

CHARLOTTE-MECKLENBURG CULTURAL SECTOR 2018

*A report from ASC to the community on key performance indicators
of the overall health and reach of the cultural sector*

This report focuses on the outcomes of the four core elements
of ASC's work to help ensure Culture For All:

ACCESS

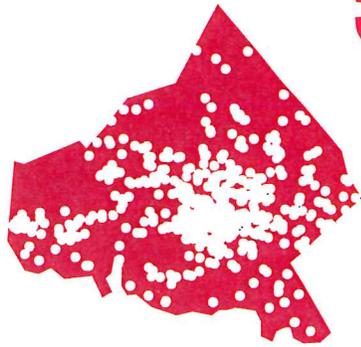
EXCELLENCE

RELEVANCE

SUSTAINABILITY

ACCESS

Cultural Experiences are accessible to all of Charlotte-Mecklenburg

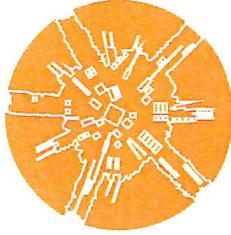


803¹

Experience Locations

funded by ASC

July 1, 2017 – June 30, 2018



138⁵

Pieces in Public Art Collection

Top 5 Barriers to Access:²



85%²

of residents are satisfied with the availability of cultural experiences that meet the community's interest



67%²

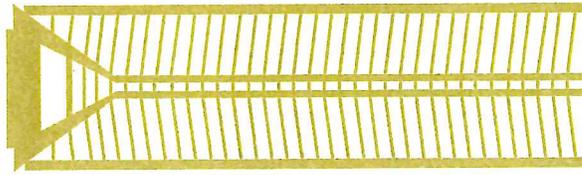
of residents are satisfied with the availability of cultural experiences near their home

EXCELLENCE

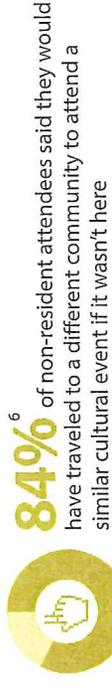
Charlotte-Mecklenburg has a reputation of cultural strength, vibrancy, innovation and quality

Top 20 Arts Vibrant Large Communities (pop. 1,000,000 or more)⁴

- 1 San Francisco-Redwood City-South San Francisco, CA
- 2 New York-Jersey City-White Plains, NY-NJ
- 3 Washington-Arlington-Alexandria, DC-VA-MD-WV
- 4 Nashville-Davidson-Murfreesboro-Franklin, TN
- 5 Minneapolis-St. Paul-Bloomington, MN-WI
- 6 Los Angeles-Long Beach-Glendale, CA
- 7 Boston, MA
- 8 Silver Spring-Frederick-Rockville, MD
- 9 Newark, NJ-PA
- 10 Seattle-Bellevue-Everett, WA
- 11 Philadelphia, PA
- 12 Portland-Yancouver-Hillsboro, OR-WA
- 13 Cambridge-Newton-Framingham, MA
- 14 New Orleans-Metairie, LA
- 15 Oakland-Hayward-Berkeley, CA
- 16 Chicago-Naperville-Arlington Heights, IL
- 17 Rochester, NY
- 18 Austin-Round Rock, TX
- 19 Cleveland-Elgria, OH
- 20 Pittsburgh, PA



29 Charlotte-Concord-Gastonia, NC-SC



Annual Creative Vitality Index⁴



RELEVANCE

Cultural Experiences are varied and reflect the rich diversity of our community

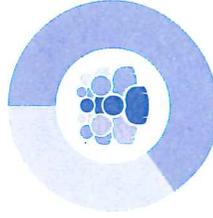
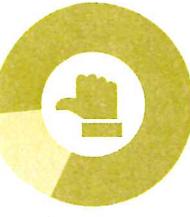


That's **500,000 more people** than the total attendance of all professional sports games in Charlotte-Mecklenburg combined



(football, basketball, baseball, soccer, golf, hockey and lacrosse)

Residents would like to see more:



- 9%

Science/Nature
- 9%

Dance/Music
- 9%

History
- 12%

Visual Art
- 12%

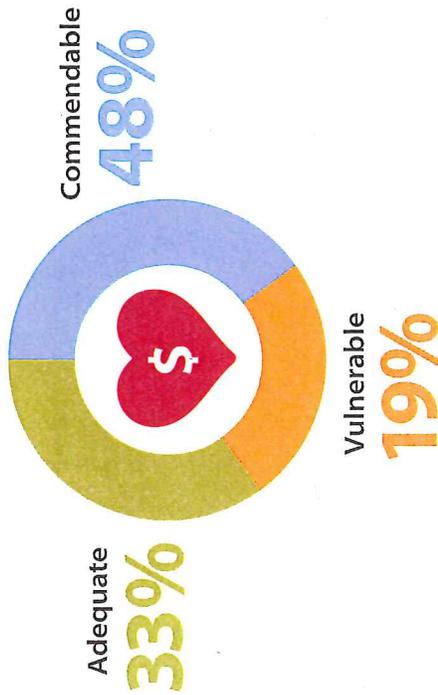
Culturally Diverse Programs
- 14%

Experiences for Children & Youth

SUSTAINABILITY

ASC and Cultural Sector are financially healthy

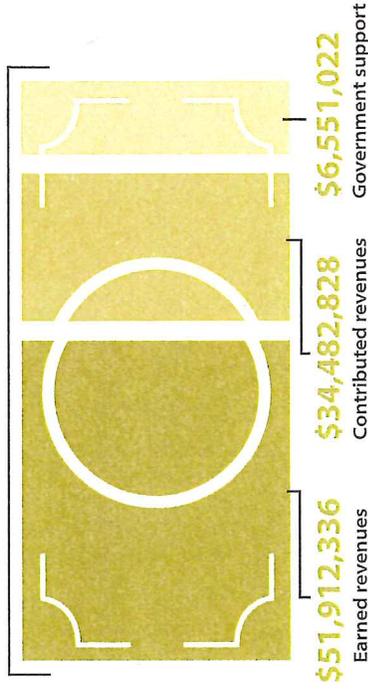
The financial health of ASC and its Operating Partners¹ % of organizations as ranked by non-profit financial expert panel



Support for the Cultural Sector is growing

Total revenues of ASC and Operating Partners

\$92,952,186



Capacity of creative individuals & emerging cultural organizations to sustain themselves is growing



27,114⁴ FTE jobs (for-profit & non-profit) in creative sector



603¹ Contact hours in capacity building program – creative individuals



3,042¹ Contact hours in capacity building program – non-profit staff & board

THE SOURCES

1. Arts & Science Council, 2018
2. Cultural Life in Mecklenburg County Survey, UNC Charlotte Urban Institute, 2018
3. National Center for Arts Research Vibrancy Index, 2018
 4. Creative Vitality Suite, WESTAF, 2016
 5. Charlotte-Mecklenburg Public Art Collection, 2018
6. Arts & Economic Prosperity 5, Americans for the Arts, 2017



ArtsAndScience.org

Ensuring access to an excellent, relevant,
and sustainable cultural community for
the Charlotte-Mecklenburg Region

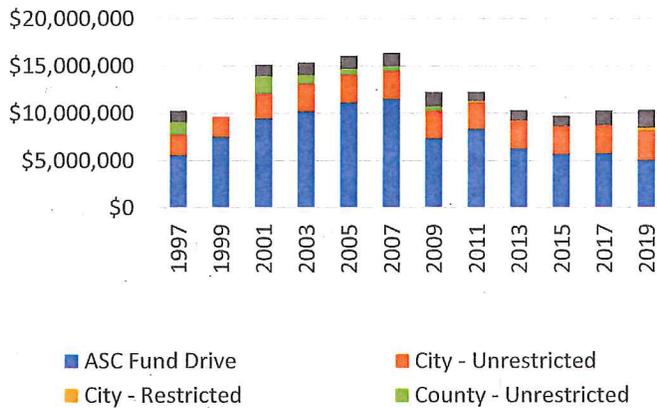
227 W. Trade Street, Ste. 250 | Charlotte, North Carolina 28202 | 704-333-2272

DISCOVER MORE @ASCCCharlotte   

**Building the Cultural Capital of the South
Securing Resources to Establish the Preeminence of Charlotte-Mecklenburg's
Arts, Science & History Community in the 21st Century**

Cultural Sector has never fully recovered from the 2008 Great Recession

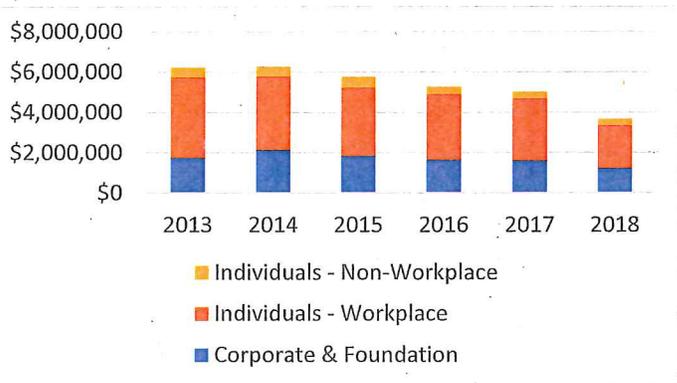
Public & Private Sector Support to ASC to Fund the Cultural Sector



