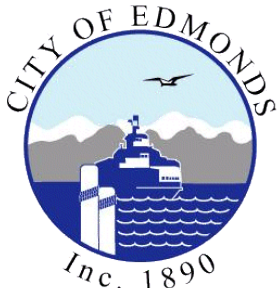


City of Edmonds

Arts and Culture

2017 Economic Impact Study

Full Report | January 30, 2018



CITY OF EDMONDS PROJECT TEAM

Frances White Chapin, Arts & Culture Manager

Patrick Doherty, Economic Development Director

Carrie Hite, Parks, Recreation & Cultural Services Director

PROJECT ADVISORY GROUP

Alicia Crank, Edmonds Planning Board

Ed Dorame, Edmonds Diversity Commission

Lindsey Echelbarger, Cascadia Art Museum

Fred Gouge, Port of Edmonds

Suzy Maloney, Edmonds Arts Commission

Joe McIalwain, Edmonds Center for the Arts

Tom Mesaros, Edmonds City Council

Mary Monroe, Edmonds Economic Development Commission

Tanya Sharp, Edmonds Arts Commission

Kim Smith, Edmonds Driftwood Players

Pam Stuller, Edmonds Downtown Alliance

Neil Tibbott, Edmonds City Council

Greg Urban, Edmonds Chamber of Commerce

CONSULTANT PROJECT TEAM

Brian Murphy, Project Manager

Claudia Bach, Strategic Advisor, AdvisArts

Bryce Anderson, Analyst

Jason Hennessy, Analyst

Sherrie Hsu, Analyst

Claire Miccio, Analyst

City of Edmonds Arts and Culture 2017 Economic Impact Study

Full Report | January 30, 2018

Contents

Background and Purpose	2
Study Inputs	3
Project Advisory Group	3
Stakeholder Interviews.....	3
Online Surveys.....	3
Community Profile of Edmonds	5
Arts and Culture Organization and Business Survey	11
Arts and Culture Organizations and Businesses in Edmonds.....	11
Organization and Business Survey Findings.....	13
Arts and Culture Focus and Role.....	13
Financial Snapshot.....	15
Income of Edmonds Arts and Culture Organizations and Businesses.....	16
Expenditures of Edmonds Arts and Culture Organizations.....	19
Capital Improvement Spending.....	19
Employment	20
Volunteers	21
Attendees, Clients, or Customers.....	21
Lodging and Travel Accommodations.....	23
Community and Visitor Survey	24
Arts and Culture’s Economic Impacts and Community Benefits	36
Economic Impact	36
Understanding Arts and Culture’s Economic Impact: An Example	39
Community Benefits.....	40
Quality of Life.....	40
Community Image and Identity	40
Takeaways and Recommendations	41
Bibliography.....	44

Background and Purpose

The City of Edmonds has long nurtured its network of local arts and culture organizations. Every year, Edmonds' businesses and not-for-profits attract tens of thousands of visitors interested in experiencing the community's creative culture and distinctive visual, performing, and literary arts. Arts and culture benefit residents as well as visitors, and over the years, local tourism emerged as a potential arena for economic growth and community enhancement.

In 1994, the City of Edmonds Arts Commission, in partnership with the Edmonds Arts Festival Foundation, developed its first community cultural plan, with updates in 2001, 2008, and 2014. The 2014 Community Cultural Plan is a testament to the City's dedication to strengthen and promote the arts in Edmonds, and provides a framework to encourage and align action across all sectors of the community. One goal of the Plan is to increase awareness of the role – both economic and social – that arts and culture play in the community.

To advance this goal, the Cultural Services Division of the City of Edmonds Parks, Recreation and Cultural Services Department, working with the Arts Commission and the Economic Development Department, identified the need for a study of the economic impact of arts and culture. BERK Consulting and AdvisArts conducted this study. It is an impact assessment that analyzes and tells the story of the arts and culture sector's economic contributions to the community and region. This study will help the Edmonds community better understand the impact its vibrant arts and culture scene has on the local economy, and on the community more broadly. The study also provides guidance on how Edmonds can continue to enhance its creative offerings and increase their positive impacts.

This report has four main sections. The first section, **Arts and Culture Organization and Business Survey** provides an overview of the organizations that constitute the arts and culture sector in Edmonds, and presents economic and financial benefits from data submitted by businesses and organizations that participated in the survey.

The second section, **Community and Visitor Survey** presents data from residents and visitors on arts and culture preferences, attendance patterns, and household spending on art and arts-related activities, events, and equipment – all within Edmonds.

The third section, **Economic Impacts and Community Benefits**, presents the economic impact of the arts and culture sector to the local Edmonds economy and region, and discusses the other, significant benefits that the sector provides the community, including image, identity, and quality of life.

The fourth section, **Takeaways and Recommendations**, presents overall findings from the data and recommendations for how the City of Edmonds, its partners, and the broader community can further enhance and better support the arts and culture sector, so that it continues to grow and provide economic benefits.

Study Inputs

PROJECT ADVISORY GROUP

Over the course of two meetings, a Project Advisory Group shaped and guided the study and its resulting recommendations. As representatives of the arts and culture community, the Advisory Group was a key resource for this study. Members were charged with informing and championing the project, as well as bolstering data collection efforts to ensure the analysis could accurately tell Edmonds' story.

The first meeting in early May 2017 focused on project promotion and survey development. The second meeting in early December 2017 centered on survey findings, recommendation development, community communications, and potential next steps.

STAKEHOLDER INTERVIEWS

To gain insight into stakeholder perspectives on the economic impact of arts and culture, and to raise community support for the effort, BERK Consulting and the City of Edmonds conducted conversations with more than 20 key partners, business owners, policymakers, and representatives from the arts and culture community. These interviews helped shape survey tools and frame analysis. Interviews took place in City Hall on May 1, 2017. See the Appendix for the complete Stakeholder Interview Summary.

ONLINE SURVEYS

Online surveys were the primary tool for the data collection effort. BERK, in collaboration with the City of Edmonds and the Advisory Group, designed and administered three surveys, each with the purpose of gathering information on the arts and culture sector, and better understanding who the current and potential supporters of the arts in Edmonds are. Each survey is described briefly below and the full instruments are found in the Appendix.

The **Organization and Business Survey** was designed to reach public, private, and not-for-profit entities in the City's arts and culture sector. The survey was sent directly to 31 not-for-profits, two public sector entities, and 38 businesses. Promotion for the survey included emails to organizations and businesses in the City Arts and Culture Inventory (an outgrowth of the 2014 Community Cultural Plan), and encouragement from City staff, Advisory Group members, and other community volunteers. The survey collected financial data to estimate economic impact and to describe economic contributions, and asked for complementary information to update the City's Arts and Culture Inventory.

A total of 40 organizations and businesses responded to this survey (56% response rate): 23 not-for-profit organizations, 15 businesses, and two public sector entities.

The **Community & Visitor Survey** informs the discussion of arts and culture contributions to the local

Advisory Group Members

- Alicia Crank, Planning Board
- Ed Dorame, Diversity Commission
- Lindsey Echelbarger, Cascadia Art Museum
- Fred Gouge, Port of Edmonds
- Joe McIlwain, Edmonds Center for the Arts
- Suzy Maloney, Arts Commission
- Tom Mesaros, City Council
- Mary Monroe, Economic Development Commission
- Tanya Sharp, Arts Commission
- Kim Smith, Edmonds Driftwood Players
- Pam Stuller, Downtown Alliance
- Neil Tibbott, City Council
- Greg Urban, Chamber of Commerce

economy and profiles residents and visitors who participated in the arts between June 3, 2017 and October 24, 2017. The survey was promoted to arts and culture patrons and consumers – both residents and visitors – and was designed to be brief and approachable. To maximize participation at events throughout the summer, the survey consisted of close-ended questions and prioritized input needed for the primary purpose of this study: determining the economic impact of the arts and culture.

This survey was promoted through a variety of channels including the City of Edmonds project website, local media, flyers, community newsletters, local arts and culture organizations, community volunteers, the Project Advisory Group, and City staff.

The survey yielded 1,354 survey participants, consisting of 745 residents and 609 visitors. For a map of respondents see page 24.

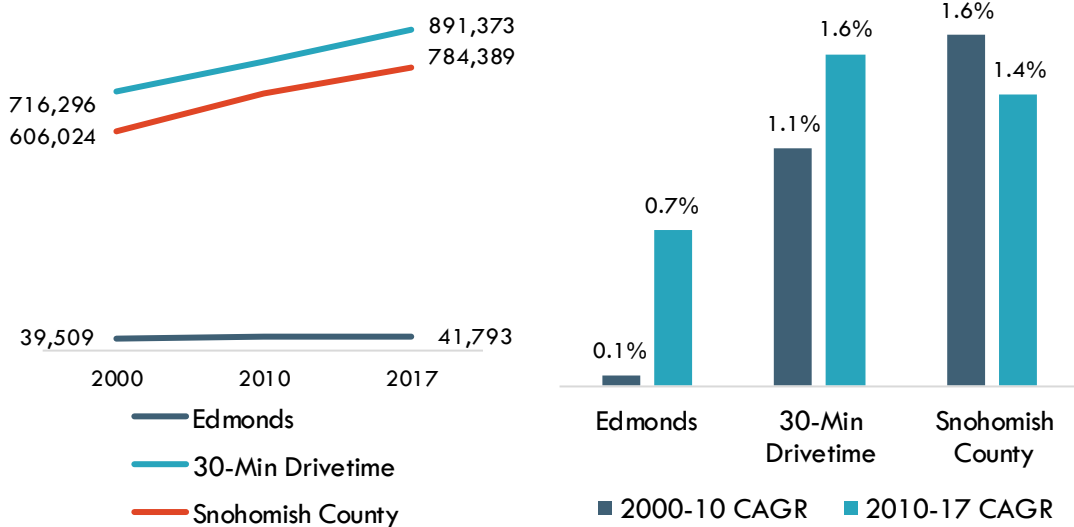
The **Story Collector** was a supplement to the Community & Visitor Survey, and collected data to tell a well-rounded story about the role arts and culture plays in Edmonds. The Story Collector was promoted similarly to the Community & Visitor Survey, and gathered qualitative information through open-ended questions about the ways people experience art in the Edmonds community and how those experiences impact their life and shape the community around them. Unlike the Community & Visitor Survey, the Story Collector was aimed at residents and business owners across Edmonds, not just those active in the arts and culture sector. A total of 34 people participated in the Story Collector, and shared their perspectives on how arts and cultural experiences in Edmonds have impacted their life and created a sense of community. These perspectives are displayed in quotes later in the report.

Community Profile of Edmonds

This section profiles the Edmonds community using available data on population growth, household income, race/ethnicity, and age. Data from Snohomish County and the area encompassing a 30-minute drivetime from downtown Edmonds are displayed for comparison. The area of the 30-minute drivetime can be seen in Exhibit 25, which shows the geography in the context of survey respondents.

Edmonds saw modest population growth over the 2000-2017 period, as shown in Exhibit 1. In the first ten years of this period, Edmond's Compound Annual Growth Rate (CAGR) was 0.1%, as compared to Snohomish County, which grew at 1.6%, and the 30-minute drivetime area, which grew at 1.1%. However, since 2010, Edmonds has seen its average annual growth increase to 0.7% and the 30-minute drivetime area has increased to 1.6%, while the county slowed slightly to 1.4% growth per year.

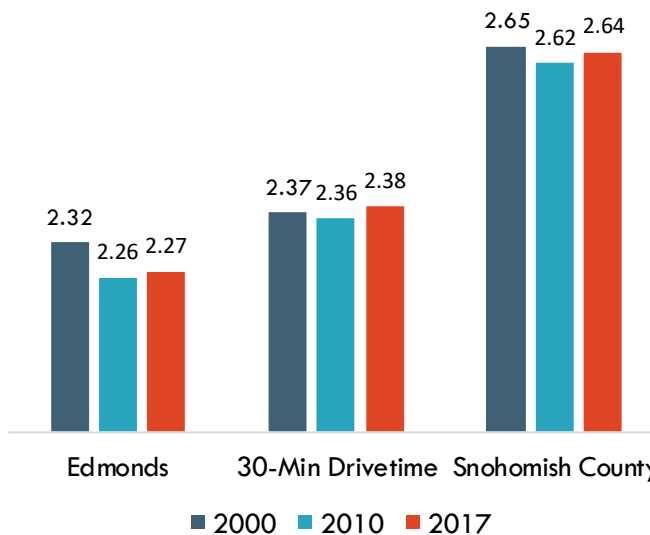
Exhibit 1. Population and Average Annual Growth



Source: Esri; BERK, 2017.

Exhibit 2. Average Household Size

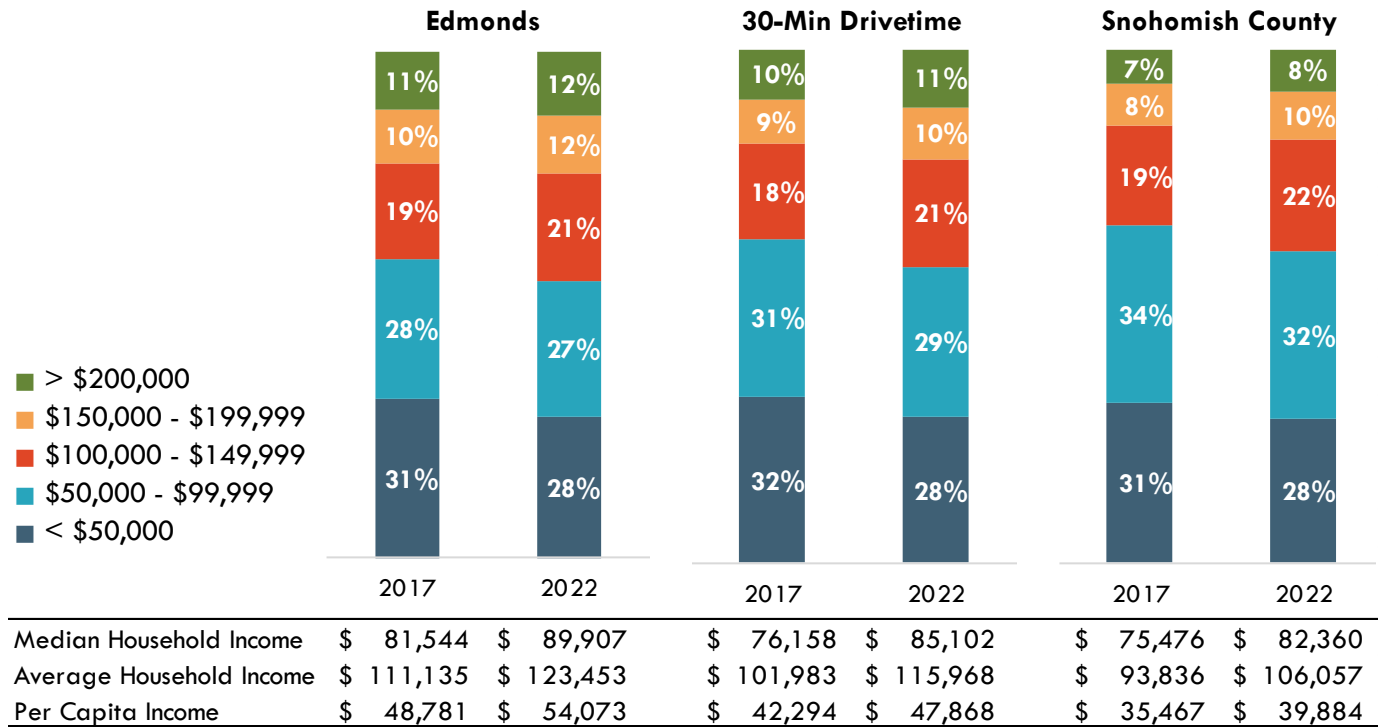
Exhibit 2 shows that the average household size in Edmonds decreased in the 2000-2010 period, but has since slightly increased from 2010-2017. Snohomish County and the 30-minute drivetime area follow the same pattern of average household sizes in this period, but both have higher average household sizes.



Source: Esri; BERK 2017.

Exhibit 3 displays household income, and shows that both the median and average household incomes in Edmonds are higher than those in the drivetime area and even larger compared to the county. Edmonds is projected to get wealthier over time. In 2017, 69% of households make \$50,000 or more a year, and by 2022 it's projected that 72% of households will make more than \$50,000.

