multiple problems that have arisen in regard to the cultural arts funding process. However, it is important to realize that an effective communication system must assume the existence of adequate and appropriate information, active and responsible leadership and the understanding of key linkages in the system of their roles and responsibilities.

The local arts agency leadership plays a key role in establishing and maintaining an effective system of communications and we shall cite examples of practices among the cities surveyed that demonstrate how this role is played. The responsibilities include acting as convener, as the collector and distributor of information, as the spokesperson, troubleshooter, mediator, and translator (in a broad sense), facilitator and liaison. Training in communication skills can improve the process as can reviewing basic techniques for making all meetings work, holding roundtable discussions and facilitating brainstorming. Utilization of effective meeting methodologies such as the Interaction Method, Appreciative Inquiry, Open Space and others can expand and enhance participation. Creative uses of technology and media can greatly enhance the scale, scope and interactive quality of communications. Communications within the arts community and between the arts community and other areas of community life such as business, entertainment and education, is important if the arts are to remain relevant to community interests and priorities. Since ways and customs related to communication may vary across cultures, there must be sensitivity to these different styles, if communication is truly to provide equal and open access. Also, if Austin's good news as a creative center is to be communicated beyond the city, promotional aspects of communication must be understood and employed.

Convener and Information Source

Convening the arts community together with key stakeholders is a simple but very effective way to build relationships and identify shared goals. Dallas regularly has "pot luck" gatherings at which a group of stakeholders, funders, for example, may sit around with members of the arts community and "just talk about things," often leading to collaborative efforts. Informal communications and good relationships among members of the arts community there have resulted in successful advocacy efforts. Tucson's director hosts roundtables that vary in topic, discipline area and community focus. Some of the roundtables convened in New Orleans by the local arts agency bring members of an arts discipline together to brainstorm issues and craft collaborative solutions. The director of Broward County Cultural Affairs says that frequent community meetings keep the planning process ongoing and dynamic. An active partnership with the South Florida Cultural Consortium, an association of Martin, Palm Beach, Broward, Dade and Monroe counties, promotes regional cooperation. Broward County informs the public in a variety of ways, producing videos, providing numerous publications and coordinating a

Speakers' Bureau. Nashville does relevant research, such as the annual economic activity report, and disseminates results as part of public awareness and advocacy efforts.

Spokesperson and Advocate

The crucial communication link between the local arts agency and the governmental authority is addressed systematically in many cities. In San José, the Office of Cultural Affairs is in direct communication with the City Council and the director holds monthly meetings with the designated liaisons of Council members. Houston has used a similar process to stay abreast of city plans and priorities. Arts roundtables bring the arts community together and the Bay Area Funders roundtable works to develop collective strategies for supporting and sustaining the arts in the region. Communications with San José's constituency are facilitated by active use of the agency's web site and an extensive e-mail "tree" for information and comment. Surfing around at local arts agency web sites reveals some creative approaches to communicating broadly, linking to a world of information and ideas and inviting interaction. On Broward County's site, for example, you can learn about the agencies programs and services, read its economic impact study and its Cultural Quarterly, review its calendar of arts events and reserve your seats online for a performance. Phoenix Arts Commission's web site, now being revamped, offers many options, including information on grants, including downloadable applications, and opportunities related to its public art program, including the chance to view exemplary works there and elsewhere. St. Louis' fully searchable event calendar serves as portal to the entire arts community. Houston's web site enables grant applicants to complete the application online, thus saving paper and eliminating any question as to the time of submission. The web site for Americans for the Arts (www.artsusa.com) allows communication among arts agencies and with the public at large.

Planner and Promoter

The Arts Council of New Orleans works seamlessly with City government, other governmental agencies and economic development, revitalization and preservation interests. Consequently, it is no wonder that its programs and processes not only feature the unique arts and culture of New Orleans but also are consonant with public policy and civic priorities. Due to continuing communication and trusting relationships, the arts are "at the table" with economic development, tourism, neighborhood preservation and revitalization, downtown development, education, business, city and state as plans is made and collaborative initiatives are launched. A dramatic example of a major collaborative initiative is Louisiana Artworks, a large multiuse facility under development in the downtown arts district in which artists will have studios, sell artwork and give classes; arts organizations will have offices; and arts education activities, gallery exhibitions and performances will together add another inducement to visitors to experience the cultural attractions of the city.