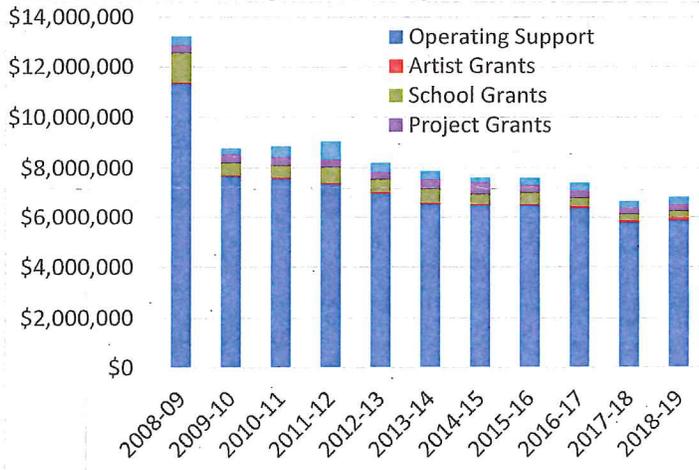
- Private sector funding model is no longer effective.
- Primary source of funding was from individual gifts through the workplace.
- Federated or combined campaigns across the US are all being impacted by the changes in giving philosophy of donors who want to give directly to causes they support and not necessarily through their workplace.

- Primary source of funding was from individual gifts through the workplace.
- Workplace gifts have dropped from a high of over \$7 million in 2008 to right at \$2 million today.
- ASC once had over 300 workplace giving sites, now only 75.

Funding to ASC from Private Sources



Reductions in ASC Funding to Community



- ASC grants have been **cut from \$13.2 million to \$6.8 million** since the recession, impacting small and large organization budgets, programs, hours of operation and accessibility to residents and visitors alike.
- A number of organizations are in crisis and might be lost with little or no notice – these are not just small or midsize groups but major cultural institutions.



2014 Cultural Life Task Force recommended a long-term goal of identifying a designated public revenue stream to support the sector. In 2018, a Study Committee recommended to ASC that now is the time to pursue a designated public revenue stream.

**Recommendation 1
Commitment to Cultural Equity**

- ASC and its cultural partners must:
- Commit to championing policies and practices of cultural equity that empower an inclusive and equitable community
 - Engage all communities (geographic, racial and socioeconomic); and,
 - Support the role of all arts, science, and history providers in achieving cultural equity.

**Recommendation 2
Designated Sales Tax**

- The voters of Mecklenburg County should be asked to approve a new designated source of annual funding to support the cultural sector:
- A portion of an existing quarter-cent sales tax throughout Mecklenburg County, as authorized in 2009 by the North Carolina General Assembly.
 - Cultural sector receiving 1/10th of a penny.
 - Remaining portion of quarter-cent determined by Board of Commissioners.

Select US Cities & Counties Using Designated Tax to Support the Arts

City	Tobacco Tax	Occupancy Tax	Property Tax	Sales Tax
Austin TX		X		
Chicago IL		X		
Cleveland OH	X			
Denver CO				X
El Paso TX		X		
Kansas City MO			X	X
Los Angeles CA		X		
St. Louis MO		X		
Saint Paul MI				X
San Antonio TX		X	X	X
San Jose CA		X		

**Recommendation 3
Management & Oversight**

ASC should be responsible for the management and distribution of these public funds.

To assure openness and transparency, the proposed changes to ASC's funding and business model requires ASC Board, with input from all stakeholders, to embark on a planning effort to define its role as a local cultural agency for the 21st century.

Our Goal is to Increase Financial Resources for the Cultural Sector

How Do We Move Forward?

- ASC requests that our Public and Private Partners work with us and other key stakeholders to:
- Determine the best path to secure a stable funding platform to support our arts, science and history assets, and
 - Ensure our community's quality of life and economic prosperity.





the
charlotte**creates**
region

Celebrating, connecting and strengthening the
Charlotte region's creative ecosystem



58K

Total Regional Creative Jobs ¹

(For-profit & Non-profit, 72 different industries)



\$2.8B

Total Earnings for the 57,566 ¹
Regional Creative Jobs



\$360MM

Total Regional Economic Impact ²



\$31.5MM

Total Local & State Government Revenues ²



5.85MM

Total Regional Attendance ²

(4,956,605 residents & 888,448 non-residents)



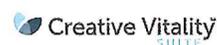
\$25.82 residents & \$51.26 non-residents

Regional per Person Spending in Addition to Admission Price ²

Sources

^[1] Creative Vitality Suite

^[2] Arts & Economic Prosperity 5



The Aspiration of the Task Force for Charlotte-Mecklenburg Leaders & Organizations

“

To reorganize our systems and structures, **change policies and practices** and otherwise, **boldly embrace** and rally around a vision of Charlotte-Mecklenburg as a community that **cares about all of our children and youth** — regardless of income, race or zip code — and where all our children **feel they belong**, have **big dreams** and find the **opportunities to achieve** those dreams.”

EQUITY

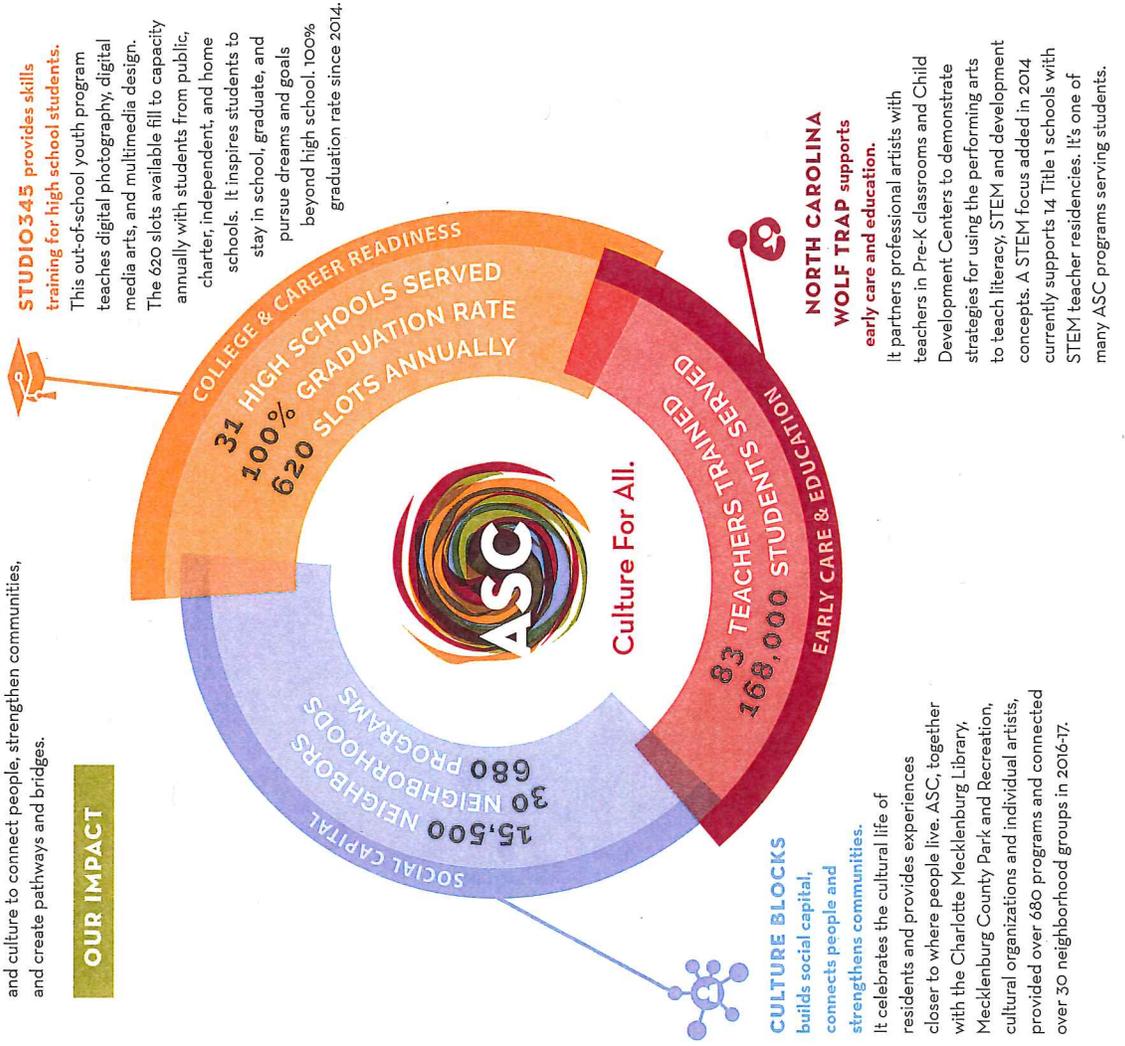
Addressing the Impacts of Segregation

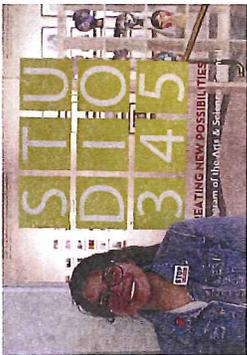
- **Catalyst for Cultural Equity Program** trains influencers at arts and cultural organizations to be better equipped to lead systemic change for a more equitable cultural community.
- Forty-two percent of projects receiving **Cultural Vision Grants** are led by communities of color and LGBTQ groups.