Exhibit 3. Household Income

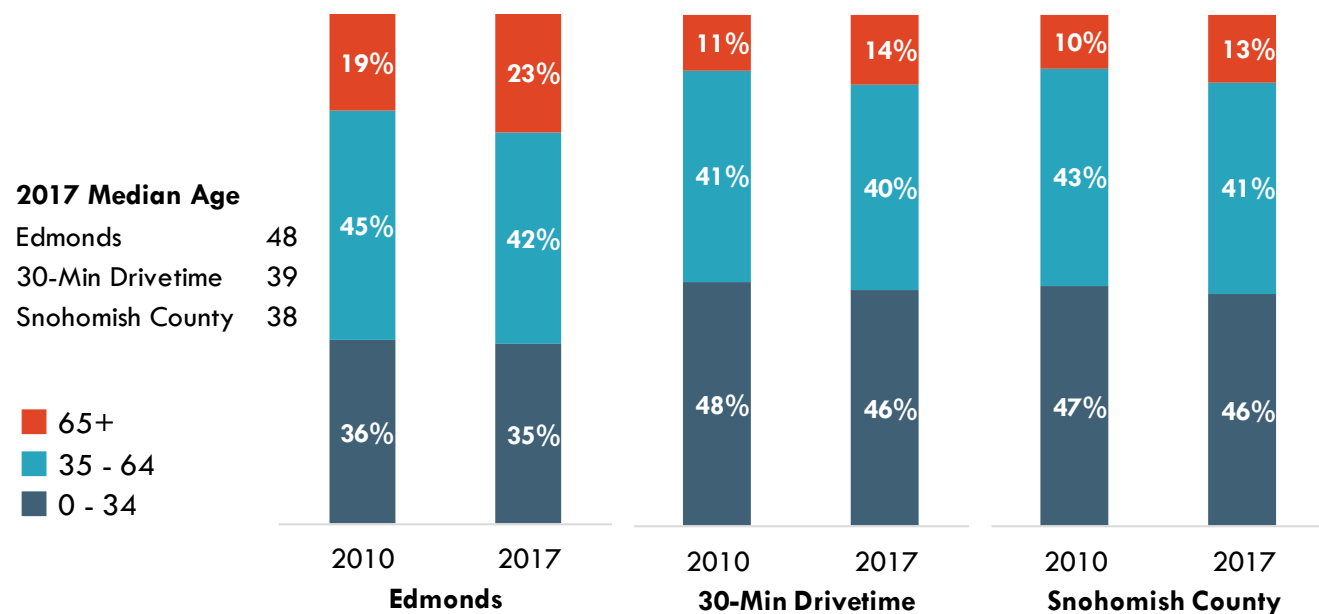


Source: Esri; BERK, 2017.

Note: Due to rounding, percentages presented in this chart do not add up to 100%.

As shown in Exhibit 4, Edmonds' population is older than that of Snohomish County and the 30-minute drivetime area, and in all three geographies population is aging over time. In 2017, the city's median age was 48, as compared to the county and drivetime area's median age of 38. In 2010, 19% of Edmonds residents were older than 65, and by 2017 this had grown to 23%. During that same period, Snohomish County's population of adults age 65 and older increased from 10% to 13%. Over the same time, the 30-minute drivetime area's population of 65 and older increased from 11% to 14%.

Exhibit 4. Age



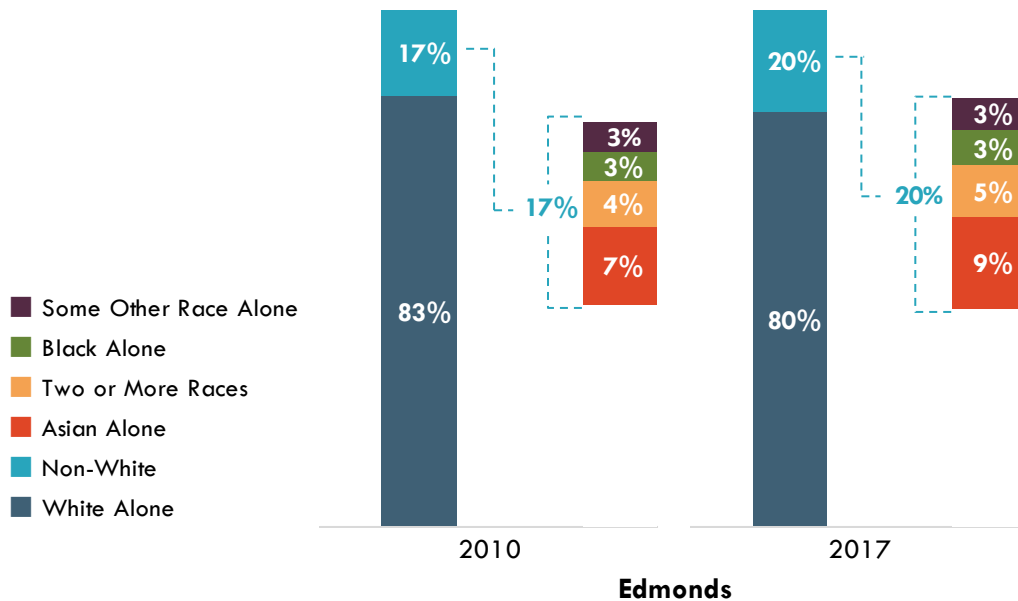
Source: Esri; BERK, 2017.

As shown in Exhibit 5, Edmonds is growing in racial diversity, with the proportion of people of color increasing from 17% of the population in 2010 to 20% in 2017. Overall, Edmonds' population is less racially diverse than the county and 30-minute drivetime area. The county proportion of people of color increased from 22% to 25% over the same period, as shown in

Note: Due to rounding, percentage breakdown for people of color presented in this chart do not add up to total percentage.

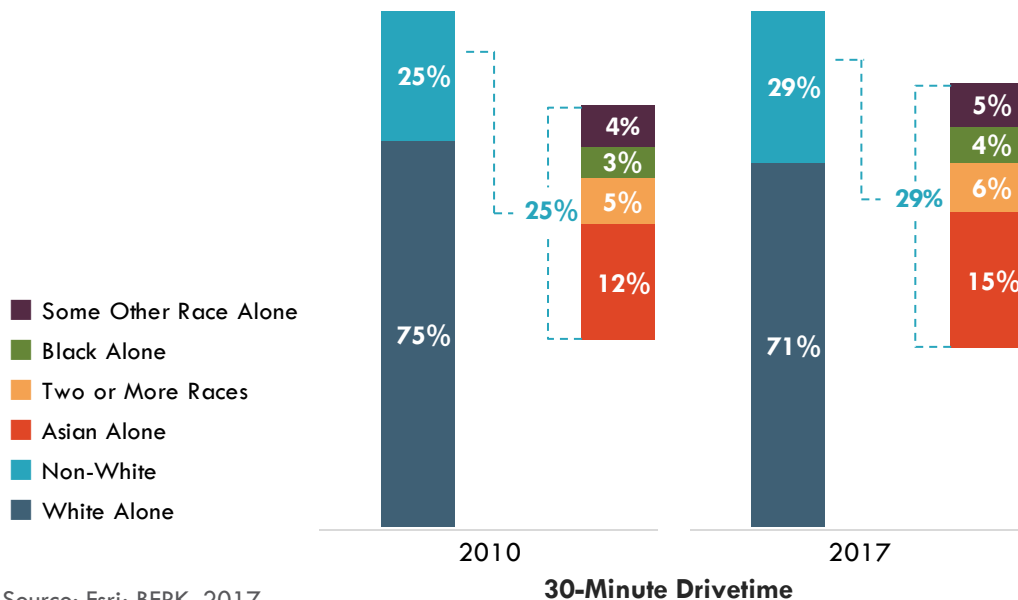
Exhibit 7. Over the same period the drivetime area proportion of people of color increased from 25% to 29%, as shown in Exhibit 6.

Exhibit 5. Edmonds Race



Source: Esri; BERK, 2017.

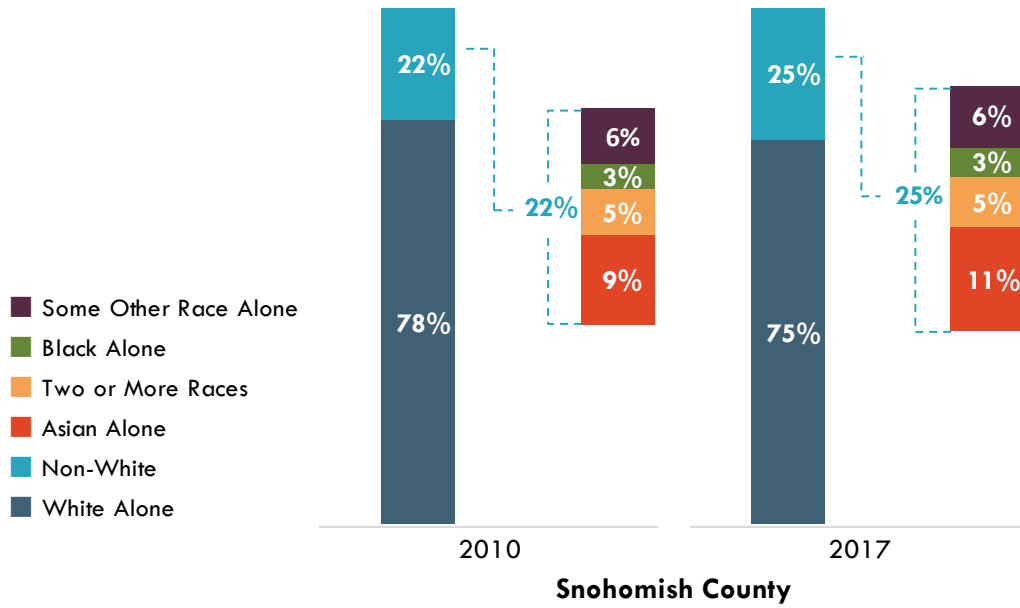
Exhibit 6. 30-Minute Drivetime Race



Source: Esri; BERK, 2017.

Note: Due to rounding, percentage breakdown for people of color presented in this chart do not add up to total percentage.

Exhibit 7. Snohomish County Race

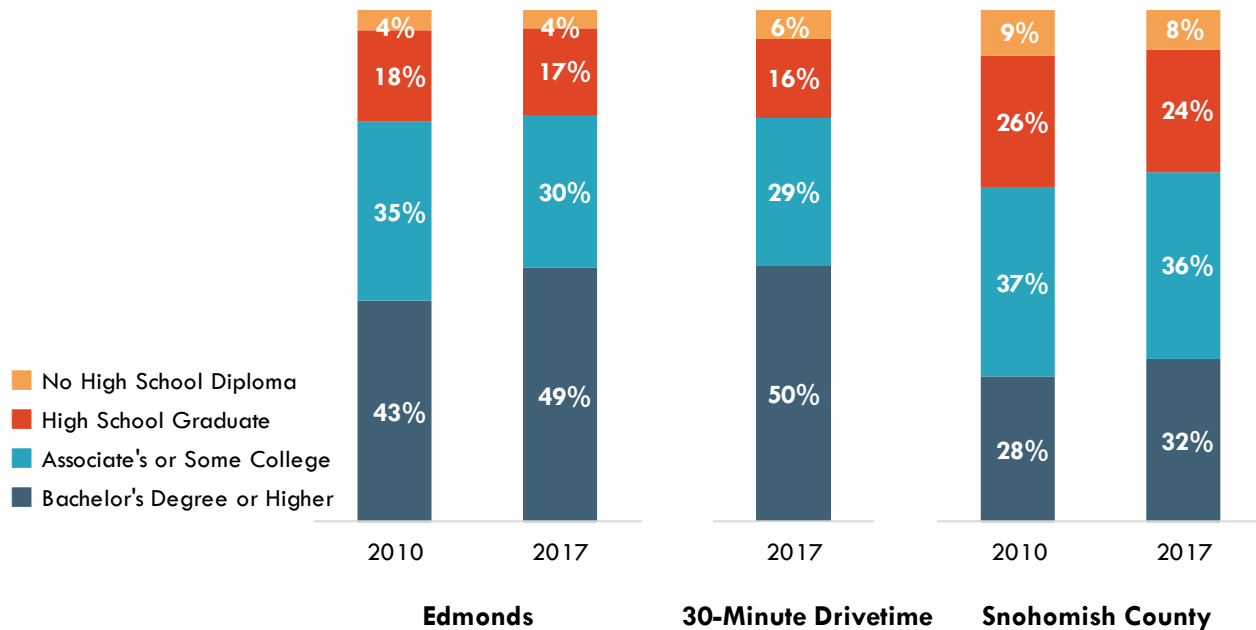


Source: Esri; BERK, 2017.

Note: Due to rounding, percentage breakdown for people of color presented in this chart do not add up to total percentage.

The population in Edmonds has become more educated over time and has greater educational attainment than in Snohomish County, and is about equal to the 30-minute drivetime area in 2017. As shown in Exhibit 8, the share of the population in Edmonds with a bachelor's degree increased from 43% to 49% from 2010 to 2017. Over the same period, Snohomish County's share increased from 28% to 32%. In 2017, the 30-minute drivetime area's share of the population with a bachelor's degree or higher was 50%. Educational attainment data for 2010 is unavailable for the 30-minute drivetime.

Exhibit 8. Edmonds, Snohomish County, and 30-Minute Drivetime Adult (25+) Educational Attainment



Source: American Community Survey, 2015 5-Year Estimates, Table S1501; Esri; BERK, 2017.

Note: Due to rounding, some percentages presented in this chart does not add up to 100%.



Arts and Culture Organization and Business Survey

In July 2017, the Arts and Culture Organization and Business Survey was provided to 71 entities listed in the May 2017 Directory of Arts Organizations and Businesses compiled by the Edmonds Arts Commission. A total of 40 organizations and businesses responded to the Edmonds Arts and Culture Organization and Business Survey (56% response rate): 15 businesses, 23 not-for-profit entities, and two public sector entities, namely the City of Edmonds Arts Commission and Edmonds Center for the Arts (ECA). The ECA facility is owned and operated by the Edmonds Public Facilities District (EPFD) established by the City in 2001 – a public sector entity with a five-member board. ECA operations are supported by a separate not-for-profit organization with its own Board of Directors, which works side by side with the EPFD board.

Not all respondents completed every question, as noted in the exhibits and discussion that follow. The survey collected self-reported financial data on revenue, expenditures, and capital improvement spending; revenue sources for earned and contributed income; and business information on employment, visitor attendance, and overnight lodging.

It's important to note that there are likely other arts and cultural entities in Edmonds that were not listed in the May 2017 Directory and therefore did not receive the survey. These entities may include informal arts programs or faith-based communities.