If communication is at the center of the culture of a local arts agency it can infuse all of its operations; that is the way the director of the Miami/Dade County agency describes

the climate there. There, technology is employed to disseminate information, enhance access and gather comment. Communication vehicles include its calendar of events, directories of cultural organizations and of arts education opportunities, a discount guide to cultural activities, economic impact of the arts studies, cultural planning brochures and an informational website called www.tropiculturemiami.com. True to the community's diversity, information is communicated in a variety of languages including English, Spanish, French, and French Patois. Miami's cultural planning process is in itself a dynamic tool for communication, policy and cultural plan development. The agency convenes "a series of three televised monthly town meetings devoted to examining concerns and issues..." Its annual planning brochure is sent "to the media and more than 4,000 civic, business and cultural leaders..."

Communicating beyond the city about the region's cultural attractions is a strong suite of San Diego's Commission for Arts and Culture. Their mission is "to vitalize the city by integrating the arts into community life while supporting the region's cultural assets and showcasing San Diego as an international cultural destination." To be sure that promotion occurs outside of the local market the Commission "works with the San Diego Convention and Visitors Bureau and their Director of Cultural Tourism to include the arts and culture activities into the broader tourism marketing efforts." Their current promotional program is called San Diego Art + Sol.

From the communication of public policy to the shaping of arts agency programs and services in dialogue with diverse constituencies, from broadening the conversation about the role of the arts in city life to spreading the word outside of the city about the community's cultural attractions, effective systems of communication are essential to the accomplishment of goals of cultural arts funding and development.

CONCLUSION

This report identifies best practices in public cultural arts funding, discusses benchmarks and focuses on issues and opportunities that were noted in the earlier Evaluation Report. It explores the full array of policies and agency structures and functions that might be adopted for Austin. It considers various uses of cultural arts funding for grants or contracts and also as support for arts programs related to economic development, community development and communications, giving examples from selected comparable cities. This broad scan of the landscape of current cultural arts funding allows us to look forward to the next report on viable cultural arts funding program model alternatives for the City of Austin. Key stakeholders will review the alternatives presented so that the final recommendations will truly represent the most appropriate, productive and feasible approaches to the realization of the full potential of the City of Austin as a creative community.

The cities and counties whose local arts agencies were selected for our survey either shared attributes of Austin in demographic, economic and cultural terms or displayed exemplary practices, processes and programs. We are very grateful to the executives of the 21 agencies who, in the aggregate, not only contributed over thirty hours of their

time, but also provided related materials so that this report could be a thorough and accurate basis for decision making on alternatives and, ultimately, recommendations.

No one local arts agency in the comparable cities surveyed provides the model for Austin's arts funding policies, programs and processes, its agency structure and function. These critical aspects develop in the context of the particular attributes, culture and politics of the place, thus creating programs, processes and a vehicle for administering them that are very specific to the individual community. Austin can, in fact, become a model for cultural arts funded programs and services through this process of screening and adapting innovative practices in a configuration especially attuned to Austin's assets, culture and ways of doing business.

The report on viable alternatives for cultural arts funding programs will follow this one. That report will lay out alternatives that appear most promising and feasible for Austin. Then decisions can be made based on those choices, narrowing alternatives to those most preferable that match the financial and human resources that may be made available for implementation. The final report on recommendations and suggested strategies for implementing them will complete this phase. The active participation of many members of the Austin community throughout all aspects of this endeavor is the key to its success and we appreciate the active involvement of the arts community, the community at large, the arts commission and staff and the City officials who have already made important contributions.

Appendix A

List of Researched Local Arts Agencies and Survey Respondents

Arts Council of Indianapolis

Indianapolis, Indiana
Ramona Baker, Executive Director
www.indyarts.org

Arts Council of New Orleans

New Orleans, Louisiana
Shirley Trusty Corey, Executive Director
www.mygroupweb.com

Arts & Science Council

Charlotte, North Carolina
www.artsandscience.org

Broward County Cultural Affairs

Fort Lauderdale, Florida
Mary A. Becht, Director
www.co.broward.fl.us/arts

City of San Diego Commission for Arts and Culture, The

San Diego, California
Victoria L. Hamilton, Executive Director
www.sandiego.gov/arts-culture

Cultural Affairs Department

City of Los Angeles
Los Angeles, California
www.culturela.org

Cultural Arts Council of Houston and Harris County

Houston, Texas
www.cachh.org

Dallas Office of Cultural Affairs

Dallas, Texas
Betty Switzer, Director
www.dallasculture.org

Fulton County Arts Council

Atlanta, Georgia
www.fultonarts.org

Greater Columbus Arts Council

Columbus, Ohio

Ray Hanley, Executive Director
www.gcac.org

Los Angeles County Arts Commission

Los Angeles, California
Laura Zucker, Executive Director
www.lacountyarts.org

Metropolitan Nashville Arts Commission

Nashville, Tennessee
Thomas L. Turk, Executive Director
www.artsnashville.org

Miami-Dade County Department of Cultural Affairs

Miami, Florida
Michael Spring, Director
www.tropiculturemiami.com

Office of Art, Culture & Film

City of Denver
www.denvergov.org/artculturefilm

Office of Cultural Affairs

City of San Antonio
San Antonio, Texas
Felix Padrón, Executive Director
www.sanantonio.gov/art/