Leading on Opportunity

This is our community. We are committed to using arts and culture to connect people, strengthen communities, and create pathways and bridges.

OUR IMPACT





“ I tell everyone I can about Studio345, and how awesome the program is. I’m already advocating for the importance of art education for students, and I think a program like Studio345 needs to be available to more students all over the world.”

LUCÍA CASTAÑEDA



Creating New Possibilities FOR COLLEGE AND CAREER READINESS

Why This Matters: Studio345 provides unique experiences for high school students, fostering a sense of belonging and inspiring students to pursue goals after high school.

For Lucía Castañeda, a 2016 graduate of South Mecklenburg High School, Studio345 was a dream come true. Through participating in Studio345 with professional teaching artists that also serve as mentors, Lucía was able to find the kind of artistic guidance she was hungry for. Armed with confidence from encouraging mentors and a stellar portfolio of work, Lucía was accepted into the North Carolina Governor’s School program for art in 2015, and in 2016 she accepted a Merit Scholarship to attend the Art Institute of Chicago.



Culture For All.

OUR WORK
IN LEADING ON
OPPORTUNITY



Culture For All.

Our Mission: Ensuring access to an excellent, relevant, and sustainable cultural community for the Charlotte-Mecklenburg Region

Cultural Vision Grants by County Commission District

Fiscal Year	Organization Name	Project Title	Grant Amount
District I			
2017	Cornelius Cultural Arts Group	To support Tawba Walk, an exciting community arts festival that celebrates the unique culture and character of historic downtown Cornelius by bringing together local artists, businesses and community residents, particularly those within walking distance.	\$5,000.00
2018	Charlotte Dragon Boat Association	To support the 2018 Charlotte Dragon Boat/Asian Festival at Ramsey Creek Park - a celebration of Asian traditions, arts and heritage, May 19, 2018.	\$5,000.00
2018	Cornelius Cultural Arts Group	To support the bi-annual Tawba Walk, an exciting community arts festival that celebrates unique culture and character of historic downtown Cornelius by bringing together local artists, businesses and community residents.	\$1,000.00
2018	Cruz Casas, Carlos Alexis	To support Nouveau Sud Project's "Sûr(Safe)": a new cirque production that responds to recent unrest around questions of police brutality and immigrant deportations, and engages audiences in discussion about how we can grow together to address the issues.	\$7,500.00
2018	Davidson College	To support the gallery's exhibition and performances of Jen Ray: Surrounded by Wolves, an exploration female rebellion and the shifting nature of a woman's identity, including what it means to be a feminist in the South.	\$5,000.00
2018	India Association of Charlotte	To support the 23rd Festival of India, a showcase of the rich diversity of Indian visual/performing art, that highlights the contributions of Indian Americans to the cultural mosaic of Charlotte.	\$7,500.00
2018	India Association of Charlotte	To support the annual Festival of India 2018, presenting the rich cultural diversity of India to the mainstream community in and around Mecklenburg County.	\$9,000.00
2018	Music at St. Alban's	To support Music at St. Alban's chamber music concert series - affordable, diverse performances offered monthly in a warm, friendly and accessible North Mecklenburg venue.	\$7,000.00
2018	North Mecklenburg Community Chorus, Inc.	To support North Mecklenburg Community Chorus, which fosters community participation in creative living, volunteering, and community-wide celebrations through fun and welcoming choral ensemble experiences throughout the Lake Norman area.	\$7,500.00
2018	The Warehouse PAC	To support Shakespeare-on-the-Rocks performances of Much Ado About Nothing on the green at Jetton Village, rekindling the exuberant audience participation format from Shakespeare's day for the Lake Norman area.	\$2,500.00

Cultural Vision Grants by County Commission District

Fiscal Year	Organization Name	Project Title	Grant Amount
District 1			
2019	Charlotte Dragon Boat Association & Asian-Chamber of Commerce	To support the 2019 Charlotte Dragon Boat/Asian Festival at Ramsey Creek Park in Cornelius on May 18, 2019.	\$5,000.00
2019	CineOdyssey Film Festival	To support the CineOdyssey Film Festival, July 18-20, 2019 at Mint Museum Uptown – a celebration of the voices of filmmakers of color from the African, Caribbean, Latino, Asian, and Native American diasporas as well as the U.S.	\$4,500.00
2019	Community Education Project	To support New Year Utrennik - A Traditional Russian-speaking Cultural New Year celebration for \$7,990.00 children and families, January 12 and 13, 2019, at Pease Auditorium of CPCC.	\$7,990.00
2019	Cornelius Cultural Arts Group	To support bi-annual Tawba Walk, a community arts festival which celebrates the unique culture and character of historic downtown Cornelius.	\$2,000.00
2019	Davidson College	To support The American Library, an exhibition by Yinka Shonibare focused around celebrating the diversity of the American population, honoring the contributions of immigrants to the culture and life of their adopted home.	\$6,500.00
2019	Lambert, Anne	To produce a professional production of EXIT, PURSUED BY A BEAR by Lauren Gunderson, with interpreted performances for deaf audiences in February 2019 at the Warehouse PAC in Cornelius, NC.	\$6,500.00
2019	Music at St. Alban's	To present 8 varied concerts in an accessible, inviting church space in North Mecklenburg, augmented with outreach opportunities for area families.	\$7,900.00
2019	North Mecklenburg Community Chorus, Inc.	To support two entertaining choral productions for North Mecklenburg residents: A holiday-themed concert in 2018 and "Cinema Magic: Music and the Movies," in the spring of 2019.	\$5,000.00
2019	Project Scientist	To support "Putting the A (arts) in STEM," an arts based component of Project Scientist Summer Academy, encouraging girls to pursue education and careers in science and technology fields.	\$7,200.00
2019	Que-OS	To support BOOM, an annual festival of innovative art, and gathering of creatives and grassroots cultural organizations, in multiple locations in Plaza Midwood April 26-28th, 2019.	\$10,000.00
2019	Richardson, Cassandra	To support Evocation: A visual art participatory experience inviting Plaza Midwood's community, including New Americans from International House, to experience bonding through shared loss that transcend cultural differences and community changes.	\$3,000.00
<i>Total District 1</i>			\$122,590.00

Cultural Vision Grants by County Commission District

Fiscal Year	Organization Name	Project Title	Grant Amount
2017	HistorySouth	To produce Legacy Narratives, a video featuring the oral histories of 12 long-time residents of the McCrorey Heights West End neighborhood, which will be presented in a variety of public forums in 2018 and archived at JCSU, UNCC and public libraries.	\$5,000.00
2017	Three Bone Theatre	To support rich audience engagement by turning the talk-back discussion on its head: Three Bone Theater will engage their prospective audience during the rehearsal process to create performances that directly bind people to the art they help create.	\$4,975.00
2018	Bienvenue Charlotte	To support the inaugural Charlotte French Culture Festival, where the Charlotte community can participate in hands-on French games, activities, cuisine and theater.	\$2,000.00
2018	Charlotte Center City Partners Community Trust	To support Music Everywhere, a new initiative to make music the indisputable heart of Charlotte by \$7,500.00 programming local artists in under-served areas of our community.	\$7,500.00
2018	Charlotte Cinema Arts	To support the Charlotte Film Festival which builds community by providing groundbreaking cinema, interaction & education for filmmakers and moviegoers that emphasizes the roles of women, social justice advocacy and contributions of young filmmakers.	\$3,000.00
2018	Goodyear Arts	To offer a series of art classes that are free and open to the public, particularly neighbors to the former industrial space of Camp North End.	\$10,000.00
2018	Inspire the Fire, Inc.	To support Inspire the Fire's one week summer intensive X-Perience for youth, developing their self-confidence, esteem and skills in voice, drama, stepping, musical ensemble and visual arts through master classes with established professionals.	\$10,000.00
2018	Livingston, James	To build community and innovate the function of the garden by providing a Garden Harvest Festival of edutainment and cultural events around the food grown and harvested in Genesis Park.	\$5,000.00
2018	Rose, Stacey	To support open developmental workshops for the play "The Danger: A Homage To Strange Fruit," bringing West Blvd. residents together with theatre professionals for the creation of a new work that represents their lived experiences.	\$10,000.00
2018	Thompson, Jimi	To support Wake-n-Make, a bi-monthly art education program that increases art literacy in communities of color surrounding Camp North End through creative problem solving skills and traditional art education.	\$4,750.00
2019	Bienvenue Charlotte	To support the second annual Charlotte French Culture Festival, where the Charlotte community can participate in hands-on French games, activities, cuisine and performance.	\$2,000.00
2019	C.N. Jenkins Memorial Presbyterian Church	To support the Global Peace Festival of the African Diaspora, a celebration of the numerous cultures from the African Diaspora living in our in our local and state communities April 6, 2019.	\$2,500.00