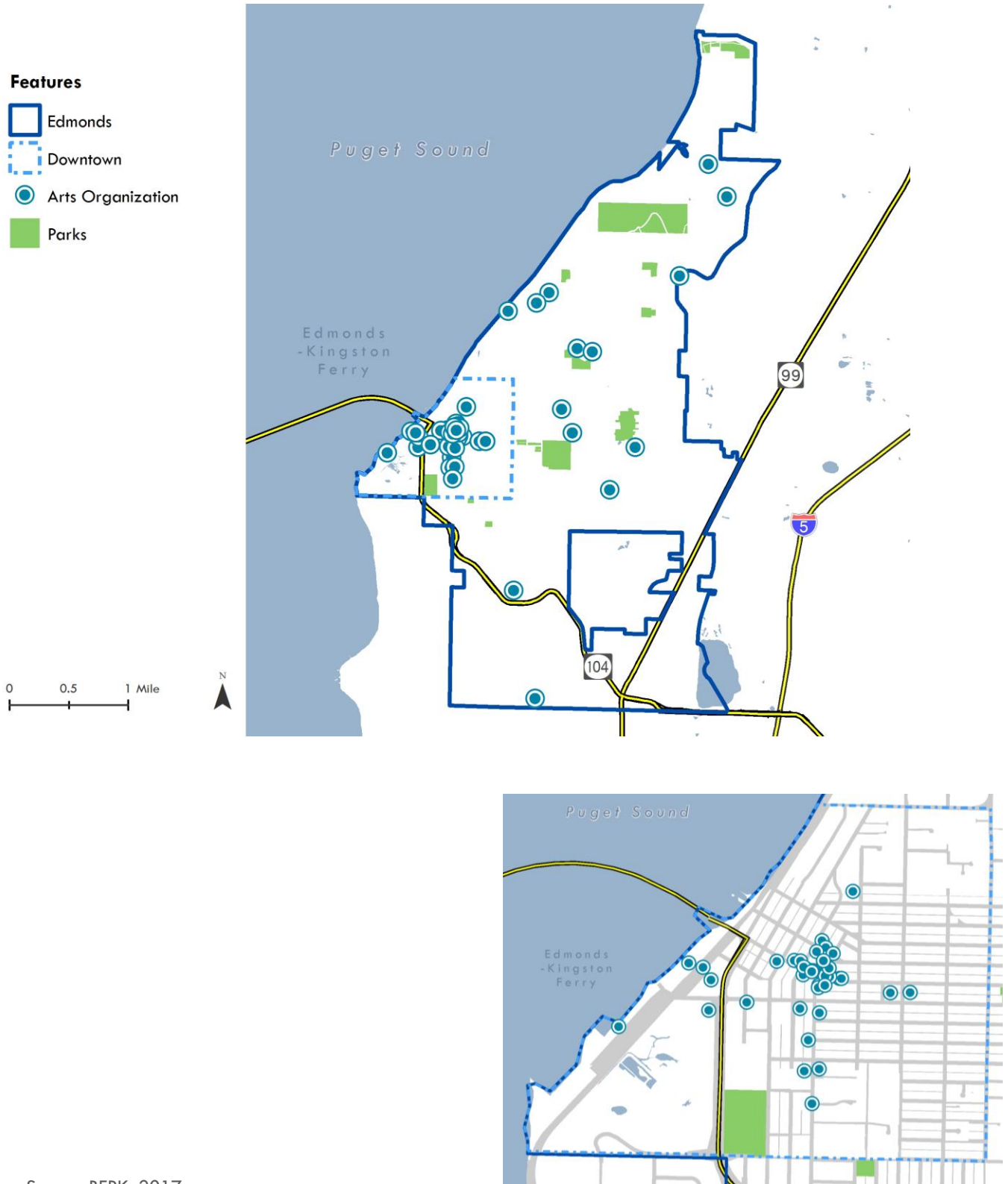
ARTS AND CULTURE ORGANIZATIONS AND BUSINESSES IN EDMONDS

Edmonds prides itself on the significant role arts and culture play in the community's quality of life, identity, and economic vitality. Many arts and culture entities – including for-profit businesses and public or not-for-profit organizations – are based in Edmonds, and offer a wide variety of visual, literary, and performing arts.

As of late January 2018, the City counts at least 57 businesses and 46 not-for-profit entities (including "core" arts and culture not-for-profits with a central focus on providing arts-related activities as well as ECA, divisions or commissions of larger organizations such as the City, School District, Library, and small clubs or guilds) as part of the arts and culture sector. These entities represent a wide range of arts and culture focus – for example, music, visual arts, theater, and heritage – and arts-related roles, such as classes, sales of art, services, and festivals. The organizations themselves range in size from small, online businesses serving niche cultural interests to Edmonds Center for the Arts, a large performing arts venue with more than 75,000 attendees annually. For a city of Edmonds' size, there is a bounty of unique arts and culture offerings, underscoring how the community is a cultural destination in the Puget Sound region. To learn more about the organizations and businesses that make up the arts and culture sector, see the 2018 Directory of Edmonds Arts Organizations and Businesses in the Appendix.

The location of arts organizations and businesses with physical addresses listed in the City of Edmonds May 2017 Directory of Arts Organizations and Businesses are shown in Exhibit 9. Most arts organizations and businesses known by the City are clustered in the downtown Edmonds area.

Exhibit 9. Arts Organizations and Businesses in Edmonds, with a Closeup of Downtown



Source: BERK, 2017.

ORGANIZATION AND BUSINESS SURVEY FINDINGS

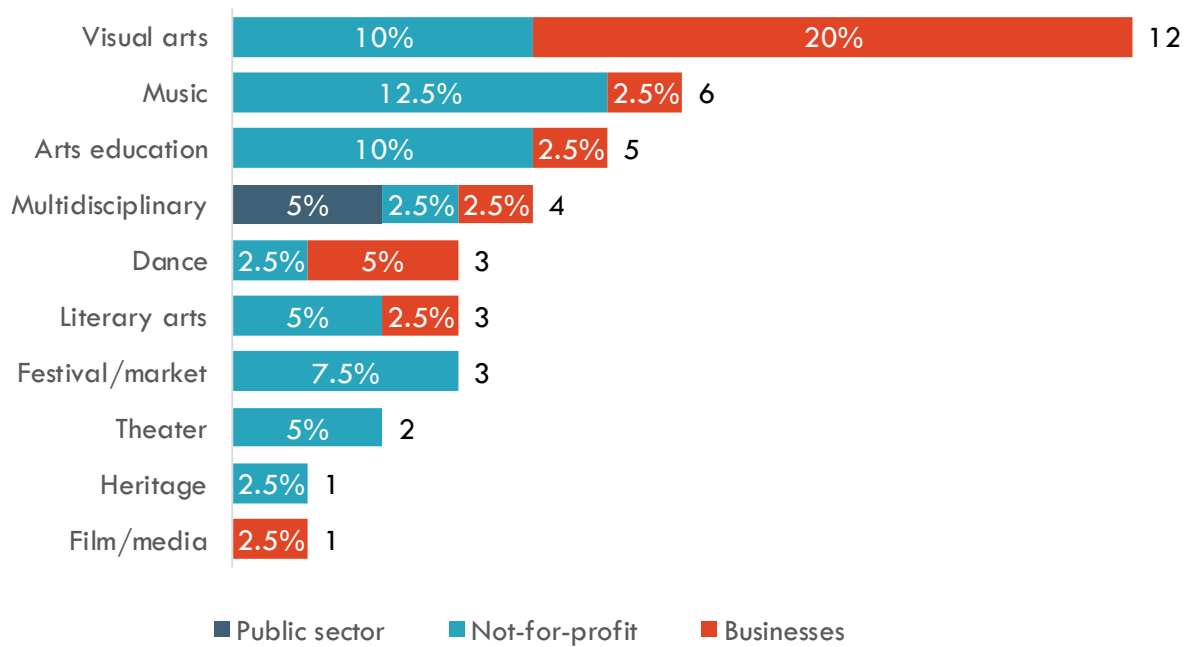
Arts and Culture Focus and Role

Primary arts focus describes the main artistic discipline provided by the organization or business. All 40 entities provided information on their business or organization's primary arts focus, as displayed in Exhibit 10. The largest group, 30% of respondents, focus on visual arts (12 organizations), followed by 15% (six organizations) in music, 13% (five organizations) in arts education, 10% (four organizations) with a multidisciplinary focus, and 8% (three organizations each) in dance, literary arts, and festivals and markets.

The primary arts-related role refers to the primary function or method of delivery for the organization or business. All 40 respondents provided information on their role, as displayed in Exhibit 11. Thirty percent (12 organizations) present or produce performing arts; 28% (11 organizations) provide arts classes, workshops, and conferences; and 18% (seven organizations) sell works of art. Ten percent (four organizations) provide services to the arts and artists, including promoting arts in the community. Many organizations commented that they play multiple roles, such as providing classes as well as selling works of art, making it difficult to select just one role.

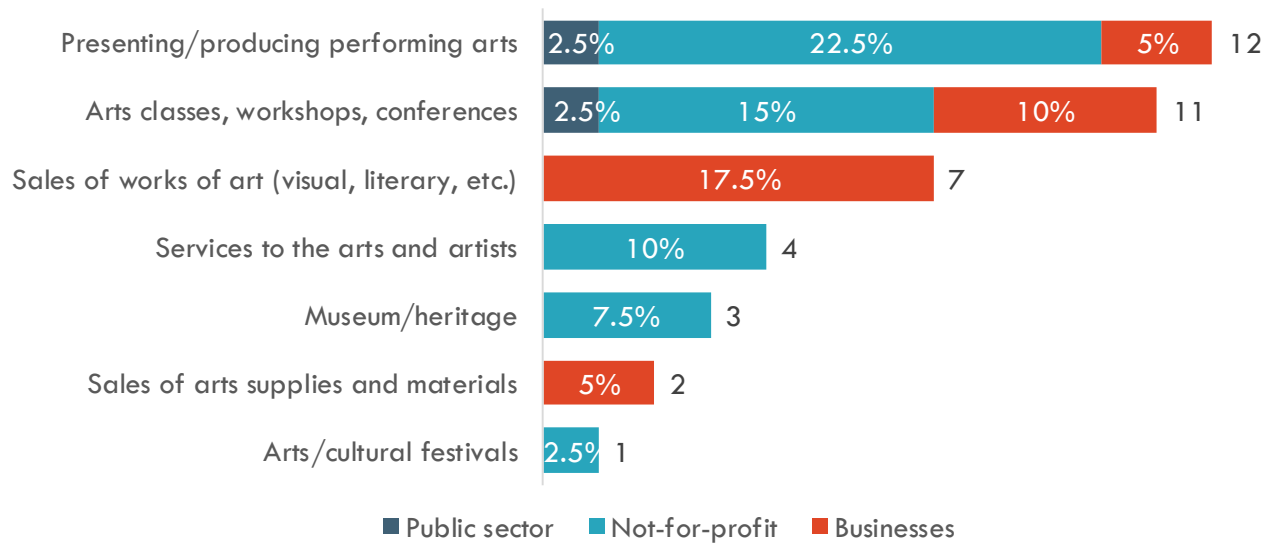
As both Exhibit 10 and Exhibit 11 reveal, there is a great deal of crossover and complexity for arts and culture focus and role across responding organizations and businesses in Edmonds. Most focus areas are provided by both business and not-for-profit.

Exhibit 10. Primary Arts Focus



Source: BERK, 2017.

Exhibit 11. Primary Arts-Related Role



Source: BERK, 2017.

Financial Snapshot

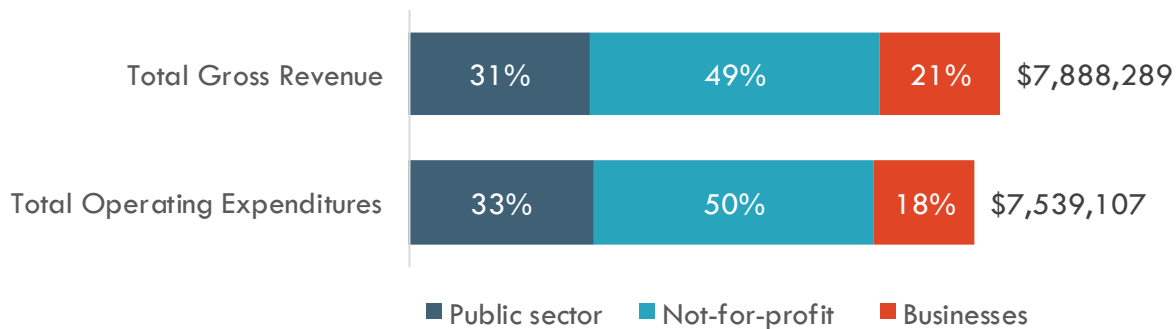
A snapshot of Edmonds arts organizations' revenues, expenditures, and capital improvement spending is shown in Exhibit 12. Not all organizations reported financial data, and the totals in Exhibit 12 only reflect the data provided. All values are in 2017 dollars; data originally reported from fiscal year 2015-2016 have been adjusted to 2017 dollars using the CPI inflation index. Additional data points were filled in using publicly available grant applications. Exhibit 13 shows the percentage breakdown of total revenue and expenditures by category of arts and culture entity.

Exhibit 12. Financial Snapshot of Edmonds Arts and Culture Organizations and Businesses, \$2017

	Total Gross Revenue	Total Operating Expenditures	Total Spending on Capital Improvements
Public sector (ECA and the Arts Commission)	\$2,421,921 (n=2)	\$2,464,980 (n=2)	\$156,883 (n=1)
Not-for-profit	\$3,842,371 (n=22)	\$3,736,628 (n=21)	\$48,577 (n=18)
For-profit	\$1,623,997 (n=7)	\$1,337,499 (n=6)	\$19,690 (n=5)
Total	\$7,888,289	\$7,539,107	\$225,150

* Public sector agencies are inclusive of Edmonds Center for the Arts and the Edmonds Arts Commission.
Source: BERK, 2017.

Exhibit 13. Total Gross Revenue and Operating Expenditures



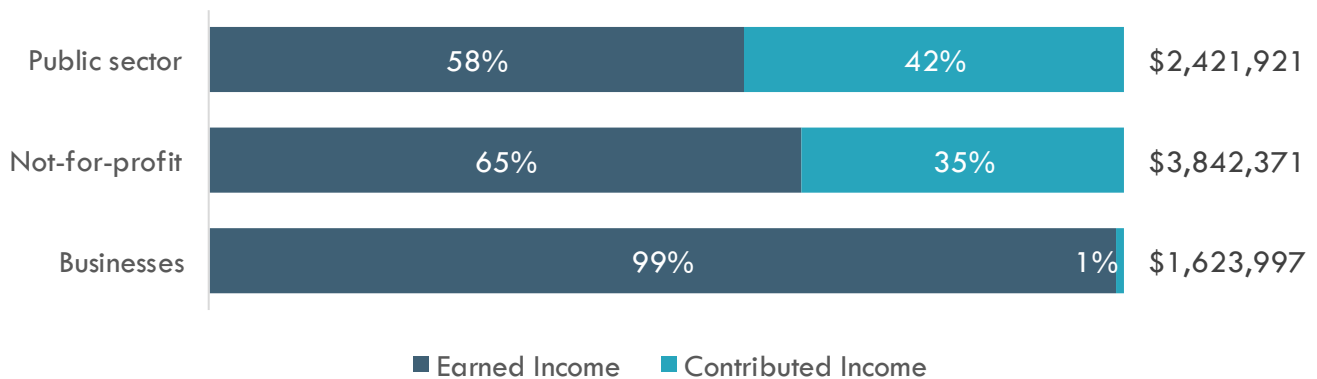
Source: BERK, 2017.

Note: Due to rounding, percentages presented in this chart do not add up to 100%.

Income of Edmonds Arts and Culture Organizations and Businesses

Revenue sources can provide information on the sustainability and security of funds. Exhibit 14 breaks down income sources by earned and contributed income, and shows that Edmonds arts and culture organizations largely earn their revenues. Thirty-one organizations (two public sector entities, 22 not-for-profits, and seven businesses) provided revenue information. Earned income accounts for 99% of for-profit businesses' revenues. One of the seven businesses reported receiving donated goods and services. Not-for-profits and government agencies also depend on earned income; 65% of not-for-profits' revenues and 58% of public sector agencies' revenues come from earned income.

Exhibit 14. Composition of Revenue Sources



Source: BERK, 2017.

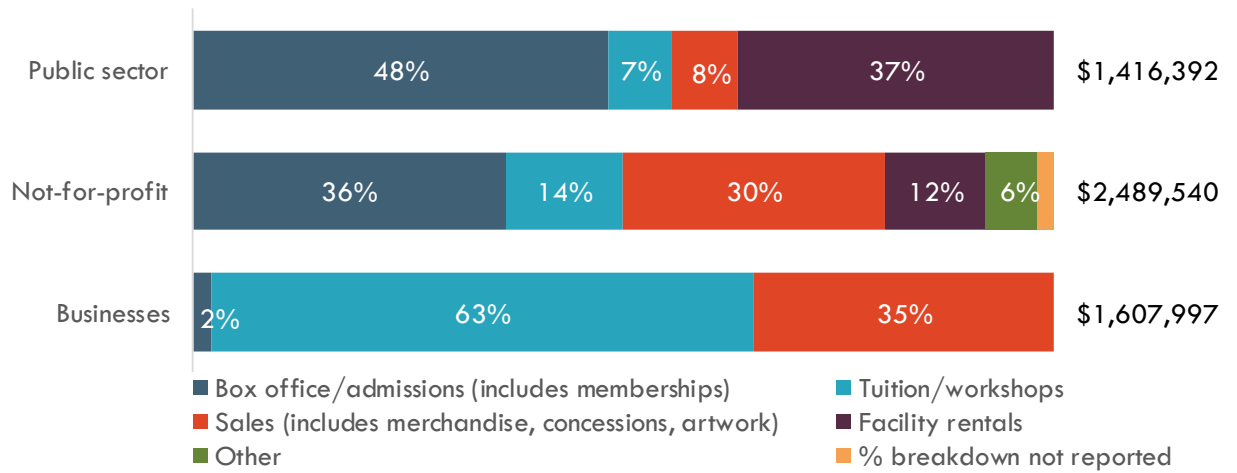
Comparisons to other national and regional studies are useful context for the results of this study. A 2014 ArtsFund study of the Central Puget Sound region found that across arts, cultural, and scientific organizations in the region, 56% of revenue came from earned income and 44% from contributed income (ArtsFund, 2014). A 2011 national study from Americans for the Arts found that not-for-profit arts organizations bring in 60% of revenue through earned income (Americans for the Arts, 2011).

