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**ECONOMIC DEVELOPMENT**

## Tracking the arts' impact on the region's economy

By Denise Perreault  
PBN Staff Writer

In Providence alone, 131 cultural nonprofits, businesses and professionals – all working in the arts – took in \$154 million in revenue in 2003. They spent \$166 million and had \$444 million in assets.

Statistics such as these, the latest available from a new Web site that tracks the financial impact of artistic endeavors across New England, eliminate the guesswork over how heavily the arts contribute to the local and state economy.

Culture Count, at [www.culturecount.org](http://www.culturecount.org), is a database launched by the New England Foundation for the Arts (NEFA) on behalf of the six New England states. The free, searchable site includes financial information gathered from digitized IRS Forms 990 and the U.S. Census Bureau about cultural nonprofits and for-profits and is, according to NEFA, the only regional cultural database in the nation. NEFA announced the new Web site in an April 24 release.

"This allows us to make informed statements on the role arts and culture play in the state," said Randall Rosenbaum, executive director of the Rhode Island State Council on the Arts, "using actual, honest-to-goodness figures from sources that any business or political leader would recognize."

The data can demonstrate "the economic edge a thriving arts and cultural community has," said Dee Schneidman, NEFA research manager who helped produce the site.

The statewide figures for Rhode Island, compiled by Rosenbaum, show that the state's 1,750 cultural nonprofits, businesses and professionals individuals pay more than \$350 million to their employees each year, and annually contribute more than \$750 million to the state's economy.

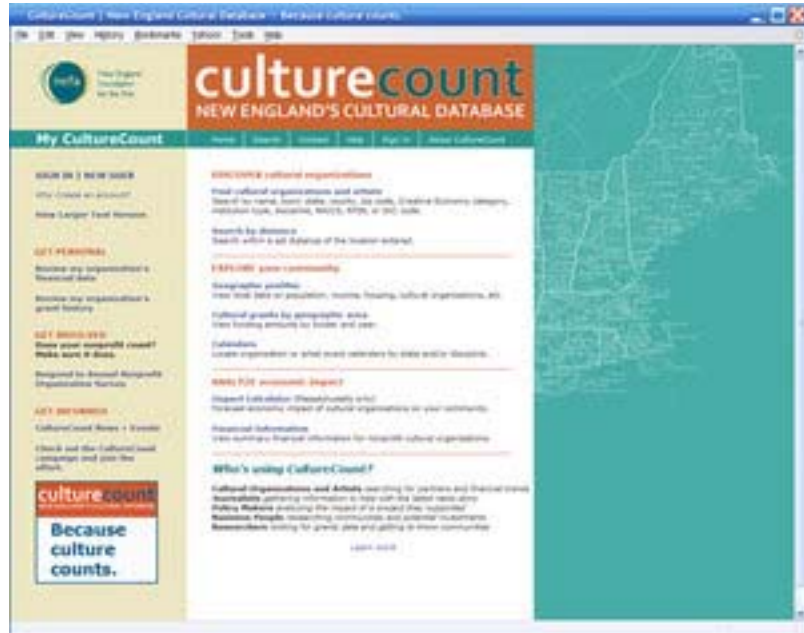


IMAGE COURTESY OF NEW ENGLAND FOUNDATION FOR THE ARTS  
**THE CULTURE COUNT Web site is free, searchable and the only regional cultural database in the nation, according to the NEFA.**

In Providence in 2003, the annual payroll for the arts was \$76 million, made up of "salaries, other compensation and employee benefits," according to the Web site. In addition, \$809,564 went for "professional fees and other payments to independent contractors," the site says.

With 22,856 active records and a variety of search features and research tools, the Culture Count Web site also includes extensive listings of cultural nonprofits, for-profits and professionals arranged by state and by municipality. Besides IRS and the census, data is collected from the six New England arts agencies, the National Endowment for the Arts and NEFA's own records, Schneidman said.

She explained that NEFA has been collecting such data since the late 1970s, at first using surveys of nonprofit groups and then adding information on for-profit businesses in 2000. Although the information has been available online in the past, Schneidman said NEFA decided to rename the Web site and launch a publicity campaign to better inform the public, the arts community and policymakers about the economic impact the arts can have on a city or town. "It's our tool to help local communities see themselves as part of a thriving economy," she said.

The 2003 statistics are the latest available because the IRS "does not digitize the [990] forms as quickly as we would like," Schneidman said.

A unique feature of the Web site, with data available only for some Massachusetts communities at the current time, breaks out the financial impact that the arts have on property values in individual cities and towns.

"We're using economic models similar to those used in any business sector," Schneidman said.

For instance, in Fall River in 2003, cultural organizations spent almost \$5 million, generating \$8.5 million in related spending, supporting more than 132 jobs and adding \$29,519 – 21.14 percent – to the average house value. In Bellingham, a suburban community located directly north of the Rhode Island border, cultural organizations in the same year spent \$610,460, generating \$1.12 million in related spending, supporting more than 18 jobs and adding \$12,810 – 6.12 percent – to the average house value.

Plans are in the works to extend the "impact calculator" to data from the other five New England states. •