Cultural Vision Grants by County Commission District

<u>District 2</u>			
2019	Charlotte Cinema Arts	To support the Charlotte Film Festival, a 5-day event that revolves around the mission to "Discover Different" in the Charlotte community and its surrounding areas. The festival offers groundbreaking cinema representing diverse experiences.	\$3,000.00
2019	DeShield, Perrine	To bridge the gap of cultural identity between African citizens and first-generation Americans within the African Diaspora through international podcast storytelling and a local community panel discussion.	\$3,000.00
2019	Digi-Bridge	To support #STEAM Saturdays at Briarwood Academy: a hub, offering science, technology, engineering, arts and mathematics courses to 2nd-5th grade scholars throughout the 2018-2019 school year.	\$10,000.00
2019	Johnson C Smith University Incorporated	To support "Arts and Advocacy Experience 2019: Brooklyn to Biddleville, Then and Now," an interdisciplinary art project exploring the consequences of gentrification, March 29 and 30, 2019 at the Johnson C Smith University campus.	\$8,000.00
2019	Let Hope Rise Foundation	To support Summer Sparks Creative Camp, a week-long summer arts camp that helps kids identify and refine their musical aptitudes and interests through musical theater and musical instrument exposure and instruction.	\$2,500.00
2019	Lorien Academy of the Arts	To support an 8-week summer art academy in which middle and high school students in west Charlotte will engage high quality art education.	\$7,000.00
2019	Pledger, Shawanna	To support workshops and a summer intensive experience for teens from diverse backgrounds in Charlotte, leading to the creation and performance of devised theatre pieces based on their experience and a common theme.	\$9,000.00
2019	SimplisticPhobia	To support Rough Cuts cultural film study program: giving emerging filmmakers the skills and assistance they need to develop stories, concepts, filming techniques and production skills without having to worry about funding and equipment.	\$1,500.00
<i>Total District 2</i>			\$110,725.00
<u>District 3</u>			
2018	C.N. Jenkins Memorial Presbyterian Church	To support the Global Peace International Festival, a rich cultural heritage celebration that brings together performers and artists from 11 different countries in a traditionally African American community, May 5, 2018.	\$3,000.00
2018	Bernard Singleton	To engage youth in West Charlotte in botanical gardening, featuring crops culturally significant to the African diaspora.	\$4,500.00

Cultural Vision Grants by County Commission District

Fiscal Year	Organization Name	Project Title	Grant Amount
District 3			
2018	CrownKeepers	To support #ImAnArtistDammit, a month-long residency program for 4 artists from under-represented communities - showcasing their individual talents and culminating in a collaborative exhibit that explores similarities across their experiences.	\$3,500.00
2018	Digi-Bridge	To support Digi-Bridge's #STEAM Saturdays program at Briarwood Academy, where interactive science, technology, engineering, arts and mathematics courses are offered to K-5 scholars throughout the school year.	\$10,000.00
2018	Japanese Association in Charlotte	To support the Bon Odori Festival, a traditional Japanese summer folk dance festival that showcases the creative expression and contributions of Japanese families in the Charlotte community.	\$5,000.00
2018	MusicalMinds NC	To support classical musical arts training and performances, designed to promote social change in 2nd through 5th grade underserved youth, in North Mecklenburg County.	\$4,350.00
2018	NorthEnd Partners	To foster community pride by bringing together artists from the collaborative Brand the Moth, volunteers from NorthEnd Partners, guests of Men's Shelter of Charlotte, and CMPD officers to create a mural for the the underpass at 16th and Tryon Street.	\$5,000.00
2018	PaperHouse Theatre	To support the creation and production of Paperhouse Theatre's original, immersive, interactive play exploring themes of gender and social equality within Sherlock Holmes stories.	\$4,000.00
2019	Community Dream Builders, Inc.	To support "Through this Lens," a photography exhibit presented at Lockwood Legends Arts Facility April -May, 2019 designed to unite Charlotteans who identify as immigrants through the power of their stories and celebration of the immigrant experience.	\$5,000.00
2019	Gibson, Dawn	To support building community, Journey of Heritage will engage ethnically diverse youth to interview ethnically diverse older residents about their contributions to cultural, social and economic progress in Charlotte-Mecklenburg.	\$4,000.00
2019	Inspire the Fire, Inc.	To support "Fire High" Artistic coaching and development for students.	\$10,000.00
2019	Japanese Association in Charlotte	To produce Bon Odori, 34th Traditional Japanese Summer Folk Dance Festival August 4, 2018 at the Wells Fargo Atrium Plaza.	\$4,500.00
<i>Total District 3</i>			\$62,850.00

Cultural Vision Grants by County Commission District

<u>District 4</u>			
2017	Caroline Calouche & Co.	To support the creation and production of 'Star Gazer: A Trek Into Outer Space' with interactive astronomical experiences on April 21 - 23, 2017 in the Blumenthal Performing Arts Center's Booth Playhouse.	\$7,000.00
2017	Central Piedmont Community College Foundation	To produce "Dances of India," an authentic Asian Indian cultural program that builds appreciation and understanding of Charlotte's Indian community through the sharing of performing arts traditions.	\$5,000.00
2017	Charlotte Museum of History	To support the performance of traditional African drum music and to engage East Charlotte audiences in exploring the African American culture that was part of the settlement of Charlotte and Mecklenburg County.	\$1,250.00
2017	Girls Rock Charlotte	To launch a new 'Kids' Summer Camp program for girls and gender diverse youth ages 8-12 that uses rock music education to teach social justice leadership.	\$5,000.00
2017	Martha Connerton/Kinetic Works, Inc.	To support Martha Connerton/Kinetic Works' partnership with Changed Choices to present "The Sessions," a two-day series that includes dance-making workshops for non-dancers; video taped performances of Moving Stories/Changing Lives and public discussions.	\$5,000.00
2017	Napoletano, Nicholas	To support Nicholas Napoletano's collaboration with Time Out Youth and Aerial CLT to paint a mural that serves as a visual beacon representing a racially diverse, LGBTQ+ inclusive community along the North Tryon corridor.	\$6,500.00
2017	Queen City Forward	To support the ZIP Code Project, a collaboration between Queen City Forward, 100 Love Notes Foundation and Read Charlotte designed to build connection between neighbors through participatory photograph and digital storytelling.	\$3,500.00
2017	Que-OS	To produce the BOOM Festival, an artist/community-led fringe arts festival centered in Charlotte's Plaza/Midwood Neighborhood. BOOM draws upon local and national talent to showcase experimental visual/performance art over three days in April.	\$10,000.00
2017	MoRA (Monroe Road Advocates)	To support a unique opportunity for middle Monroe Road residents and stakeholders to directly collaborate with artist Leslie Scott to create iconic, landmark public art for their community.	\$10,000.00
2017	XOXO LLC	To produce #CAKE, a multiplatform interdisciplinary performance work that will occur throughout uptown Charlotte consisting of an art installation; a mp3 enhanced surrealist walking tour of uptown Charlotte, and a theatrical performance at Goodyear Arts.	\$10,000.00
2018	100 Words Film Festival	To democratize the film-making experience providing free educational seminars hosted by film professionals. 100 Words Film Festival's creative constraint of using exactly 100 spoken words makes entry financially possible for all participants.	\$5,000.00
2018	The Arts Empowerment Project	To bring together youth and law enforcement officers through shared visual arts experiences to begin the process of healing and improving community-police relationships in Charlotte.	\$7,500.00