Nationally, not-for-profit arts organizations are generating an increasing share of their revenues through earned revenue as grant and public funding sources decline. A 2015 study from the Greater Philadelphia Cultural Alliance looked at not-for-profit arts and culture organizations across 11 cities and found that nonprofit arts and culture groups experienced an increase of 25.4% in earned income between 2009 and 2012, while contributed income declined 3.5% (Hrywna, 2015).

The data from the Arts and Culture Organization and Businesses Survey are in line with these regional and national estimates of revenue sources. The results suggest that Edmonds not-for-profit arts organizations are meeting or exceeding sector benchmarks for earned revenue.

Earned income sources, shown in Exhibit 15, vary by types of arts and culture organization. Based on the financial data provided, businesses bring in 63% of their earned income through tuition and workshops, and 35% of earned income through sales. Not-for-profit organizations bring in earned income through a more diverse set of sources, including box office and admissions (36%), sales (30%), tuition and workshops (14%), and facility rentals (12%). Public sector entities, specifically ECA, bring in earned income primarily from box office and admissions (48%), and facility rentals (37%).

Exhibit 15. Composition of Earned Income Sources



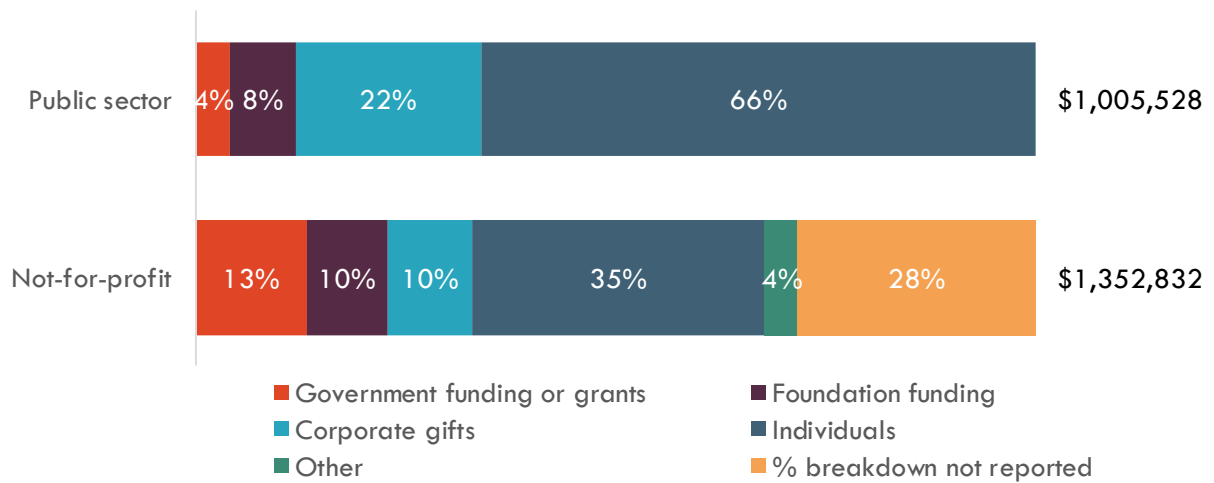
Source: BERK, 2017.

Contributed income sources are shown in Exhibit 16. Individual contributions refer to financial contributions and donated goods and services from individual donors, while corporate gifts include financial contributions, employee matches, and donated goods or services from businesses. Government funding or grants refers to financial contributions from state, county, or city government. Foundation funding refers to giving from private grant-providing organizations.

The mix of contributed income sources differs across types of organizations. Thirty-five percent of not-for-profit organizations' contributed income comes from individual contributions, followed by 13% from government funding or grants and 10% each from corporate gifts and foundation funding. Among government agencies, 66% of contributed income comes from individuals, and 22% from corporate gifts.

Nationally, the 2016 National Arts Index from Americans for the Arts found that federal funding from Congress for the arts has remained relatively stable, but state dollars flowing to state arts agencies has been fluid over the last decade (Americans for the Arts, 2016). The study also found that after declining for six consecutive years, state funding flowing to state arts agencies increased in 2013 as the economy recovered from the Great Recession. However, it's important to note that Washington state's legislative appropriation to state arts agencies is \$0.23 per capita, which is less than Oregon (\$0.46), Idaho (\$0.48), Montana (\$0.50), or California (\$0.47), and ranks the state 45th in per capita arts appropriation (National Assembly of State Arts Agencies, 2018).

Exhibit 16. Composition of Contributed Income Sources



Source: BERK, 2017.

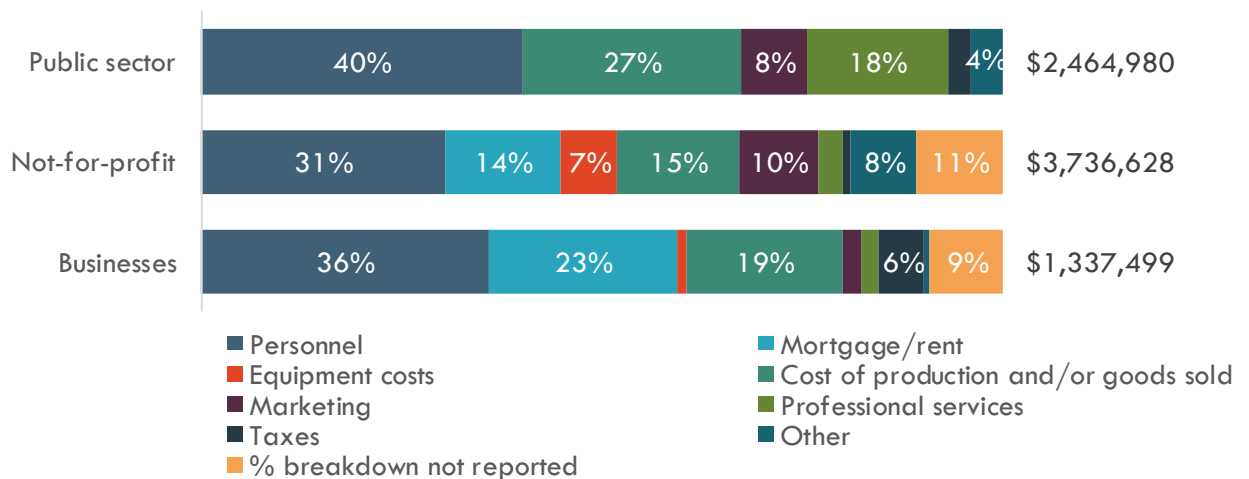
Expenditures of Edmonds Arts and Culture Organizations

Twenty-nine organizations (two public sector entities, 21 not-for-profits, and six businesses) provided information on operating expenditures as displayed in Exhibit 17.

Personnel refers to salaries and benefits for full or part-time employees. Mortgage or rent includes facility space, office space, and any additional venue rentals. Equipment costs include purchase or rental fees. Costs of production and goods sold include artist/performance fees, wholesale costs of goods, rights fees. Marketing includes advertising, printing, and graphics. Professional services include accounting, auditing, and legal fees.

Among not-for-profits, 31% of operating expenditures are in personnel, followed by 15% spent on production costs and goods sold, and 14% on mortgage or rent. Edmonds arts sector businesses spend 36% of operating expenditures on personnel, followed by 23% on mortgage or rent and 19% on production costs and goods sold. Government agencies spend 40% of operating expenditures on personnel, followed by 27% on mortgage or rent and 18% on professional services.

Exhibit 17. Composition of Operating Expenditures



Source: BERK, 2017.

The 2014 ArtsFund study of the Central Puget Sound region found that 54% of expenditures were employee expenses, while 46% of expenditures were other operating expenses (ArtsFund, 2014). Compared to this number, Edmonds arts and culture organizations spend a lower percentage of operating expenditures on employee expenses. It is likely that some of these human resources costs may have been reported by respondents as part of cost of production.

Capital Improvement Spending

Capital expenditures can include spending for new facilities or physical improvements. Eighteen not-for-profit organizations spent a total of \$48,577, one public sector agency (Edmonds Center for the Arts) spent \$156,883, and five businesses spent \$19,690.

Employment

Thirty-eight Edmonds arts and culture organizations and businesses (two public sector entities, 22 not-for-profits, and 14 businesses) provided employment information. As shown in Exhibit 18, respondents reported that they employ a total of 207 positions, of which 27% (56 jobs) are full-time, 43% (88 jobs) are part-time, and 30% (63 jobs) are contract jobs.

These estimates are roughly in line with the 2014 ArtsFund study, which found that in the Central Puget Sound region, employment in arts, cultural, and scientific organizations was made up of 17% full-time, 39% part-time, and 41% contractual positions (ArtsFund, 2014). The ArtsFund study also found that 27% of these positions are administrative, while 73% are non-administrative.

Nationwide, the 2016 National Arts Index found that arts employment remains strong, and that the number of working artists grew from 2.1 million in 2002 to 2.22 million in 2013. Self-employed “artist-entrepreneurs” grew from 554,000 in 2002 to 766,000 in 2013 (Americans for the Arts, 2016).

Exhibit 18. Employment in Edmonds Arts Organizations and Businesses

EMPLOYEES		
Full-time	56	27%
Part-time	88	43%
Contract	63	30%
Total employees	207	100%

Source: BERK, 2017.

The Bureau of Economic Analysis released data from its Arts and Cultural Production Satellite Account (ACPSA), and estimated that in 2014, there were 154,230 arts-related workers in Washington State. This number represents an increase of nearly 6% over the previous year’s data, and was much higher than the U.S. rate of growth in this sector. ACPSA employment growth rate of 1.26%. While Edmonds arts-related employment is but a small percentage of Washington’s total ACPSA count, it highlights the economic growth of the arts and culture sector both nationally and in Washington State (Bureau of Economic Analysis, 2017).

Volunteers

Volunteers provide valuable assistance to not-for-profit and public arts organizations both for administrative and artistic or technical work. In this survey, Edmonds not-for-profit arts and culture organizations estimated that 1,722 volunteers worked with their organizations, donating a total of 68,060 hours for an average of about 40 hours per volunteer annually. This information is displayed in Exhibit 19.

This estimate roughly aligns with results of other regional and national studies on volunteer contributions in the arts community. The ArtsFund 2014 study found that across the Central Puget Sound region, volunteers in cultural organizations averaged 41 hours per volunteer (ArtsFund, 2014). A 2012 study from Americans for the Arts estimated an average of 43.2 hours per volunteer in metropolitan areas with a population of over one million (Americans for the Arts, 2012).

Across the county, the 2016 National Arts Index found that volunteering at arts organizations was the choice of service for over 2.2 million people in 2013, a 16% increase from 2010 (Americans for the Arts, 2016).

Exhibit 19. Volunteer Contributions to Edmonds Not-for-Profit Arts Organizations

VOLUNTEERS	
Total annual volunteers	1,722
Annual volunteer hours	68,060
Average annual hours per volunteer	39.5

Source: BERK, 2017.

Attendees, Clients, or Customers

Thirty-five Edmonds arts and culture organizations and businesses (two public sector entities, 22 not-for-profits, and 11 businesses) provided information on their attendees and customers. As displayed in Exhibit 20, respondents reported a total of 424,197 visitors who participated in arts-related activities or visited arts-related venues in Edmonds. Exhibit 21 shows the reported attendee and customer resident profile, and Exhibit 22 shows the reported attendee and customer age demographic profile.

Exhibit 20. Edmonds Arts Attendees, Clients, or Customers

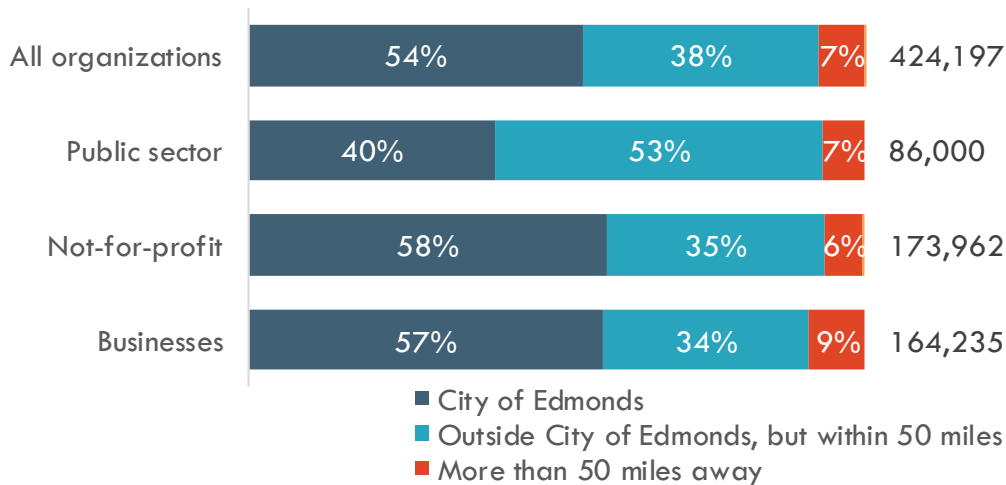
ATTENDEES, CLIENTS, CUSTOMERS		
From Edmonds	229,874	54%
From outside Edmonds, within 50 miles	162,098	38%
From over 50 miles away	31,806	7%
Total attendees, clients, or customers	424,197	

Source: BERK, 2017.

Note: Due to rounding, the percentages in this table do not add up to 100%.

Organizations and businesses report that 54% of attendees and customers are from Edmonds, 38% are from outside of Edmonds but within 50 miles, and 7% are from more than 50 miles away. The profile of visitors is similar across public sector agencies, not-for-profit organizations, and businesses, as shown in Exhibit 21. The reported figures suggest that attendees and customers from Edmonds are a solid foundation for organizations and business, but those who travel from a short distance beyond Edmonds are also a key market. Tourism from beyond a 50-mile radius represents a modest share for entities that responded.

Exhibit 21. Composition of Edmonds Arts Attendee and Customer by Residence

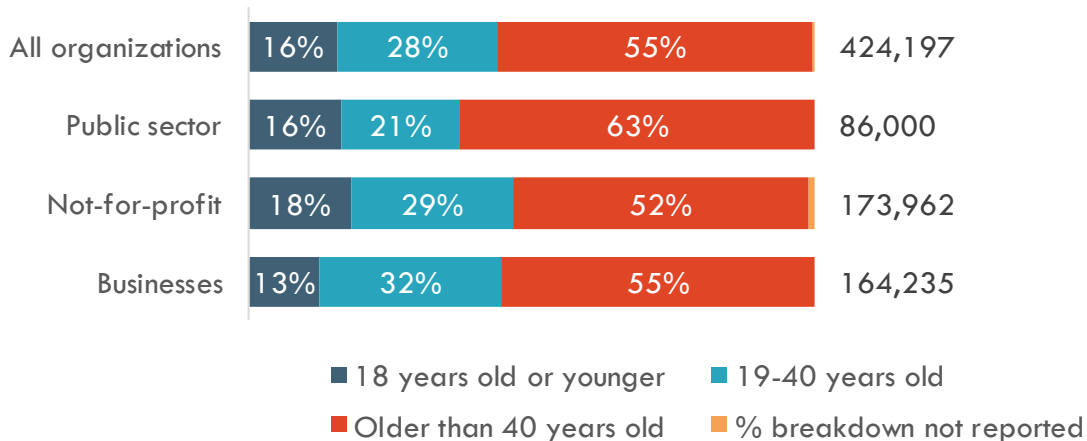


Source: BERK, 2017.