Office of Cultural Affairs

City of San José
San José, California
Jerry Allen, Deputy Director
www.sanjoseculture.org

Phoenix Arts Commission

Phoenix, Arizona
Phil Jones, Executive Director
www.ci.phoenix.az.us/ARTS

Regional Arts & Culture Council

Portland, Oregon
David C. Hudson, Executive Director
www.racc.org

Seattle Arts Commission

City of Seattle
Seattle, Washington
Michael Killoren, Executive Director

www.cityofseattle.net/arts/

St. Louis Regional Arts Commission

St. Louis, Missouri

Jill A. McGuire, Executive Director

www.art-stl.com

Tucson-Pima Arts Council

Tucson, Arizona

MaryAnne Ingenthron, Executive Director

www.tucsonpimaartscouncil.org

Appendix B

Austin Cultural Arts Funding: Comparable U. S. Cities Survey

Dabney & Associates, October/November 2002

Designed for interviews with Executive Directors, Grant Program Directors and other relevant staff of local arts agencies, focusing on best practices and model programs relevant to Austin, Texas.

Introduction

The City of Austin is assessing its entire arts funding program, including contract/grants, public art, technical assistance and other services, seeking best practices and most effective programs and structures in the field. Dabney & Associates has a contract with the City of Austin to assist in this process. The consulting team consists of Luci Dabney and Marion McCollam (who are conducting this survey) and Eduardo Diaz.

Your city has been identified by us as one that is in the forefront in terms of the types of funding and services provided to artists and organizations that benefit city residents, visitors and the whole community. I would like to talk with you for a while in order to learn about your arts funding programs, processes and policies as well as the structure and functions of your agency. Any relevant printed matter, including policies, guidelines, annual reports and recent newsletters, you may be willing to provide us would be very helpful. Also please direct us to your web site if related information is available there.

Questions

1. Before we talk about funding programs, please briefly describe your agency's structure. For instance: Is it a governmental agency or a private nonprofit? Is it governed by a commission or board? Is the governing board appointed or elected? If appointed, by whom? If a public agency where in the governmental structure is it located? If private, what is its relationship to government? What, if any, relationship with the Parks Department does your agency have? What, in your opinion, are the advantages and disadvantages of your agency's structure?
2. What types of support and services do you provide, such as grants or contracts, technical assistance, facilities and space?
 - ? What is the source or sources of funding?
 - ? Have levels of funding increased or decreased and, if so, by what percent and what adjustment was then necessary.
 - ? If the hotel occupancy tax is a source, does that affect its use?

- ? How much is allocated to different programs and what is the total agency budget.
 - ? Is there a particular program or service that is especially effective that you'd like to tell me about? (For artists or organizations? Related to tourism or economic development or community revitalization?)
3. Is there a statement of public policy for arts funding? What are understood to be the purpose and role for arts funding? Is there a conflict of interest policy and, if so, does it address both recipients of support and those with authority to make decisions on grants or contracts?
- a. Are grants/contracts separated into categories? If so, what are they, what is the rationale for each, from what sources are they funded and how is funding for each category determined? If hotel tax is a source, is the use of funding tied to tourism? Are out-of-town panelists involved in panel review of applications? Is there a formula that expedites decisions on grant amounts and what is the process for approval of grant amounts? Would you please send me applications, guidelines and panel handbooks, if those materials are not on your web site?
 - b. Please describe the technical assistance and organizational development provided to organizations and perhaps to artists.
 - c. What is the source of support for the arts in community development related to arts education, public art, arts for special populations (youth at risk, elderly, disabled and so on). Are these services a part of your office? If not, where are they located?
 - d. Are the arts and economic development associated in any way in your agency's funding programs, including projects in tourism, downtown development, job training and so on?
 - e. How are equity issues addressed in terms of all functions of your agency?
 - f. Is there effective communication among arts groups, artists and the community? What creates good communication?
 - g. Do you have any cautions about a program or process that has not worked well?
 - h. Are you proud of a particular program or process that may be a model for others?
 - i. Is there anything else you'd like to tell me on this subject?

- j. Can you name other model cities/counties or programs we should examine? OR...Is there a local arts agency in another city that you'd suggest I contact because it demonstrates best practices or model programs about which I should know?

In conclusion, please accept my thanks for your willingness to spend time with me. I hope that you will allow us to contact you again if we need clarification. By sharing information you are helping to build of a model program in Austin and perhaps also to make progress in the field.

Thank you

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