Cultural Vision Grants by County Commission District

Fiscal Year	Organization Name	Project Title	Grant Amount
2018	Central Piedmont Community College Foundation	To produce "Dances of India," an authentic Asian Indian cultural program that builds appreciation and understanding of Charlotte's Indian community through the sharing of performing arts traditions, April 21, 2018.	\$5,000.00
2018	Charlotte Museum of History	To support "Charlotte: Her Story in Spoken Word Poetry," a groundbreaking performance telling the history of Charlotte that includes Catawba, African-American, Latino and European voices using spoken word and African drumming.	\$1,500.00
2018	Girls Rock Charlotte	To provide a one-week camp for girls and trans youth ages 14-18 learning to create a short film using accessible technology, a unique opportunity to promote more women/girls in film, August 6-11, 2018.	\$4,925.00
2018	The Glorious Performance Team	To support "As Far as the Eye Can See," a new, locally created musical illustrating the African American experience, that features both young and adult actors in a professional theater setting.	\$2,500.00
2018	Gonzalez, Julio	To support Dia de Los Casi Muertos, an ongoing multimedia project that fosters deeper cross-cultural understanding through the exploration of Mexican and American experiences with death and aging using video, sculpture and photography.	\$2,250.00
2018	InReach	To support an on-going forum to create art, promote and exchange ideas, and develop friendships between InReach participants and other ceramic artists, students and patrons.	\$7,500.00
2018	Moving Poets Charlotte Inc	To support "We See Heaven Upside Down" - an evolving multidisciplinary arts project responding to challenges of migration, displacement, and identity in contemporary society.	\$10,000.00
2018	Playing For Others (PFO), Inc.	To support engaging a diverse group of teens in creative conversation about issues facing our community, using the arts as the medium and the work of local non-profits as the context.	\$8,000.00
2018	Pledger, Shawna	To support creating, and subsequently performing, devised theatre pieces with youth from Charlotte's refugee community to share stories, foster empathy, increase understanding and positive regard for all involved.	\$4,100.00
2018	Preah Vihear Community Center	To support a New Year Celebration that brings Cambodian, Laotian, Thai, & Burmese communities together, and that celebrates and shares these traditions with the greater East Charlotte community.	\$5,000.00
2018	Que-OS	To produce the 3rd year of BOOM Festival, Charlotte's artist/community-led fringe arts festival. BOOM draws local/national talent to showcase experimental visual/performance art over three days in Charlotte's Plaza Midwood Neighborhood, April 20-22, 2018.	\$7,500.00
2018	Think Broader Foundation (with Wheelhouse Media Foundation)	To design and present "Walk a Mile in My Shoes" - a virtual reality experience aimed at creating empathy for Wounded Warriors (disabled veterans).	\$7,000.00
2019	The Arts Empowerment Project	To support Promoting Peace, an arts-based program bringing at-risk youth and law enforcement officers together to promote healing and improving community-police relationships in Charlotte.	\$10,000.00

Cultural Vision Grants by County Commission District

Fiscal Year	Organization Name	Project Title	Grant Amount
<u>District 4</u>			
2019	BNS Productions	To support the performances of August Wilson's Two Trains Running at The Duke Energy Theater, January 30 – February 9, 2019.	\$7,000.00
2019	Caroline Calouche & Co.	To support the creation and presentation of 'Lingua', an original dance, cirque and theater work on the evolution and impact of verbal and non-verbal communication April 12 – 13, 2019 at the Booth Playhouse.	\$6,000.00
2019	Charlotte Center For Literary Arts Inc	To support 4X4CLT, a multifaceted program including quarterly poster series displayed across the city that brings art and poetry into the everyday; fun, free release events; and master craft classes for dedicated local writers.	\$7,500.00
2019	Charlotte Museum of History	To connect with local neighborhoods and community members through free Family Day Programs at the Charlotte Museum of History: the Celebration and Naturalization Ceremony and African American History Family Day.	\$3,000.00
2019	Charlotte Pride, Inc.	To support Charlotte Latin Pride - "Mis Raices," an opportunity to raise visibility and awareness about Latinx LGBTQ faces and stories through showcases of photographs of this community.	\$2,000.00
2019	Hoyt, Hannah	To highlight the relevance of woman composers and activate support for women leaders in the classical music, Little Opera Company presents Pauline Garcia's Opera "Cinderella" (Cinderella) at Birdsong Brewery and other local venues.	\$1,000.00
2019	Latin American Coalition	To support a collaboration between the Latin American Coalition and ArtSi Charlotte, advancing Latino artists and increasing representation of Latin American art in Charlotte's greater arts community throughout 2019.	\$8,000.00
2019	LIFESPAN, Inc	To support Through Their Eyes, a course that promotes empowerment and inclusion by teaching adults with disabilities new art techniques, showcasing and marketing their original works, and providing opportunities to teach community art classes.	\$1,000.00
2019	Love, Jr., John W.	To support the most vulnerable of the LGBTQIA+ community via 7 rigorous creativity workshops which culminate in a citywide exhibition of salt, paper, and surreal film.	\$10,000.00
2019	Martha Connernton/Kinetic Works, Inc.	To support the presentation of "Still the Voice", a new work by Martha Connernton at BOOM Festival, April 26-28, 2019 in Plaza Midwood.	\$3,500.00
2019	Open Door Dance Foundation	To support the launch of "Step Together," an Adaptive Dance Program at Open Door Studios, providing creative movement instruction for youth with disabilities, as well as their peers, ages 14-22.	\$2,250.00

Cultural Vision Grants by County Commission District

Fiscal Year	Organization Name	Project Title	Grant Amount
<u>District 4</u>			
2019	Playing For Others (PFO), Inc.	To engage a diverse group of teens in creative conversation regarding issues facing our community, using the arts as the medium and the work of local non-profits as the context.	\$6,500.00
2019	Preah Vihear Community Center	To support the combined New Year Celebration of Southeast Asian Countries, April 28, 2019 at Project 658 on Central Avenue.	\$7,000.00
2019	Sustain Charlotte	To supplement the City's upcoming protected bike lane project on The Plaza with artist-designed and community created vertical planters.	\$5,000.00
<i>Total District 4</i>			
<u>District 5</u>			
2017	Charlotte Jewish Film Festival (CJFF)	To support the development of wrap around experiences that engage diverse, non-Jewish audiences with the universally appealing stories, characters, & themes shared through the Charlotte Jewish Film Festival.	\$5,000.00
2017	Community Education Project	To support the annual International New Year Celebration for children ("Utrennik"), showcasing traditions of Russian-speaking cultures that have made a home in the Charlotte area.	\$4,695.00
2017	Donna Scott Productions	To produce "Eat the Runt," a play that challenges gender and race differences by utilizing a diverse cast and allowing the audience to cast the show each night.	\$6,000.00
2018	Latin Americans Working for Achievement	To support Dancing for Diversity, a series of Latin dance classes for Latino elementary students and their peers, bolstering the understanding and appreciation of Latin culture, boosting self-confidence, and fostering friendships across cultures.	\$5,000.00
2018	BNS Productions	To support Brand New Sheriff's North Carolina premiere of Jitney, a play celebrating the African American experience as envisioned by Pulitzer Prize winner August Wilson.	\$6,000.00
2018	Charlotte Jewish Film Festival (CJFF)	To support valued-added programming in the Charlotte Jewish Film Festival that promotes cross-cultural understanding and engagement through partnerships with Charlotte's LGBTQ, Autistic, and African American communities.	\$5,000.00
2018	Festival in the Park	To support creation of a "Meet the Artists" interactive tent at Festival in the Park and Kings Drive Art Walk to provide interactive artistic experiences in local parks and greenways.	\$10,000.00
2019	BNS Productions	To produce Having Our Say, a performance which celebrates North Carolina's Delaney sisters, two brave African American women path finders.	\$7,500.00
2019	Festival in the Park	To support the ongoing commitment to provide an interactive artistic experience in local parks and Greenways during Festival in the Park and Kings Drive Art Walk.	\$9,000.00

Cultural Vision Grants by County Commission District

Fiscal Year	Organization Name	Project Title	Grant Amount
<u>District 5</u>			
2019	InReach	To provide a participatory puppet show illustrating what life is like for someone with an intellectual/developmental disability and that people with disabilities are just like you and me.	\$9,000.00
<i>Total District 5</i>			
<u>District 6</u>			
2018	Bunong Indigenous Community Association	To create a series of Charlotte-based workshops on traditional Bunong performing and visual arts for the Bunong community's youth.	\$1,000.00
2018	Project Art Aid Inc	To support The Mobile Device Creativity Lab, which brings hands-on instruction and creative art making to the residential communities of seniors and members of ALAANA communities using digital tools and cutting edge technologies.	\$4,290.00
2019	Project Art Aid Inc	To support the Mobile Device Creativity Lab, teaching digital art making to members of the community who are part of the "digital divide" based on socioeconomic conditions, race, and age.	\$5,000.00
2019	Town of Mint Hill	To support a series of Family Fun Nights, featuring music, festivals and celebration, for relevant cultural programming in Mint Hill.	\$5,000.00
<i>Total District 6</i>			
Grand Totals			\$15,290.00
			\$599,425.00

Building the Cultural Capital of the South
***Securing Resources to Establish the Preeminence of Charlotte-
Mecklenburg's Arts, Science & History Community in the 21st Century***
December 2018

Designated Revenue Study Committee

Stacey Anderson, Co-Chair, Wells Fargo
Darrel Williams, Co-Chair, Neighboring Concepts
Jason Benoit, Duke Energy
Kathryn Black, Bank of America, ASC Board
Hazen Blodgett, Town of Matthews
Richard Carter, CPA, former board chair Raptor Center & Gantt Center
Patsy Kinsey, former City Council member & County Commissioner
Morgan Rogers, Parker Poe, past chair Art + Board
Denytra Whitner, ASC Board
Tom Zweng, Discovery Place Board

Support Staff

Robert Bush, ASC
Toni Freeman, ASC
Susan Gary, ASC
Brent Gilroy, Public Affairs Communication & Project Facilitator
Sarah Hazel, City of Charlotte
Kathryn Hill, Levine Museum
Leslie Johnson, Mecklenburg County
Doug Singleton, Charlotte Ballet

Background

Established in 1958, the Arts & Science Council of Charlotte-Mecklenburg's (ASC) united arts fund effort became the primary financial driver of the growth of the Charlotte-Mecklenburg cultural community over the next 50 years.