Note: Due to rounding, some percentages in this chart do not add up to 100%.

As shown in Exhibit 22, organizations report that 16% of visitors are 18 years old or younger, 28% are between 19 and 40 years old, and just more than half (55%) are older than 40 years old. The age demographics of attendees and customers are similar across public sector, not-for-profit, and for-profit organizations. The preponderance of attendees and customers older than 40 years of age aligns with the demographic profile of Edmonds described in Exhibit 4 of the Community Profile.

Exhibit 22. Composition of Edmonds Arts Attendee and Customer by Age



Source: BERK, 2017.

Note: Due to rounding, some percentages in this chart do not add up to 100%.

Lodging and Travel Accommodations

Arts and culture businesses and organizations contribute to the local economy through lodging and travel accommodations for their visiting artists and performers. Out of 36 Edmonds arts and culture organizations that answered a survey question regarding lodging and travel accommodations, 13 responded that they had arranged or suggested accommodations for artists, performers, crew, and vendors to stay in Edmonds. As displayed in Exhibit 23, organizations arranged accommodations for 1,773 total nights of overnight stays from artists, performers, crew, and vendors; 1,766 of these nights (99%) were spent in paid lodging in Edmonds. Only five nights were spent in paid lodging outside of Edmonds, specifically at the Embassy Suites in Lynnwood. Two nights were reported spent in non-paid lodging in Edmonds – in members’ or friends’ homes. Edmonds Center for the Arts arranged 1,600 lodging nights, one organization arranged 100 nights, and the other organizations arranged under 25 nights of lodging each.

According to the Washington State Office of Financial Management, Snohomish County’s Lodging Per Diem Rate for the summer season is \$135 a night. This suggests that lodging for ECA performers alone contributed an estimated \$216,000 in direct spending in Edmonds (Office of Financial Management Statewide Accounting, 2017). For more information on the economic benefits of travel and lodging from visitors see Exhibit 26 and Exhibit 27.

Exhibit 23. Lodging and Travel Accommodations for Edmonds Arts Events

LODGING	NIGHTS
Paid lodging in Edmonds	1,766
Paid lodging outside of Edmonds	5
Non-paid lodging in Edmonds	2
Total overnight stays	1,773

Source: BERK, 2017.



Community and Visitor Survey

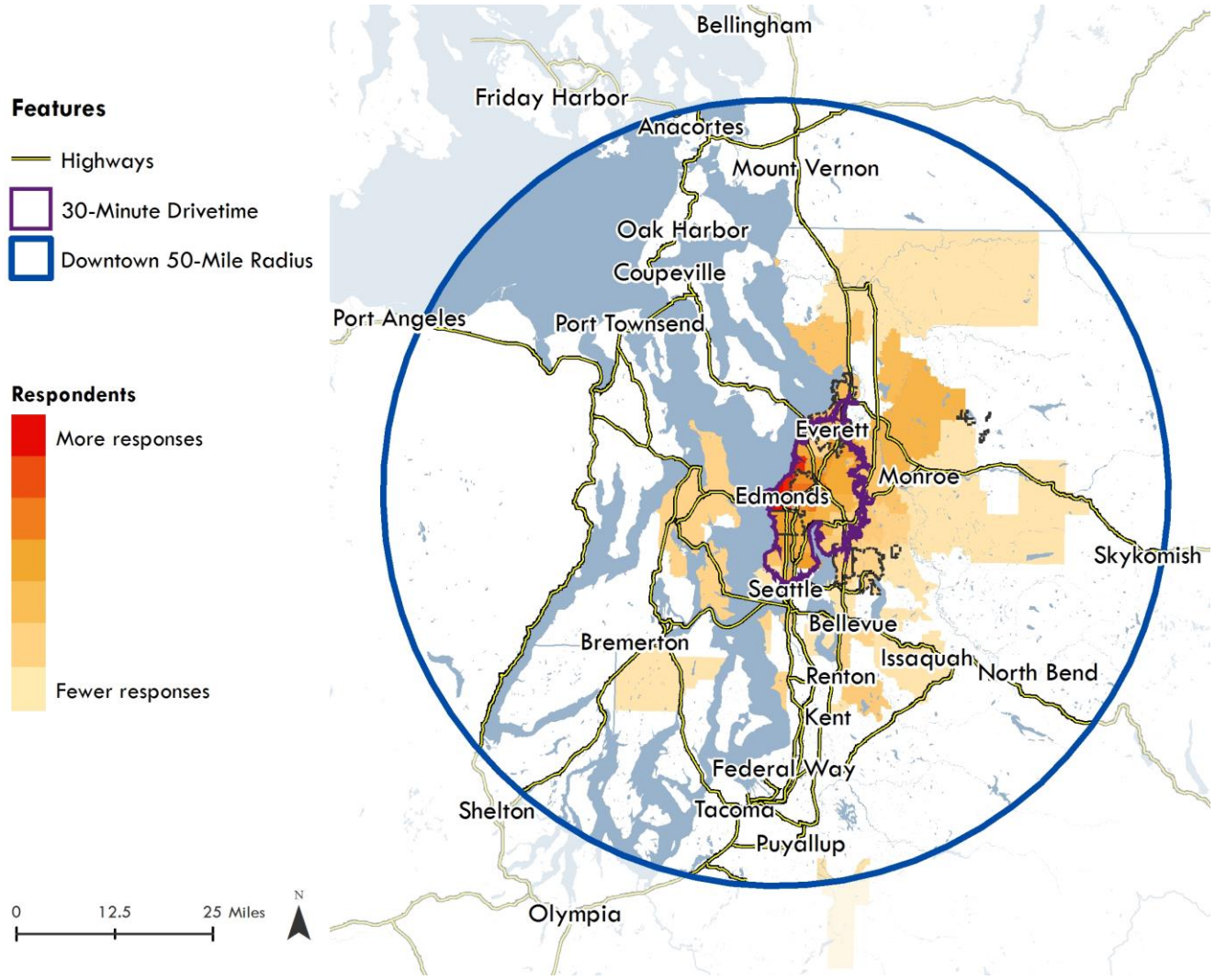
A total of 1,354 respondents completed the Community and Visitor Survey. Of respondents, 745 live in Edmonds and 609 live outside of Edmonds. The survey asked participants about their preferences for arts and culture, how much they spend on arts and how often, and demographic information. Results were cross-tabbed by Edmonds resident and nonresident status and age. Because some respondents chose not to answer their age, cross-tabbed results will not equal the total number of survey respondents.

Of respondents who provided identifiable ZIP code information, 823 people came from approximately 50 miles of downtown Edmonds, two people came from within Washington State but outside of 50-miles, and 50 people came from out of state. This information is displayed in Exhibit 24; it suggests that Edmonds is drawing attendees from North Seattle, Shoreline, Lynnwood, Everett, Kingston, and parts of Kirkland.

Exhibit 24 also shows a 30-minute drivetime from downtown Edmonds. Exhibit 25 focuses on respondents within a 30-minute drivetime of downtown Edmonds. Drivetime analysis shows that the potential market for the Edmonds arts sector is more influenced by a person's willingness to travel in time rather than in distance. Fifty-five percent of respondents came from within the approximate boundaries of a 30-minute drivetime.

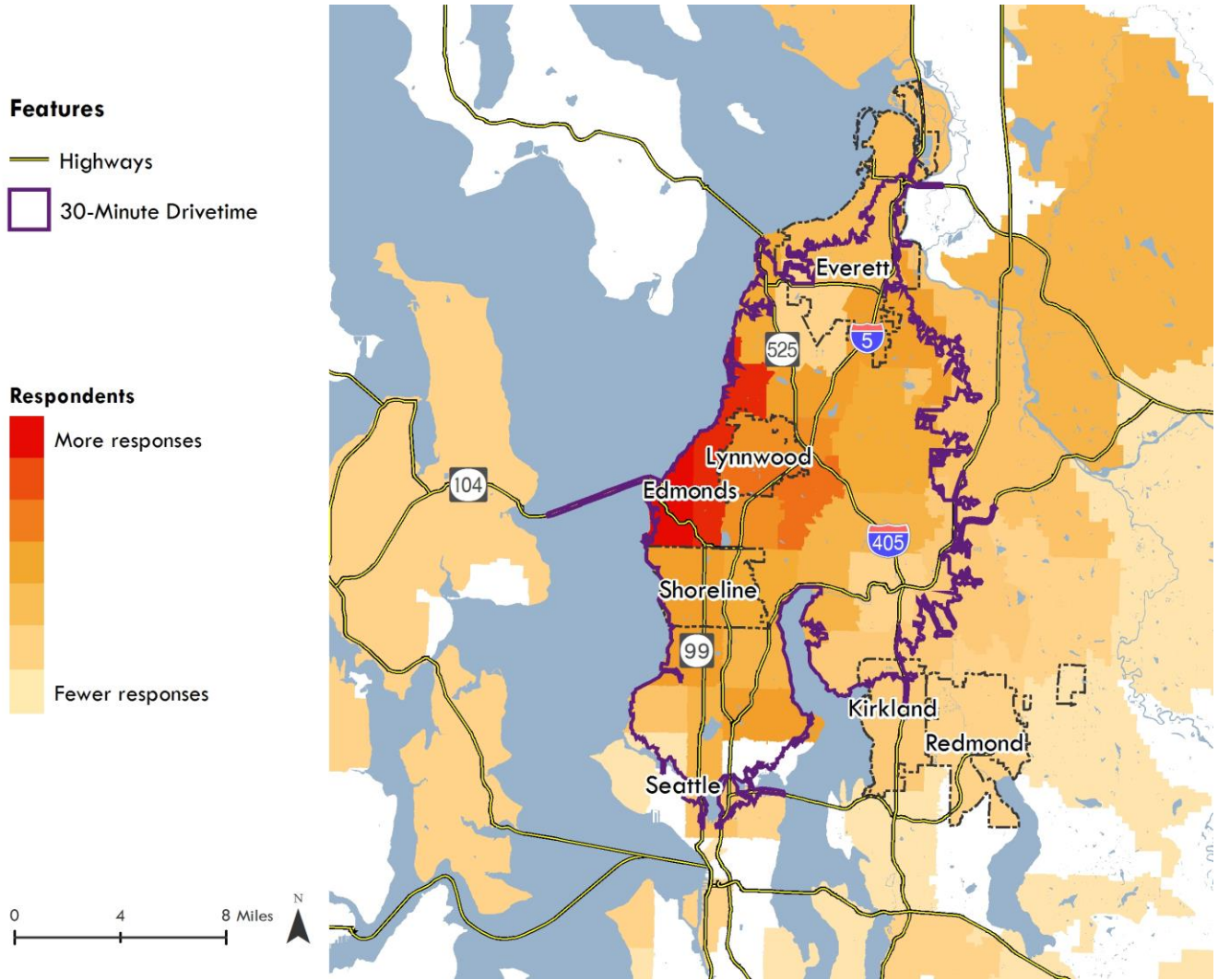
This aligns with a recent study from the National Center for Arts Research, which found that arts become "radically local" for communities where commute times are long and proximity to an arts and culture organization has a significant impact on purchase likelihood (National Center for Arts Research, 2017).

Exhibit 24. Survey Respondents within 50 Miles of Downtown Edmonds



Source: BERK, 2017.

Exhibit 25. Survey Respondents within a 30-Minute Drivetime of Edmonds



Source: BERK, 2017.

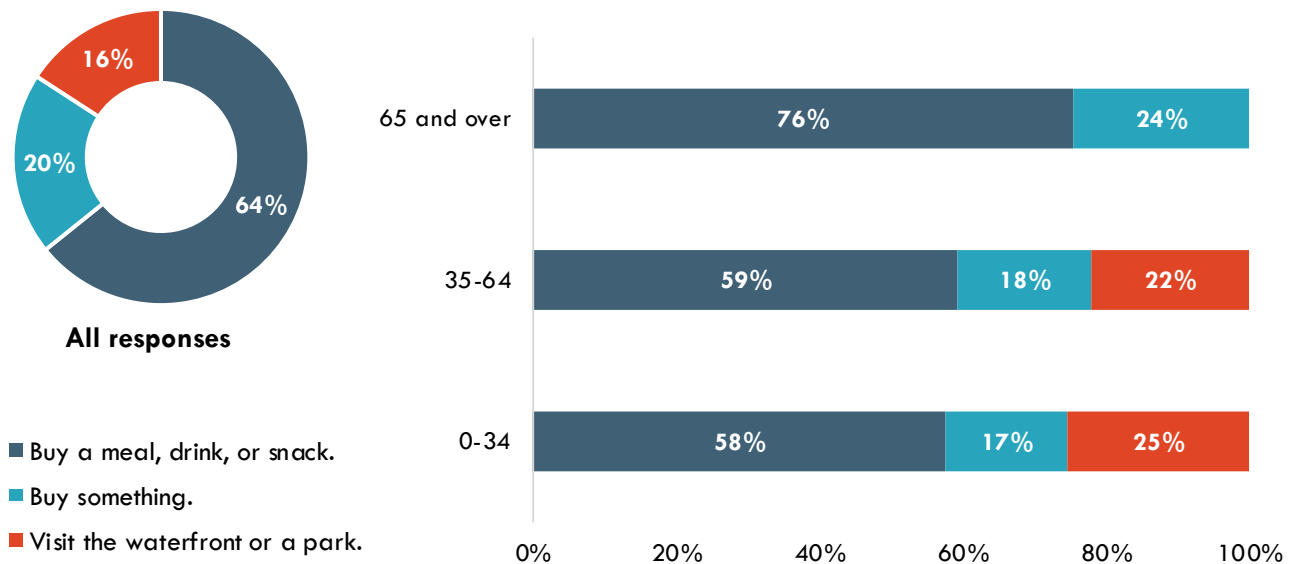
In addition to admissions costs, arts events contribute to the local economy through food and lodging. Patrons who travel to Edmonds arts and cultural organizations will frequently spend money in areas beyond admissions costs, such as food, overnight accommodation, and other purchases.

As shown in Exhibit 26, all age groups purchased (or planned to purchase) food, drink, and other items during their stay in Edmonds. The Americans for the Arts 2016 report, *Arts & Economic Prosperity 5*, provides a useful estimate regarding local business spending by arts audiences. Their average for per person expenditures (not including the cost of admission to an arts program) is \$31.47, with more than half of that (\$16.82) related to purchase of meals, snacks, and refreshments (Americans for the Arts, 2016).

Research shows that an arts and culture organization’s proximity to complementary leisure activities, such as bars and restaurants, can increase patronage from greater physical distances. Evidence shows that people from areas with less access to arts and culture offerings nearby are more likely to travel further if they can reach a “concentrated arts district” (National Center for Arts Research, 2017).

As shown in Exhibit 26, survey respondents under age 65 report having visited (or plan to visit) the waterfront or a park. This suggests that recreation plays a role in attracting younger populations to activities and events. According to the Wall Street Journal, current retail trends show that younger people prefer to engage in experiences and are more attracted to place-based activities than older generations (Binkley, 2017).

Exhibit 26. What Visitors Do or Plan to Do During Their Stay in Edmonds

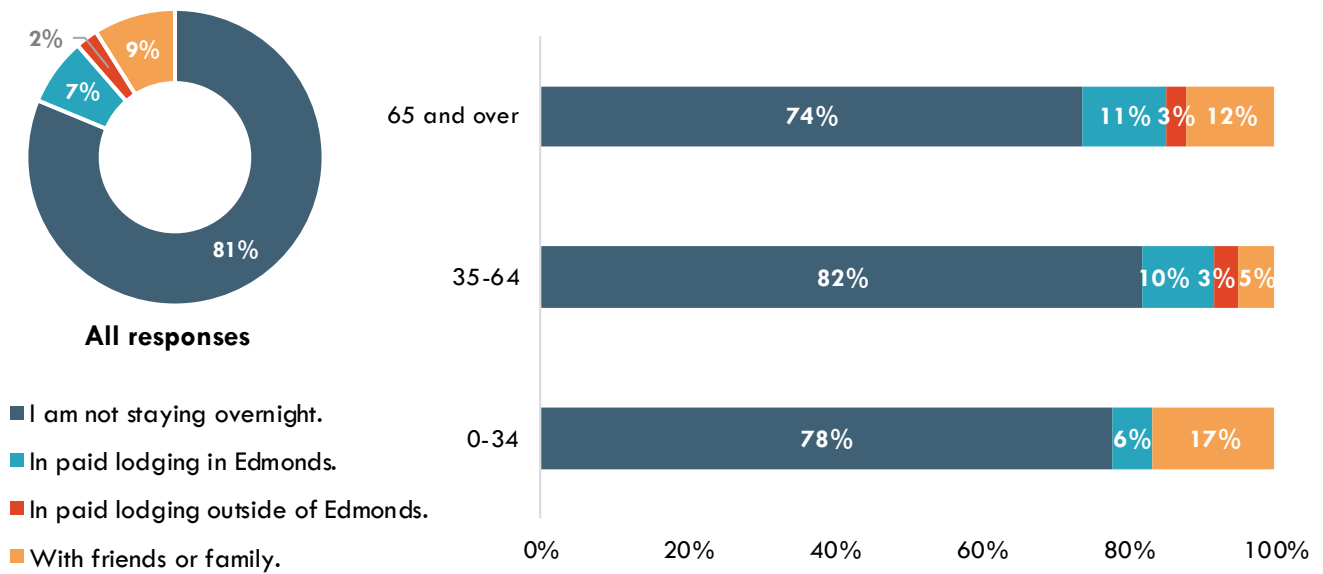


Source: BERK, 2017.

Note: Due to rounding, some percentages in this chart do not add up to 100%.

Exhibit 27 displays data on the percentage of overnight stays for visitors to Edmonds as well as distribution by age group. Most visitors are not staying overnight in their visit to Edmonds, but for those that are staying overnight, people older than 35 are more likely to pay for lodging either in or outside of Edmonds.

Exhibit 27. Overnight Stays in Edmonds for Visitors

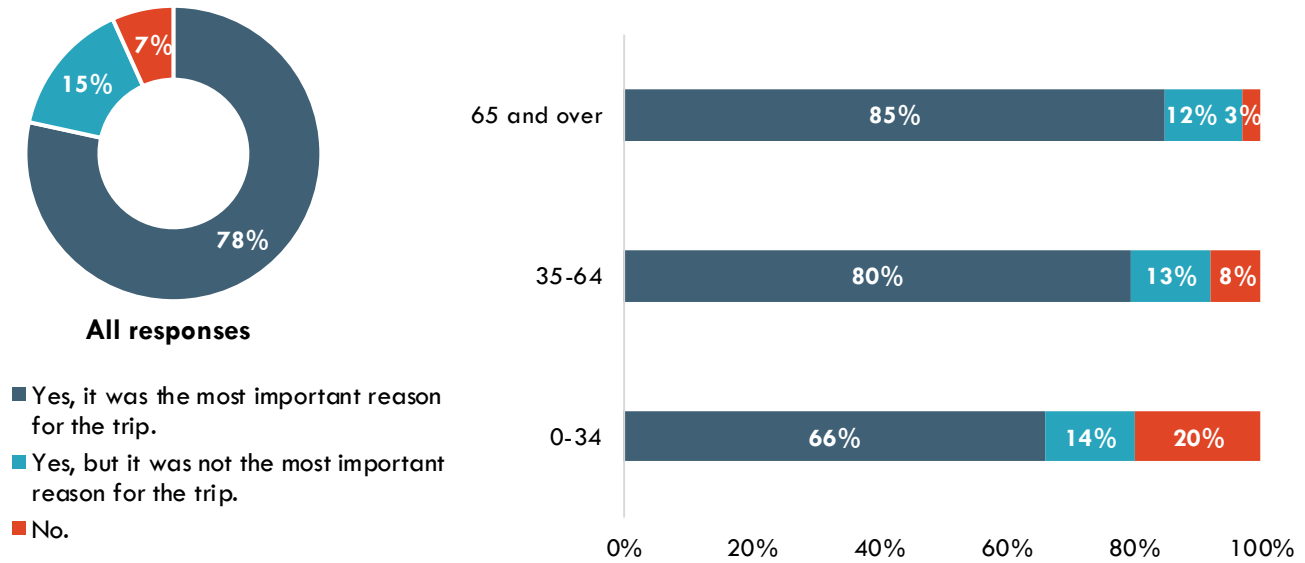


Source: BERK, 2017.

Note: Due to rounding, the percentages in the donut chart do not add up to 100%.

Exhibit 28 shows that respondents who are older are more likely to visit Edmonds specifically for an arts or cultural activity.

Exhibit 28. Respondents Who Came for an Arts or Cultural Activity

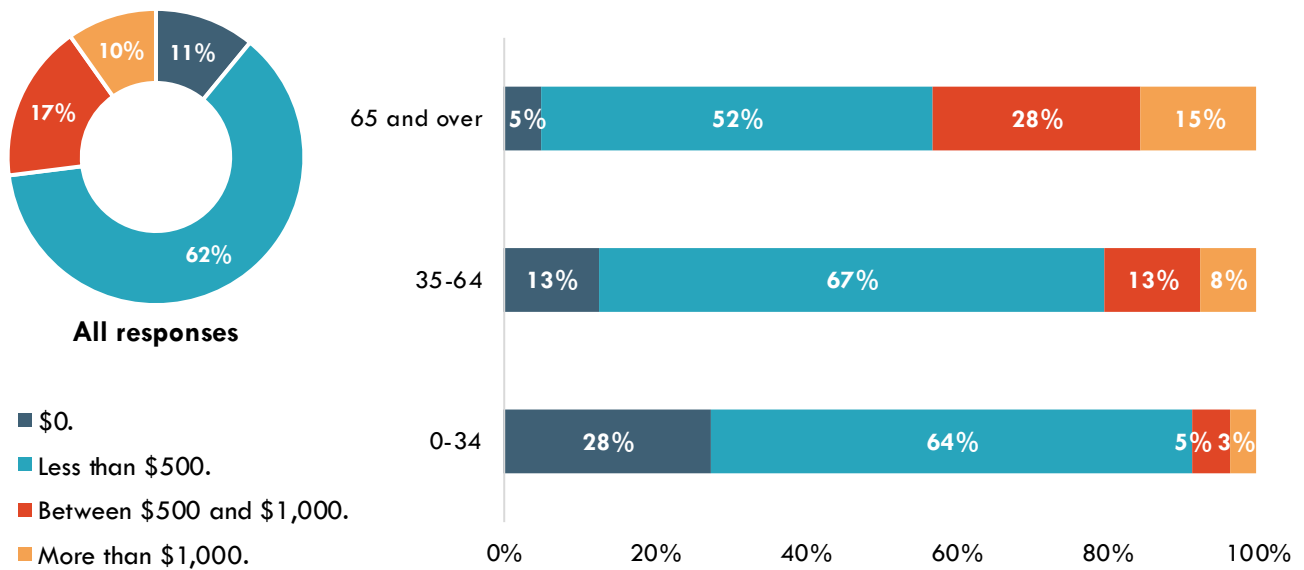


Source: BERK, 2017.

Note: Due to rounding, some percentages in age breakdown do not add up to 100%.

Exhibit 29 through Exhibit 31 display data solicited from residents only. Exhibit 29 shows that older respondents spend more annually on tickets for arts and cultural events or works of art than do younger respondents.

Exhibit 29. Annual Household Spending on Tickets for Arts and Cultural Events or Works of Art in Edmonds



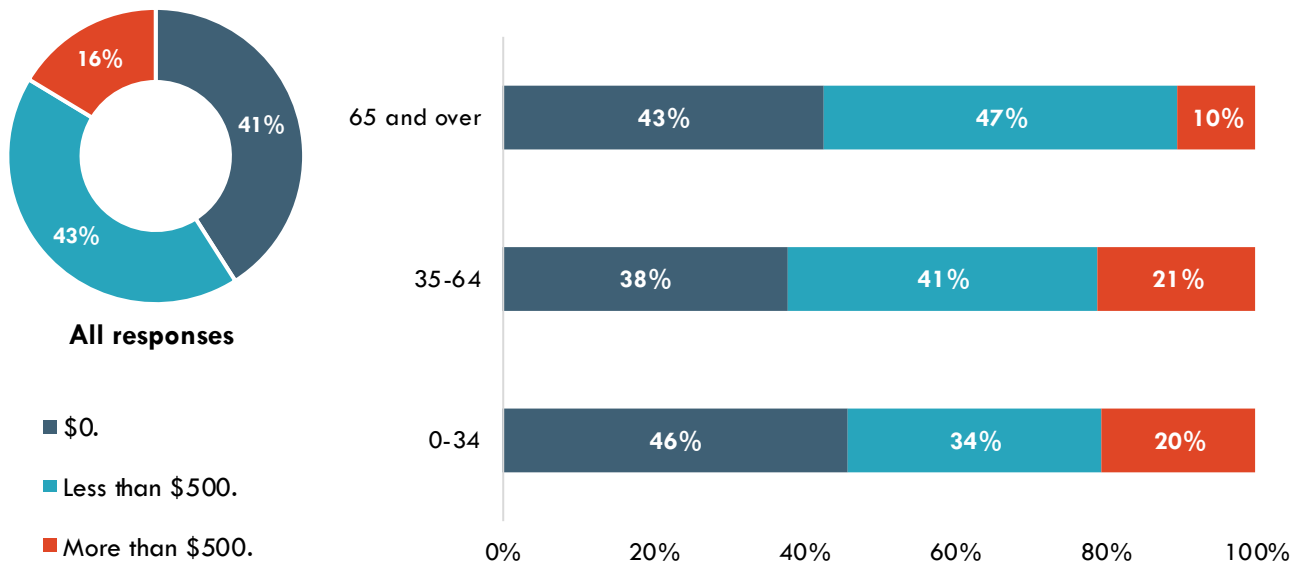
Source: BERK, 2017.

Note: Due to rounding, some percentages in age breakdown do not add up to 100%.

As shown in Exhibit 30 and Exhibit 31, younger respondents (ages 0-34 and 35-64) have a greater share of spending than respondents 65 and over in the “More than \$500” category for spending that includes arts and culture lessons, classes, or workshops as well as arts-related equipment, supplies, and materials. These data suggest that younger people may have greater interest in participatory arts and culture experiences like dance or drawing lessons, as opposed to passive arts and culture experiences like going to show or buying a painting.

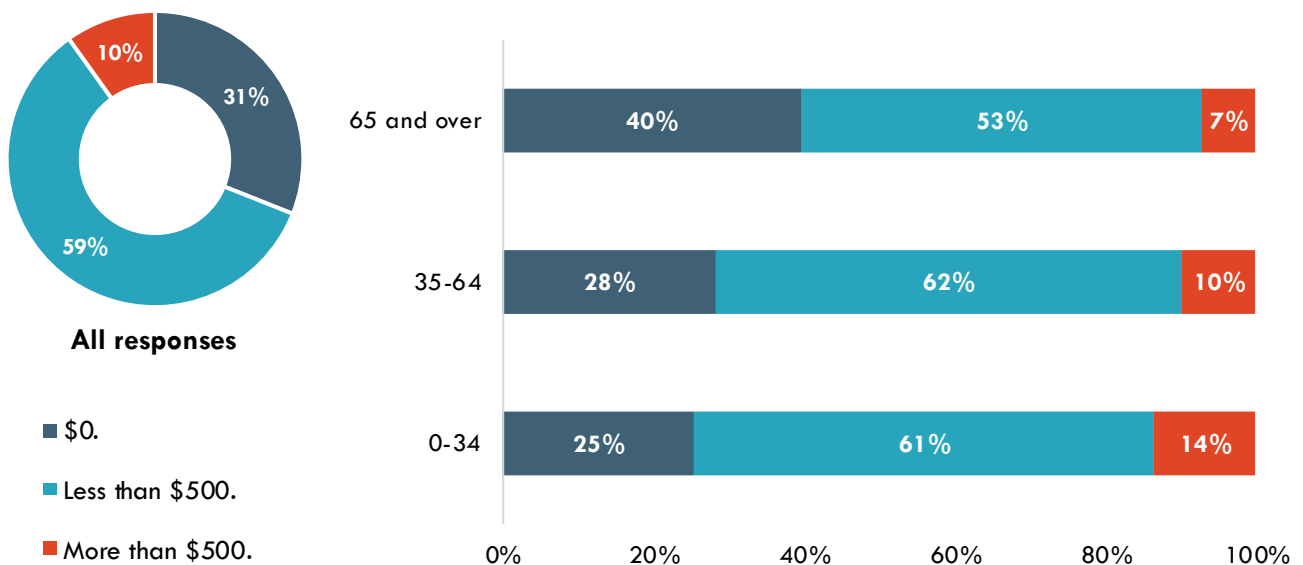
This data is in line with national trends and research regarding increasing interest in participatory arts experiences. It also may suggest that households with children have costs associated with youth arts education, such as music or dance lessons.

Exhibit 30. Annual Household Spending on Arts and Culture Lessons, Classes, or Workshops in Edmonds



Source: BERK, 2017.

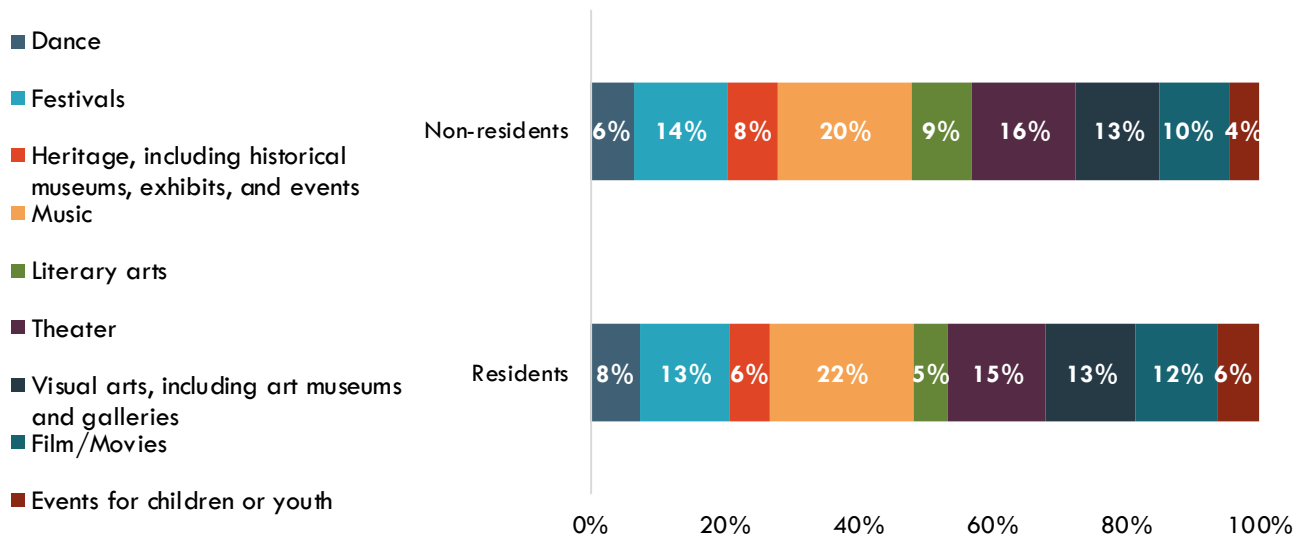
Exhibit 31. Annual Household Spending on Arts-Related Equipment, Supplies, or Materials in Edmonds



Source: BERK, 2017.

As show in Exhibit 32, music is the primary arts and cultural interest for both residents and visitors, followed by theater, festivals, and visual arts (inclusive of art museums and galleries).