The united fund effort relied primarily on corporate giving until the mid-1970s, when local corporations and businesses began conducting employee campaigns and local governments began appropriating their cultural programming funds to the ASC to distribute to grantees. Local government also designated ASC as its local arts agency at this time and began appropriating funds to ASC to distribute in combination with private funds to cultural organizations. At its high point, in 2007, the ASC campaign raised more than \$11.5 million, with over \$7.9 million of the total coming from individual gifts through the workplace. Clearly, workplace giving was the driving force in the growth and development of the local cultural sector, and ASC and Charlotte-Mecklenburg emerged as a national model for combining public and private support to fuel arts and cultural investment. This vision of community leaders should be celebrated for what has been achieved in building a cultural community that is the envy of much of the nation.

However, the united arts model achieved sustained success in only a few of the US municipalities where it was adopted. Over time, individual giving to workplace campaigns declined, as donors increasingly sought to direct philanthropic dollars to organizations of their choosing. Further, cultural organizations that relied on the united arts model for support did not build strong internal fund-raising programs or foster deep relationships with individual donors, both of which are critical components of successful philanthropic programs and the hallmark of philanthropic support for arts and culture nationally. The united arts model continues to decline nationally while the role of the local arts agency in cities and counties across the US has seen growth in local government support and/or designated tax revenue sources that support the local cultural sector.

In early 2013, civic, corporate, and community leaders in Charlotte-Mecklenburg saw a need to reconsider the current cultural sector funding model, which was no longer adequate to support a vibrant, inclusive cultural life for all residents. The timing of this work was critical; local arts, science, and history non-profits endured a decade of budget reductions due to flat or declining support from public and private sources. This was exacerbated by the severity of the 2008 financial downturn, which increased the decline in what had been the primary driver of contributed revenue to the sector – workplace giving through the ASC annual campaign.

Still facing the effects of the 2008 recession, ASC along with its public and private supporters launched a study of the sector in 2014 to consider new funding models, guided by three time-sensitive developments:

- The funding model to support *existing* well-established – as well as emerging – cultural programs and organizations was eroding rapidly, especially in providing unrestricted operating support which was, and continues to be, ASC’s primary granting function.
- Through the 2012 Cultural Vision Plan process, local residents had expressed widespread desire for *expanded* cultural opportunities – particularly innovative, neighborhood-based and educational programs.
- Like many for-profit businesses, the cultural sector needed to adapt to rapid changes in regional demographics, audience expectations and emerging technologies. Cultural organizations are confronting an immediate need to re-think every facet of their programming, as well as their business models, to help assure long-term sustainability. Their need for unrestricted funding during this time of change becomes increasingly critical.

In the Spring of 2018, ASC convened a Designated Revenue Study Committee based on a key recommendation of the 2014 Cultural Life Task Force— *that the community develop and implement a strategy for a reliable, long-term designated public funding source for the cultural sector, drawing on lessons learned from peer cities nationwide.*

The all-volunteer Committee was charged with studying the concept, including a review of cities with designated revenue streams already in place, and identifying the best option, or options, for addressing long-term funding challenges facing Charlotte-Mecklenburg’s cultural sector. The Committee’s basic goal was to secure appropriate, stable, and growing public-sector support for the work of ASC and the many cultural organizations whose work it supports and facilitates and ultimately make recommendations in this regard to the ASC Board, to City of Charlotte and Mecklenburg County officials, to other key civic and cultural partners, and to the broader community.

Committee members examined numerous funding issues facing ASC and the entire Charlotte-Mecklenburg arts, science, and history community, along with the evolving challenges that cultural organizations must address as they serve a population that is growing rapidly while at the same time becoming more ethnically and culturally diverse.

The Committee also explored a variety of designated tax-based revenue streams utilized across the US to support arts and culture including property tax, occupancy/hotel tax, admission tax, car rental tax, cigarette and liquor tax, sales tax and income tax.

Commitment to Cultural Equity

In moving to a broader public funding platform for the arts, science and history sector, the societal benefits of work performed by ASC and the Charlotte-Mecklenburg cultural community must be demonstrated in a compelling way. ASC and the cultural community will need to clearly define how cultural and social equity issues will be addressed, reflecting priorities laid out by the Charlotte Mecklenburg Opportunity Task Force. To support a full and vibrant cultural life for all, ASC and its cultural partners must commit to championing policies and practices of cultural equity that empower an inclusive and equitable community. ASC and its cultural partners must engage all communities (geographic, racial, educational and socioeconomic) and support the role of all arts, science, and history providers in achieving cultural equity.

Designated Revenue Recommendation

The Committee determined that pursuing a designated revenue stream from public sources would provide the resources required to propel the Charlotte-Mecklenburg cultural sector to new levels of service to both residents and visitors alike, while also providing the stimulus to expand economic development and opportunity to all sectors of the community. The Committee recommends that:

The residents of Mecklenburg County should be asked to approve a new source of annual funding to support the cultural sector through a designated portion of an existing quarter-cent sales tax throughout Mecklenburg County, as authorized in 2009 by the North Carolina General Assembly, with the cultural sector receiving 1/10th of a penny (40 percent of the annual proceeds from that tax).

The Committee's analysis indicates that, at the current level of sales tax collections in Mecklenburg County, a 40 percent share of the additional quarter-cent levy would generate an estimated \$20 million to support cultural activities in the initial year.

The allocation of funding from the designated revenue stream will require input from all stakeholders including government officials, elected representatives, private sector leadership, cultural sector leadership (volunteer and professional), creative individuals and – most importantly – the community.

The Committee determined that this revenue would replace current annual support to ASC from both its annual private fund-raising efforts as well as the general funds of the City of Charlotte, Mecklenburg County, and the towns of Cornelius, Davidson, Huntersville, Matthews, Mint Hill, and Pineville. It also would counter the loss of income that has occurred via recent shifts in corporate and individual giving models and – as sales tax receipts grow over time – help the cultural sector address the community's growing and more complex needs.

Imposition of the quarter-cent sales tax would require:

1. A favorable majority vote by the Mecklenburg County Board of Commissioners to seek a public referendum on the tax; and
2. Approval from Mecklenburg County voters, by a simple majority, of that referendum question. Additionally, Mecklenburg County commissioners would have the authority to determine how the benefits of that tax are distributed – not only for the work of the ASC but also for any other purposes deemed appropriate by the commissioners.

Management & Oversight Recommendations

ASC – in its role as the designated local arts agency for Mecklenburg County, the City of Charlotte and Mecklenburg’s six towns – should be responsible for management and distribution of these public funds under the oversight of its Board of Directors.

To assure openness and transparency in its management of revenue obtained from the designated revenue tax, ASC should remain a 501 (c) 3 organization but the proposed changes to its funding and business model require the ASC Board, with input from all stakeholders (government officials, elected representatives, private sector leadership, cultural sector leadership - volunteer and professional, creative individuals and – most importantly – the community), to embark on a planning effort to define its role as a local arts agency for the 21st century, not merely a layering on the old business model.

ASC should receive an administrative fee for the management of this program.

ASC should establish a reserve fund equal to 50 percent of annual receipts from the designated revenue tax to guard against unexpected variances in revenues.

Additionally, if the designated revenue system is approved by the voters, ASC should no longer raise unrestricted annual funds to support its grants programs. This will allow the individual cultural organizations to independently raise private funds and no longer compete with the former ASC effort.

In considering the degree of management and oversight that would be given to ASC over proceeds from any designated revenue stream, it is important to remember that in contrast to some other cities ASC is Charlotte-Mecklenburg’s *only* umbrella organization for promoting and fostering the cultural community’s health and growth. Other communities have entirely separate organizations --- sometimes actually a municipal government agency, in other places another non-profit – to oversee distributions for certain purposes or to handle economic and opinion research, or other functions.

Anticipated Results

- Increased access and public participation in cultural activities across Charlotte-Mecklenburg strengthens our community.
- Support for both legacy and developing/emerging cultural organizations ensures high quality arts, science and history programming.
- Support and recognition of creative individuals who live and work here ensure a strong foundation of creativity and innovation.
- Cultural development in all towns, communities, and neighborhoods provides a vibrant cultural life for all focused on building community, bridging differences between social and economic groups, innovative and relevant programming for our changing population, and enhancing the role the cultural sector plays in increasing social capital in alignment with the Leading on Opportunity efforts.
- Strengthening Cultural Education for all children and youth through in-school experiences and restoration of out-of-school learning experiences ensures our children have the creativity and critical thinking skills required for the 21st century economy.
- Investing in cultural activity supports jobs and generates government revenues through tourism and increased economic development.

Conclusion

Based on their detailed review and discussions of the options, members of the Designated Revenue Study Committee unanimously recommend that ASC and other parties dedicated to the vibrancy and growth of the Charlotte-Mecklenburg cultural community move expeditiously to secure the additional quarter-cent sales tax already authorized by the North Carolina General Assembly, with 40 percent of its annual proceeds devoted to providing a reliable, long-term dedicated public funding source for the cultural sector via ASC.