Exhibit 32. Primary Arts and Cultural Interests by Resident Status

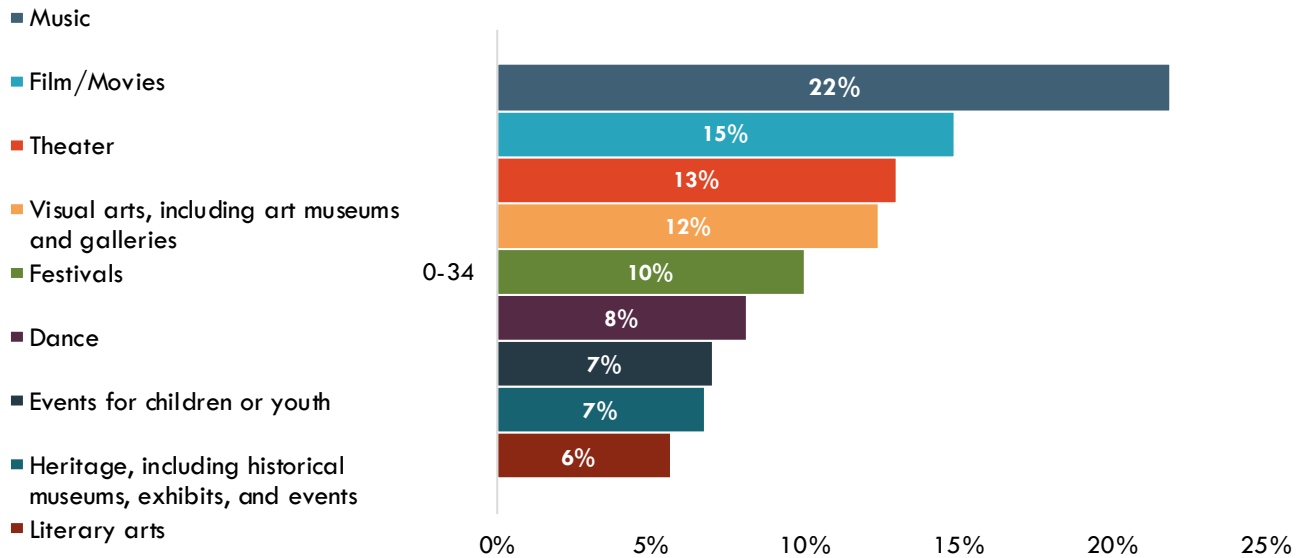


Source: BERK, 2017.

There is little difference in the primary arts and culture interests of resident and visitor respondents. The largest difference is in literary arts, with visitors preferring it four percentage points more than residents, though this may reflect that the timing of the survey included participants from the literary conference, “Write on the Sound.” The alignment between residents and visitors in the array of arts interests suggests that there is no specific arts and culture offering that attracts residents or visitors alone, but rather the array of options and active cultural atmosphere.

Because both Edmonds residents and arts attendees in Edmonds skew older (see Exhibit 4 and Exhibit 22), it is important that arts and culture businesses and organizations in Edmonds explore the interests of younger audiences and build a pipeline for future arts and culture participation. As displayed in Exhibit 33, younger respondents are primarily interested in music, film/movies, and theater. These three interests account for 50% of interests selected by people aged 0-34. Edmonds may have an opportunity to connect with and market to younger audiences by concentrating on these interests.

Exhibit 33. Primary Arts and Culture Interests for Ages 0-34

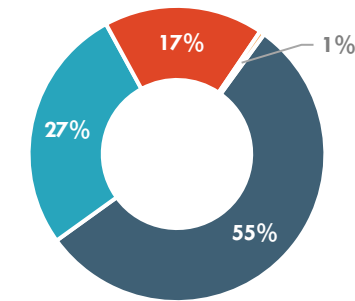


Source: BERK, 2017.

Exhibit 34 shows attendance frequency by resident status and age. Interestingly, respondents who are visitors consistently show higher rates of attendance than residents, across all age groups. This suggests that there is market potential in reaching outside of Edmonds to neighboring communities' arts and culture supporters. However, it is also possible that high-attending arts and culture visitors are overrepresented through self-selection or survey promotion at events like Taste of Edmonds and the Arts Festival.

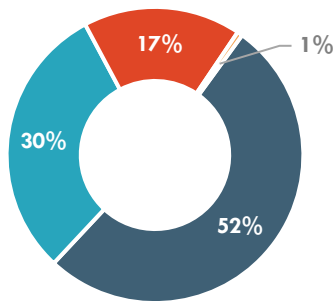
Age breakdowns of attendance frequency in Exhibit 34 show that older respondents – both residents and visitors – attend arts and cultural events with greater frequency than younger respondents. These data may suggest that free time is what constrains arts and cultural event attendance for younger people. As people grow older and retire, they have more time to pursue their arts and cultural interests.

Exhibit 34. Arts and Culture Events Attendance Frequency by Resident Status and Age



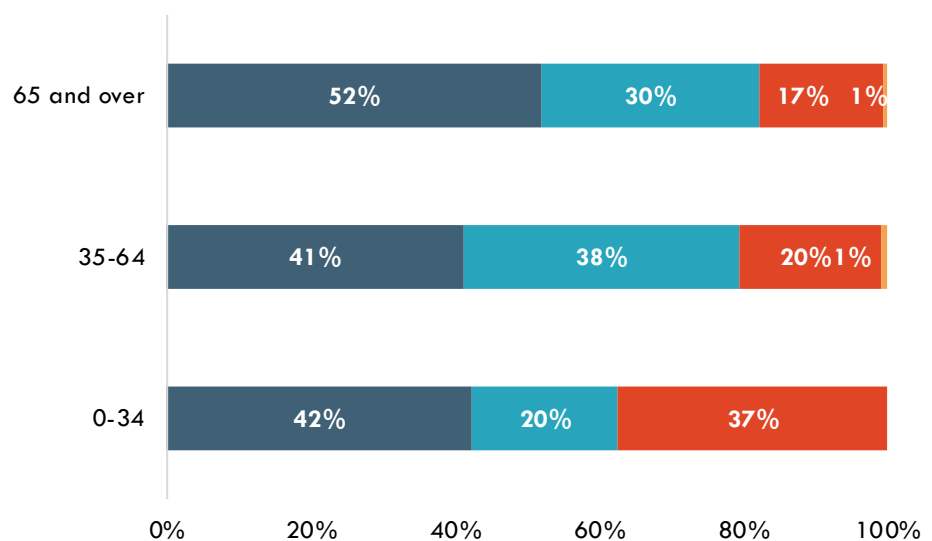
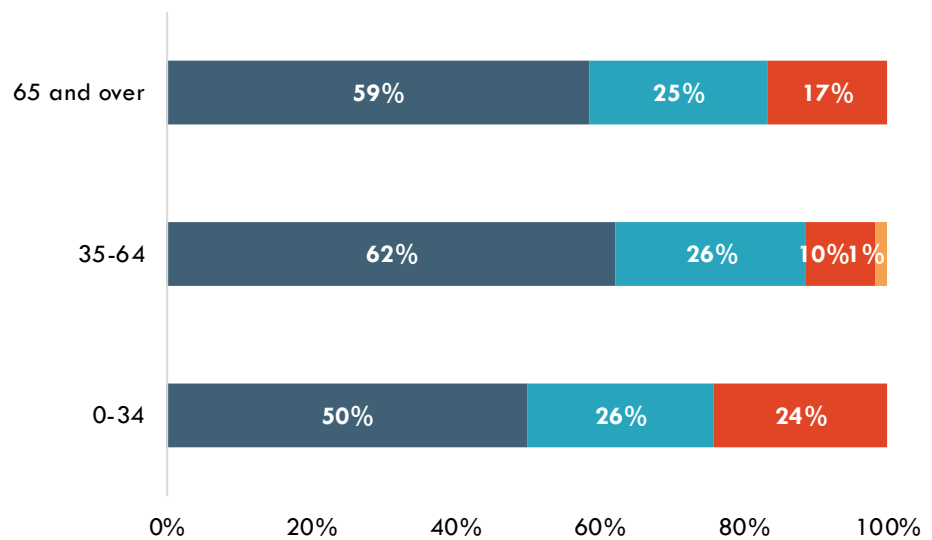
All non-residents

- Once a month or more.
- Once a quarter.
- Once or twice a year.
- Never



All residents

- Once a month or more.
- Once a quarter.
- Once or twice a year.
- Never

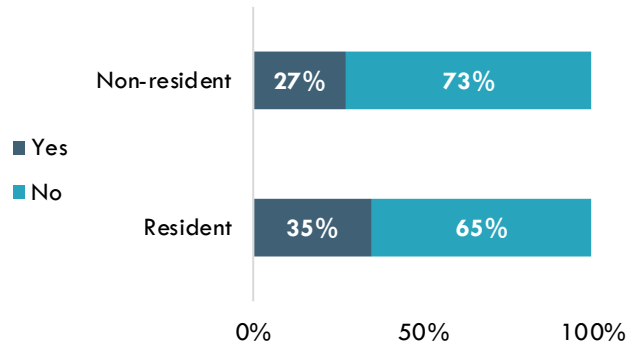


Source: BERK, 2017.

Note: Due to rounding, some percentages in the age breakdown do not add up to 100%.

As shown in Exhibit 35, respondents from Edmonds are more likely than visitors to have children under 18 living in their households. Thirty-five percent of resident respondents have children living at home, while 27% of visitor respondents report having children living at home.

Exhibit 35. Respondents with Children Under 18 in the Household



Source: BERK, 2017.

Respondents were asked about their preferred communication method for news about arts and culture. As shown in Exhibit 36, digital communications, such as email, social media, and online news or calendars, are preferred by over 50% of residents and visitors. Both residents and visitors prefer email to hear about arts and culture events. After email, visitors prefer social media and online news or calendars. This differs from residents who, after email, prefer newspaper and social media.

This presents an opportunity for Edmonds as digital communication, marketing, and promotion are often less expensive than communication outlets like TV and radio.

Exhibit 36. Preferred Arts and Culture Communication Methods

	Non-resident	Resident
Email	31%	25%
Newspaper	13%	20%
Social Media	18%	18%
Online news or calendars	17%	17%
Posters and banners	9%	13%
TV or radio	4%	3%
Text notifications	2%	3%
Not interested	6%	1%
Total	100%	100%

Source: BERK, 2017.

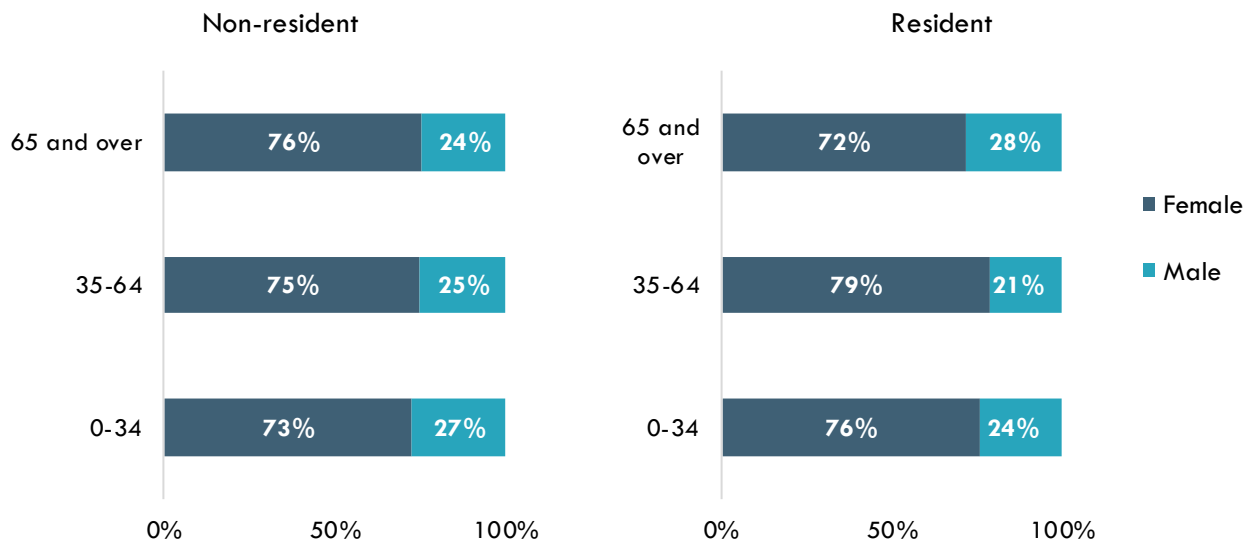
Exhibit 37 and Exhibit 38 focus on personal identity for survey respondents. Across residents and visitors, Edmonds arts and culture events attract similar distributions of racial/ethnic and gender identities. Women constitute a much larger portion of survey respondents in both resident and visitor categories, and across all age groups.

Exhibit 37. Personal Identity Categories

	Non-resident	Resident
American Indian or Alaska Native	0%	1%
Asian	4%	5%
Black or African American	2%	1%
Hispanic, Latino, or Spanish origin	2%	2%
Middle Eastern or North African	0%	1%
Native Hawaiian or Other Pacific Islander	1%	1%
White	86%	84%
Prefer not to answer	4%	6%
Total	100%	100%

Source: BERK, 2017.

Exhibit 38. Gender Identity Categories



Source: BERK, 2017.

Arts and Culture's Economic Impacts and Community Benefits

Building on what we have learned of the organizations that make up the Edmonds arts and culture sector, as well as the community members and visitors who partake in the variety of offerings they produce, this section seeks to summarize the quantifiable and non-quantifiable benefits this activity generates for the Edmonds community. The economic impact of the arts and culture sector is estimated using the Washington State I-O Model and other, non-quantifiable benefits are described through the stories and perspectives of residents and visitors.

ECONOMIC IMPACT

Edmonds arts organizations stimulate the local economy through direct employment and spending, related spending by community members and visitors who participate in arts and cultural events and activities, and spending by the individuals who make up the arts and culture employment base. By understanding the level of activity and spending associated with arts and culture offerings, we can estimate the ripple-on impacts, such as spending on lodging for artists; essential goods, supplies, and services; and visitor spending in local restaurants, bars, and shopping establishments. These patterns are described in economic impact parlance as direct, indirect, and induced spending.

BERK estimated the economic impacts of the arts and culture in Edmonds using the Washington Input-Output Model (I-O Model), created and maintained by the Washington State Office of Financial Management. The I-O Model is a tool for assessing changes in demand on the Washington State economy. Economic impacts tend to concentrate near their origin and dissipate with distance. Because arts and cultural establishments draw visitors from outside the Edmonds community, they are particularly well-suited to bringing dollars into the economy. A portion of these dollars leave the community almost immediately, in the hands of out-of-town performers and suppliers, while another portion remains in Edmonds to be recirculated and grow the economy before leaking away.

As an important first step in moving to this estimate, we needed to estimate revenues for all Edmonds-based arts and culture organizations, including those who did not respond to the Organization and Business Survey. The January 2018 Directory maintained by the Edmonds Arts Commission lists two public sector entities, 44 not-for-profit organizations or programs, and 57 businesses, totaling more than 100 arts and culture organizations in Edmonds. In comparison, two public sector entities, 22 not-for-profits, and seven businesses completed our survey.

To account for the missing information from 22 not-for-profits and 50 businesses (*Line B*) in Exhibit 39, BERK projected revenues (*B Rows*) using the range of reported revenues from survey respondents (*A Rows*). *C Rows* show revenue estimates for the total arts and culture sector (*Line C*).

Since there is uncertainty about the finances for non-responding organizations, BERK created three projections using the minimum, median, and maximum reported revenues for each organization type. These projections allowed BERK to estimate an overall minimum, median, and maximum total revenue for the arts and culture sector in Edmonds. Exhibit 39 shows the three estimates for the total arts and culture sector, building on the survey results captured in Exhibit 12.


Exhibit 39. Estimated Total Gross Revenue for Edmonds Arts and Culture Organizations and Businesses

	Public Sector	Not-for-profit	Businesses	Total
A Number of Survey Respondents	2	22	7	31
Revenue Reported	\$ 2,421,921	\$ 3,842,371	\$ 1,623,997	\$ 7,888,289
Minimum	\$ 61,465	\$ 1,500	\$ 45,075	
Median	\$ 1,210,960	\$ 66,916	\$ 204,885	
Maximum	\$ 2,360,455	\$ 724,431	\$ 508,021	
B Number of Non-Respondents		22	50	72
Revenue Projections				
Minimum	-	\$ 33,000	\$ 2,253,731	
Median	-	\$ 1,472,149	\$ 10,244,231	
Maximum	-	\$ 15,937,483	\$ 25,401,074	
C Total Arts and Culture Sector	2	44	57	103
Revenue Estimates				
Minimum	\$ 2,421,921	\$ 3,875,371	\$ 3,877,728	\$ 10,175,020
Median	\$ 2,421,921	\$ 5,314,521	\$ 11,868,228	\$ 19,604,669
Maximum	\$ 2,421,921	\$ 19,779,854	\$ 27,025,071	\$ 49,226,846

Source: BERK, 2017.