Committee members are convinced that creation of this dedicated public revenue stream is essential to sustaining and expanding a strong and diverse array of cultural activities throughout the community that enhance the quality of life for all our residents and encourage new businesses and individuals to make this area their home.

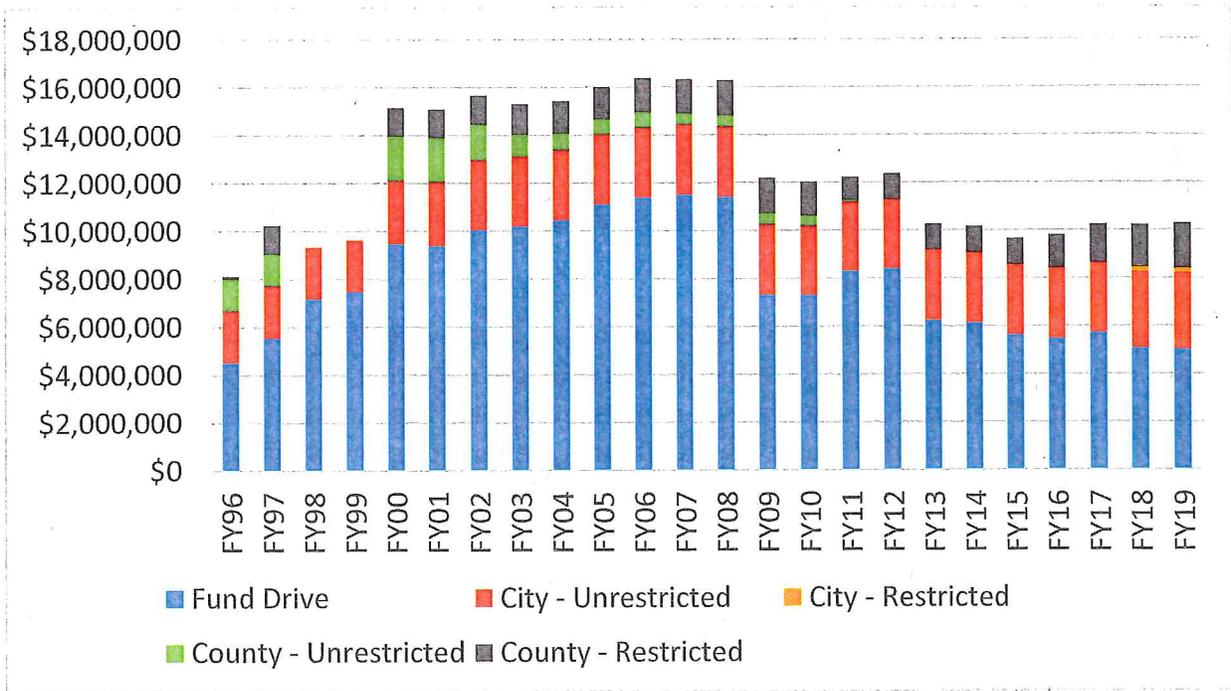
Key Findings

Why the Cultural Sector Seeks Designated Public Funding

During its 60-year history, ASC and its cultural partners have operated under a model that drew financial support from both public and private sources. However, in recent years, changes in both corporate and individual giving practices – and the uncertain nature of year-by-year allocations from local governments – have made that long-standing model unsustainable.

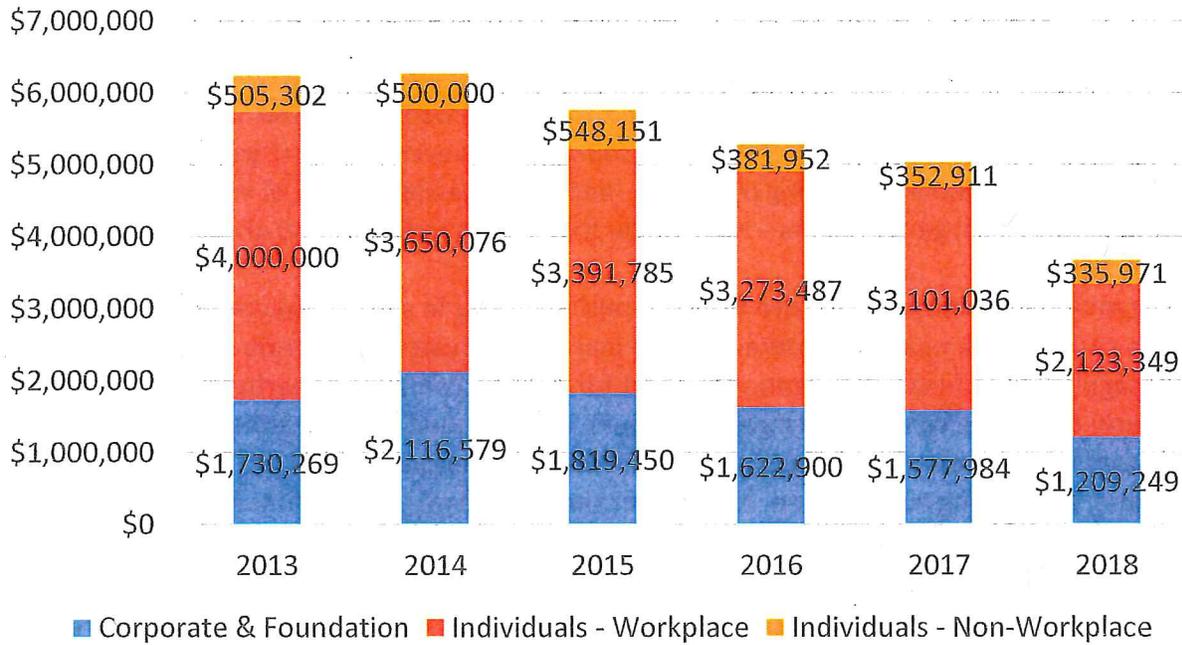
ASC’s traditional business model also involved raising money in a short annual window – largely through corporate campaigns centered among major employers – and distributing a significant percentage of those funds as operating support for a limited number of partners. Today, those short-term corporate campaigns largely have been discontinued by the business community, supplanted by year-round contributions to ASC from both companies and individuals. At the same time, total giving has declined. Also, under the traditional system, cultural partners were not effectively encouraged to build their own capacity for developing contributed revenues.

Historical Funding to ASC From Public & Private Sources



Note: County – Restricted funding includes designated pass-through support for Spirit Square operations. Graphic does not include City’s direct facility operating expense for city-owned facilities or public art appropriations, endowment, or miscellaneous revenues.

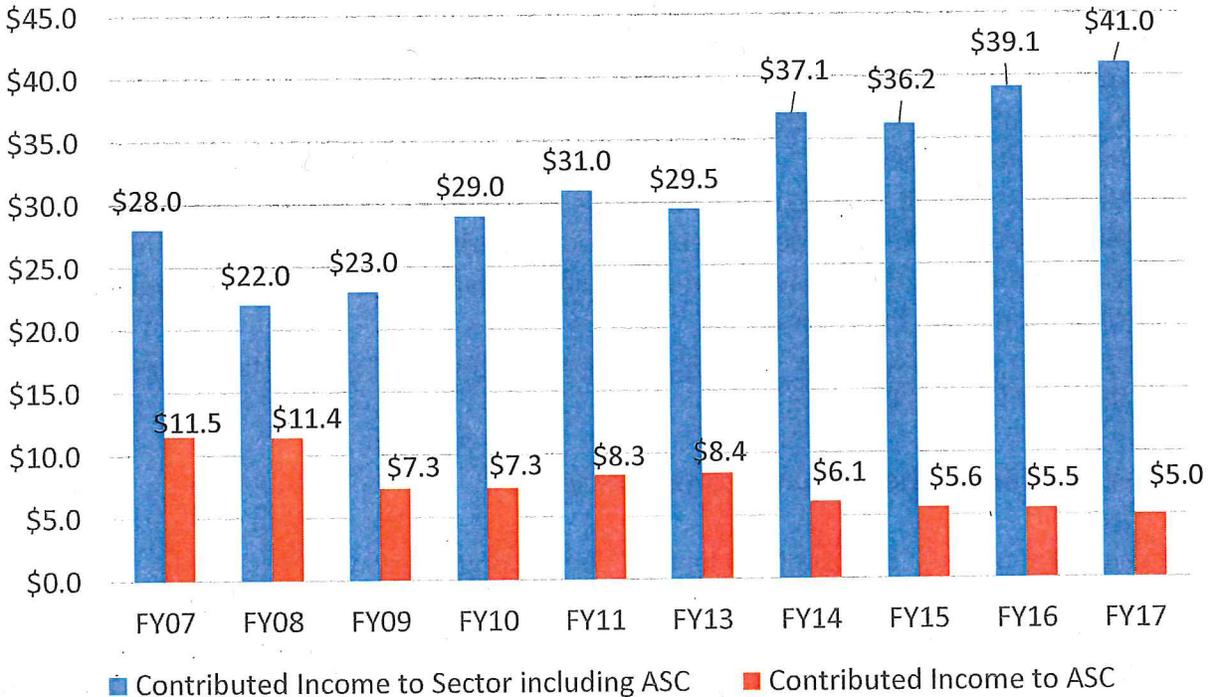
Changes in Funding to ASC from Private Sources



Public sector support for ASC – from the City of Charlotte, Mecklenburg County, and the town governments within the county – has grown over time, but also has been uneven and unpredictable. Government support for the arts and culture competes during annual budget cycles with the myriad other priorities of a large and rapidly growing urban community. Consequently, public sector funding has ebbed and flowed at times, and certainly has not seen reliable growth.