In Exhibit 40, the rounded Low, Medium, and High estimated revenues received by arts and culture organizations are considered the economic value that has been created and the input used for the I-O Model. When these economic values are fed into the I-O Model, the model provides three estimates: the total economic output, labor income, and employment expressed in full-time equivalents.

Exhibit 40. Economic Output Projections for Edmonds Arts and Culture

INPUTS			OUTPUTS		
Range	Estimated Revenue		Economic Output	Employment (FTE)	Labor Income
			(INCLUDES DIRECT, INDIRECT, AND INDUCED)		
Low	\$10,180,000		\$26,940,000	230	\$8,940,000
Medium	\$19,600,000		\$51,910,000	440	\$17,230,000
High	\$49,230,000		\$130,350,000	1,100	\$43,260,000

Source: WA Office of Financial Management; BERK, 2017.

Using the I-O Model, the minimum arts and culture revenue in Edmonds (Low Projection) generated more than \$26 million annually, creating demand for the equivalent of 230 full-time jobs, and contributing to \$8.9 million in labor income. This employment may be in the arts and culture sector, or in other sectors supported by spending in the arts sector, including local restaurants, shops, and service businesses. The maximum arts and culture revenue in Edmonds (High Projection) generated more than \$130 million annually, creating demand for the equivalent of 1,100 full-time positions, and contributing to \$43 million

in labor income. Given the large range and the variety of arts-related organizations, we assume the real economic impact is most likely in the medium range with about **\$50 million in economic output, 440 full-time job equivalents, and \$17 million in labor income**. Based on these estimates, arts and culture's economic impact constitutes between 3% (Low Projection) to 16% (High Projection) of the Edmonds economy (2016 taxable retail sales, adjusted for inflation to 2017 dollars). If we exclude automobile sales (NAICS code 4411 – Automobile Dealers), which is Edmonds' largest economic sector by far, and functions as part of the broader regional economy, arts and culture's economic impact is or 4% (Low Projection) to 21% (High Projection) of the Edmonds economy.

As described on the following page, the arts and culture sector supports a variety of businesses throughout Edmonds' economy and serves both visitors who bring new spending into the community and local residents, creating impact that ripples through the regional economy. While this kind of purely economic stimulus could come from any sector, there are two important considerations that highlight the significance of the fact that in this case, the economic stimulus in question is generated by arts and culture organizations in particular:

- 1. The economic boost generated by Edmonds' arts and culture organizations occurs without the negative impacts associated with many other industries, such as air pollution, big box development, or large parking lots.** There are no arts and culture smokestacks or acres of parking requiring high-capacity roads.
- 2. In addition to its clean economic stimulus, the arts and culture sector contributes significantly to the quality of life in Edmonds and promotes a positive community identity in the region.** Arts and culture bring residents together to watch, listen, participate, and engage with their neighbors. This strengthens the community, creates a sense of place, and in turn, attracts more residents, visitors, and businesses to Edmonds, which is seen in a positive way throughout the region. These significant, non-economic benefits are explored on page 40.

Understanding Arts and Culture’s Economic Impact: An Example

Edmonds Center for the Arts is the largest arts and culture organization in Edmonds, and can provide a look at how arts and culture economic impact can be measured. ECA draws visitors to Edmonds for multidisciplinary programming, and has become more popular over its ten-plus years of operation.

To offer programming that attracts visitors to the community, ECA hires staff to manage its operations, such as a performance director, accountants, and cashiers. Employees allow ECA to produce its shows, and in return they receive wages and employment, which also contribute to the local economy as they spend money.

People who visit ECA for arts programming may look for more experiences nearby in the city, such as the historic downtown and waterfront. Visitors may spend additional money on local businesses that are connected to arts and culture, such as bars and restaurants. For example, someone may enjoy “dinner and a show” in Edmonds: they attend ECA and follow it up with dinner at nearby Salt & Iron.

As a thriving business, Salt & Iron can hire more employees, increase hours, and pay better wages to its employees. As Salt & Iron grows, other businesses in the area will also prosper. Some visitors may stop in at the Red Twig for a pastry, and others may buy books at the Edmonds Bookshop.

With rising economic prosperity and increased visitors, the local real estate agency may decide to expand its office and contract with a local construction company to build new offices. The real estate agency, through increased revenue from expansion, may now increase administrative personnel, who now manage a larger firm.

Eventually a construction worker may walk through town, see an advertisement for a performance at ECA, and buy two tickets to a show. This action completes an economic cycle of spending, as ECA increases its revenues from the construction worker’s purchase. Through this cycle, ECA’s impact on the local economy is greater than the total market value of what it produces.

HOW IT WORKS IN THE I-O MODEL

In the I-O Model, the **INPUT** is ECA’s **REVENUE**, or the market value of what ECA produces. The model then projects the economic impacts, or **OUTPUT**.

This initial direct spending by ECA creates a “direct impact” measured by **ECONOMIC OUTPUT**, **EMPLOYMENT FTE** and **LABOR INCOME**.

The revenue Salt & Iron receives from the impact of ECA’s attendees is an “indirect impact,” meaning it is output that is attributed to ECA.

Businesses connected to the arts sector have other indirect impacts measured in the I-O model as **EMPLOYMENT FTE** and **LABOR INCOME**.

Increased revenues for unrelated industries in Edmonds are the “induced impacts” of the I-O Model. The model projects economic output from the spending “rippling” through the local economy. This leads to induced economic output by increasing goods and services sold and rising incomes.

COMMUNITY BENEFITS

The arts and culture sector does more than support the Edmonds economy. It also helps define Edmonds as a distinctive and vibrant place, and serves to enhance the quality of life of residents. This section describes some of the other significant benefits of arts and culture, using the words and phrases from residents and visitors who experience it as gathered in the Story Collector.

Quality of Life

Quality of life is used to describe a standard of happiness or general well-being for a community. People in Edmonds describe arts and culture as one of those things they need or look for in quality of life. It's what draws them to the community and makes Edmonds an appealing place to live.

- *It's wonderful to walk downtown and find a bustling business district, hear music, see inspiring art, and take the time to stroll the area and hunt for painted rocks.*
- *The arts elevate the entire community. It not only adds interest and beauty, but it also increases property values by making it a desirable place to live.*
- *I think people love the events and opportunities to enrich their hearts and souls through arts in Edmonds and use the experience to relax and visit Edmonds, perusing shops, and eating out.*

Community Image and Identity

Arts and culture figure into how Edmonds is seen by the world (its image) and how the community views itself (its identity). Through arts and culture, residents engage with their neighbors, meet friends, and engage in the civic life. Arts and culture are what make Edmonds distinct from its neighboring communities; they keep it fresh and attractive. Statements from the Story Collector include:

- *Edmonds' arts and culture give it its charm and distinctive community. It is definitely one of the city's assets.*
- *Arts are an incredibly important point of connection across generations in Edmonds, especially since arts in schools are so strong and opportunities for student performances are abundant. Arts and culture are the greatest catalyst for fostering a sense of community, especially in nurturing and encouraging future generations. It's what Edmonds, in my mind, is most known for, and best at.*
- *My entire family participates in the arts, primarily music and theater. It is central to our family's identity.*
- *Arts and culture are the core of how we spend our spare time. We just moved to downtown Edmonds and one primary reason is because of the strong focus on the arts.*
- *As a new resident, I volunteered with the [Edmonds Arts] Festival and immediately met new people, made friends, and became more involved in other community activities. As a result, I feel connected to the community.*
- *The arts are a huge part of what makes our suburb attractive. I've lived here four years and with the busy-ness of work and the time it takes to network, I feel like I'm only now starting to understand how many wonderful arts opportunities we have here, even beyond the bigger venues.*



Takeaways and Recommendations

This study demonstrates that the arts and culture sector has a significant positive impact on the Edmonds economy as well as other significant benefits to quality of life and community image and identity. The Edmonds community has worked hard to enhance the arts and culture sector since the latest update of the Community Cultural Plan in 2014, and the City and community partners have made efforts to integrate the arts into the city's physical infrastructure, planning, image, and brand identity. With such continued effort, the community benefits are likely to continue to be further amplified, building beneficial connections between Edmonds and the surrounding region, and between current and future residents, business owners, and visitors.

The data presented in this report reveal opportunities for Edmonds to build on its arts and culture strengths and further enhance the economy and the community overall. While a comprehensive arts and culture-based economic development strategy might be generated in the future, this study and the key findings below focus on actionable items that relate directly to findings from organizational and community surveys.

KEY FINDINGS

1. The arts and culture cluster has a significant positive impact on Edmonds, generating an estimated \$50 million a year and 440 full-time equivalent positions to the regional economy.
2. Residents and visitors attending arts and culture events in Edmonds spend more money than just the cost of their admission. Leisure activities, such as dining and shopping, are a consistent and connected part of their participation in arts and culture activities.
3. While ECA is an anchor attraction, people come to Edmonds for a variety of arts and cultural attractions, including public, not-for-profit, and for-profit organizations. This diversity in attractions gives the Edmonds arts and culture scene its strength.
4. People living within a short travelling distance of downtown Edmonds, especially within a 30-minute drive, serve as Edmonds' primary market.
 - Attendees from within a 30-minute drive are a majority of the audience for Edmonds largest arts and culture organizations, specifically Edmonds Center for the Arts.
 - Tourism from beyond a 30-minute drive represents a modest share for all survey respondents.
5. Edmonds has a firm foundation of arts and culture attendees and participants, particularly among people 65 and older.

RECOMMENDATIONS

1. Strengthen the arts and culture sector citywide in economic development efforts.

- **Embrace arts and culture as a core part of the Edmonds community identity citywide.** Consider the entire city in implementing arts and culture strategies, especially along Highway 99 where there is greater racial and ethnic diversity, and increase the arts and culture network to include new, informal, and non-traditional entities.

2. Integrate arts and culture's contributions to the economy in new and existing community economic development efforts.

- **Seek Creative District designation through the Washington State Arts Commission.** A “creative district” is a hub for social and business activity that includes cultural facilities, creative industries, and arts-related businesses. Designation enhances Edmonds’ ability to pursue creative industry-related grants, better promote the community’s arts and culture-focused identity, recruit creative entrepreneurs, and increase tourism.
- **Identify arts and culture businesses and stakeholders as a targeted economic cluster along with others identified in the City’s Economic Development Element.** Explore connections to technology firms and other organizations in creative industries.
- **Advocate for city infrastructure decisions that support arts and culture growth.** Bring artists, business leaders, and entrepreneurs into current discussions to improve infrastructure that allows more options to experience Edmond’s arts and culture attractions. For example, efforts include the 4th Avenue Arts Corridor to build a better walking connection between the ECA, Civic Field, and Main Street.
- **Cultivate a robust arts and culture sector** with a healthy array of large and small entities and a diverse constellation of attractions.
 - Identify a limited number of cornerstone arts events or disciplines that can grow to become key anchors of arts and culture in Edmonds. The importance of Edmonds Center for the Arts in the Edmonds cultural ecosystem as demonstrated by this report may help to set such a direction.
 - Explore ways to support small organizations and businesses, as many of Edmonds arts and culture organizations employ less than five people, such as economic gardening and business mentoring. The stronger the constellation of arts and culture organizations, big and small, the stronger the entire network.
 - Foster diverse offerings across artistic disciplines, through a variety of settings from formal to informal. It is the diversity of arts offerings that create a positive arts and culture identity in Edmonds, draws participation, and is valued by residents and visitors alike.

3. Collaborate to attract target audiences.

To maintain a pipeline of arts and culture supporters, it will be important to actively address the arts and culture interests of individuals under 40 and to reflect the region’s evolving demographics regarding race and ethnicity.

- **Coordinate efforts**, including programming and promotions, to create a critical mass of offerings

for target audiences, bridging across multiple venues.

- **Expand arts programming targeted to those under 40.** Consider ways to link social and entertainment components, especially around food and drink, as well as family-friendly opportunities.
- **Design advisory functions** for civic, not-for-profit, and public entities that bring representatives of those under 40 and underrepresented populations into planning and decision-making. This is likely to look different than traditional board roles, and should accommodate the limited time availability of those under 40.

4. Work across the community to develop positive visitor experiences.

The economic value of arts and culture visitors is enhanced when they eat, drink, and shop locally, or when they stay overnight. These extended experiences work best when place-based features are coordinated with arts and culture “products.”

- **Bundle dining/drinking, recreation, and lodging opportunities** with arts and cultural experiences. Some of these packages can be tailored at specific target audiences (see item above).
- **Make sure the logistics of visitor experiences are easy**, with convenient parking, clear wayfinding, etc. Understand and address existing barriers and points of friction.
- **Promote Edmonds’ parks and waterfront activities** at arts and culture venues, activities, and events.

5. Market Edmonds regionally and tier marketing investments and strategies.

This study shows that residents and “day trippers” are the primary sources of economic impact related to arts and culture in Edmonds today. There remains potential to reach and effectively serve visitors beyond a 30-minute drive time, and to intentionally build tourism linked to arts and culture, but more research is needed.

- **Prioritize marketing and promotion in the areas of North Seattle, Kingston, and Snohomish County, defined roughly by a 30-minute drive.** Assess competition within that drive time area, and identify program niches likely to draw from those communities. Consider opportunities to serve as a satellite for Seattle arts and culture organizations, thereby minimizing the need to drive into downtown Seattle.
- **Explore additional opportunities to attract out-of-area tourists.** While this study indicates that Edmonds is not currently an overnight destination but a regional attraction, the value of overnight visitors may make investment in the tourist market worthwhile. Explore opportunities, including ways to better connect Edmonds arts and culture with the cruise industry.
- **Continue work with Snohomish County and Washington State arts, recreation, and tourism entities** to strengthen and promote Edmonds’s offerings.

Bibliography

- Americans for the Arts. (2011). Source of Revenue for Nonprofit Arts Organizations. Retrieved from https://www.americansforthearts.org/sites/default/files/pdf/get_involved/advocacy/research/2011/revenuesources11.pdf
- Americans for the Arts. (2012). Arts and Economic Prosperity IV. A Project of Americans for the Arts.
- Americans for the Arts. (2016). *Arts and Economic Prosperity 5*. Retrieved from <https://www.americansforthearts.org/by-program/reports-and-data/research-studies-publications/arts-economic-prosperity-5>
- Americans for the Arts. (2016). National Arts Index: An Annual Measure of the Vitality of Arts and Culture in the United States: 2002-2013. Retrieved from <http://www.artsindexusa.org/2016-national-arts-index>
- ArtsFund. (2014). An Economic Impact Study of Arts, Cultural, and Scientific Organizations in the Central Puget Sound Region.
- Binkley, C. (2017, April 16). *At Luxury Stores, It Isn't Shopping - It's an Experience*. Retrieved from The Wall Street Journal: <https://www.wsj.com/articles/at-luxury-stores-it-isnt-shopping-its-an-experience-1492394460>
- Bureau of Economic Analysis. (2017). Retrieved from <https://www.bea.gov/regional/arts-and-culture/index.cfm>
- Hrywna, M. (2015). Earned Income Jumps for Nonprofits. *The Nonprofit Times*. Retrieved from <http://www.thenonproffitimes.com/news-articles/27406/>
- Korek, B. (2017, April 11). *Angie Kim's Cultural Capital*. Retrieved from Surface Magazine: <https://www.surfacemag.com/articles/art-center-for-cultural-innovation-arts-funding-in-los-angeles/>
- National Assembly of State Arts Agencies. (2018, January). *Research: Funding*. Retrieved from National Assembly of State Arts Agencies: <https://nasaa-arts.org/research/funding/>
- National Center for Arts Research. (2017, October). Retrieved from *At What Cost? How Distance Influences Arts Attendance*: <http://mcs.smu.edu/artsresearch2014/ncar-arts-activity>
- Office of Financial Management Statewide Accounting. (2017, September). *Per Diem Rates - As of October 1, 2017*. Retrieved from <https://www.ofm.wa.gov/sites/default/files/public/legacy/resources/travel/colormap1017.pdf>