As predicted in the 2014 Cultural Life Task Force Report, giving directly to local arts and cultural institutions is occurring; however, these dollars are seldom unrestricted operating support and mostly are project related. The decline in private sector giving has resulted in less unrestricted funding to groups to keep the “doors open and lights on,” and project funding is primarily focused on the large legacy cultural groups – not on mid-size, small and emerging groups who have not developed the infrastructure to raise significant funds on their own.

Direct Giving to Cultural Groups Is Accelerating
Total Giving to Cultural Groups Including ASC in Millions



ASC’s current effort to secure a reliable, growing source of public sector revenue is part of the organization’s larger effort to reinvent and modernize its systems for supporting the cultural community via financial and other means. It is an integral part of efforts to make the Charlotte-Mecklenburg cultural community more vigorous and innovative and be more responsive to the evolving needs of a growing and increasingly diverse community.

Committee Charge & Long-Term Goals

Reflecting the history of local funding models for the cultural sector and the challenges the sector faces today, the Committee’s charge was to:

- Evaluate designated revenue source options for ASC
- Identify a preferred model – including its basic structure, funding eligibility requirements, and type of funding source – that will:
 - Replace the current annual local government funding to ASC (from Mecklenburg County, the City of Charlotte, and the towns of Cornelius, Davidson, Huntersville, Matthews, Mint Hill and Pineville).
 - Restore losses in annual private sector funding as ASC’s united arts fund model has undergone changes in employee campaign giving.
 - Allow for annual growth.

Committee members identified indicators of the success of their work, over the long term, for the local arts and cultural community. Among their key points were:

- The cultural community will devote less time and effort to fundraising and more to investment in innovation and marketing.
- There will be a shared vision of what arts and culture should be among city and county officials, ASC, cultural partners, and other community leaders.
- Cultural offerings will bolster tourism and become critical components of the educational system.
- Organizations will be able to provide access to their offerings in more neighborhoods, at all price points (including some free events) and during more hours/days of the week.
- The funding system will have sufficient flexibility that it can be adapted to evolving circumstances in the years ahead.
- Charlotte will become the “Cultural Capital of the South” – an aspiration expressed in the 1998 Cultural Plan.

Observations from the Cultural Community

Representatives of nine Charlotte-Mecklenburg cultural organizations addressed the Committee, outlining the opportunities and challenges facing the creative community and defining the ways unrestricted funding from ASC – made possible in large part via adequate, dependable, and growing public funding – is critical to both the survival and growth of their work. At the Committee’s request, presentations were made by representatives not only of large, well-known organizations but also of the smaller and mid-size groups that often focus their work in neighborhoods outside the central city.

Key observations from that group included:

- Predictable, long-term funding with sustainable growth is essential to all organizations’ success.
- All financial pillars for local arts and culture currently are eroding – including support from national institutions such as the National Endowment for the Arts and the National Endowment for the Humanities. Individual support is very competitive and Charlotte, unlike many longer-established major cities, lacks a network of large family foundations (e.g., the Lilly family in Indianapolis, or the Mellon Foundation in Pittsburgh).
- Future success depends on building community support. One key is experimenting with new ways to deliver content.
- Baseline funding from ASC helps foster a commitment to artistic excellence that allows Charlotte to attract and retain artistic talent.
- Unrestricted funding keeps cultural resources affordable, and therefore accessible.
- ASC’s unrestricted support strengthens and promotes the organizations’ sustainability. It is difficult to get donors – particularly on the corporate side, where recognition tied to

specific, highly visible cultural offerings is a priority – to support basic costs for employees and facilities.

Committee members heard presentations from representatives of leading cultural umbrella organizations from outside the Charlotte Region, outlining numerous public funding models considered, adopted, and employed by local arts organizations nationwide. Presentations were made by representatives of:

- **Americans for the Arts** (a Washington, DC-based nonprofit organization devoted to advancing the arts in the United States) – The group has found that arts and culture enjoy bipartisan political support, even amidst an otherwise-polarized political environment. Arts and culture also constitute the fastest-growing sector for charitable giving. Nationwide, 60 percent of revenue for nonprofit arts and culture is earned revenue; 30 percent is corporate and private sector giving; 10 percent is from government funding.
- **Denver Scientific & Cultural Facilities District (SCFD) Denver, CO** – A 1/10 cent sales tax supports all disciplines, including more than 300 arts, science, and cultural organizations (but not historical facilities, education or broadcasting). This is a seven-county, regional approach, with some counties having their own government arts agencies. Denver focuses on social impact, with thousands of free events annually; 13.9 million people attend cultural events annually, including 3.9 million students in 2015.

SCFD is limited to use of 1.5 percent of total tax receipts to cover management and oversight of grants - \$840,000 in 2018, which only covers a staff of 6 to manage over 300 grants to organizations totaling over \$62 million. SCFD limited in the additional services it can provide but does manage the Scientific & Cultural Collaborative, maintains a database on behalf of the sector, and publishes a Directory.

The City of Denver has a separate Office of Arts & Venues, with a budget in excess of \$29 million, which also grants funds, manages the City's public art program, conducts research and data collection, manages SCFD Tier III local grants, funds educational programs/field trips, produces community events and operate Red Rocks Amphitheater, the Convention Center, the Denver Center for the Performing Arts, the McNichols Building, and the Coliseum. The Office of Arts & Venues is not funded by the SCFD except for the grant funds distributed to SCFD Tier III organizations. SCFD leadership reported that the restrictions on funds to manage the tax receipts is no longer adequate and they are exploring other options.

- **Cuyahoga Arts & Culture (CAC) Cleveland, OH** – A dedicated excise tax on cigarettes (30 cents per pack) in Cuyahoga County generates \$13-15 million annually. Two referendum campaigns failed when messages were focused on economics, but a shift to emphasize educational benefits (based on extensive opinion research) eventually secured voter approval on the third attempt. However, the choice of an excise tax on cigarettes has proved problematic, as the decline in smoking is steadily depressing revenues.

CAC is not limited by a cap on the per cent of tax revenues that can be spent on management and oversight. However, they strive to stay around 10% of the total revenues for its operations, approximately \$1.5 million which cover a staff of nine, all of whom are government employees with same benefits as all public employees in Ohio. CAC is also limited in providing services beyond regranting. A separate organization, funded by CAC and others – Arts Cleveland – provides research, data collection, training and advocacy services. Arts Cleveland’s budget has been between \$1.8 – \$2.2 million in recent years.

- **San Francisco Department of Cultural Affairs (SFCA) San Francisco, CA** -- Established in 1932, the Arts Commission received almost \$18 million in FY18 from the city’s general fund. The Cultural Equity Endowment Fund, established in 1993, assures that about 200 smaller groups receive shares of the money (almost \$4 million in FY18). In the November 2018 election, 74 percent of San Francisco voters approved Proposition E, which will devote 1.5 percent of revenue from the city’s base hotel room tax (8 percent) to arts and cultural programs. An earlier link between that hotel tax and cultural funding was severed in 2013 over concerns that, because the tax had never been put to voters, it could be vulnerable to a legal challenge.

SFCA is the lead agency within a department of the City of San Francisco that also includes additional grant making and oversight departments with a combined budget in excess of \$100 million. SFCA’s total budget for 2018 is \$33.6 million and staff of 40 FTEs, all of whom are government employees with same benefits as all public employees in San Francisco, that manage and oversee grant making, public art, civic design review, policy development and gallery management for public buildings.

Other general observations by the four representatives of arts organizations from outside Charlotte included:

- Unrestricted operating support – along with project funding – is critical to the cultural sector.
- Travelers are looking for cultural authenticity (local/regional specialties).
- For students, involvement in the arts leads to improved academic performance.
- Transparency in the stewardship of public resources is a key to winning support for taxes that support cultural activities. Broad public access and impacts must be demonstrated.

Other Designated Revenue Options Analyzed by the Committee

In addition to the quarter-cent sales tax, the committee explored other potential revenue sources that ASC staff had identified as having the greatest potential to meet the cultural sector’s need for financial growth and stability. This included access to a portion of the Mecklenburg County property tax, creation of a new sales tax specifically to support arts and

cultural activities, a property transfer tax, and various excise taxes on products and services. Access to a portion of the quarter-cent sales tax already authorized by the NCGA was identified as, by far, the best vehicle for securing steady, long-term income to support the growth and vitality of the cultural community.