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Erie County Arts Board
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Good morning – thank you for the opportunity to present findings about the cultural applicants to Erie County for 2013 funding.

Introductions

Our report begins with some general comments about the arts and culture sector, then we will review the steps taken this year to establish a new advisory board and describe the process.

Research has documented numerous economic, educational and civic benefits from investing in the arts. The arts help communities to prosper. The arts are part of a well-diversified 21st-century economy. Along with nonprofit arts organizations, creative enterprises make significant contributions to our local economy, generating employment and tax revenues.

The arts put people to work.

The arts attract tourism revenue – and cultural tourism is a huge market. People who include arts and heritage in their trips stay longer and spend 1/3 more at their destinations than other kinds of travelers.

The arts are a rural development strategy.

The arts are a business magnet. Arts organizations purchase goods and services. Arts audiences also spend money on admissions, transportation, food, lodging, and souvenirs that boost local economies. The arts act as a magnet for businesses, attracting companies that want to offer their employees and clients a creative climate and an attractive community with high amenity value.

Why are the arts a good public investment?
Quoting a report for the national assembly of state arts agencies, "the arts are an important policy asset and prosperity generator… in addition to their inherent value to society, the arts offer a distinctive blend of benefits, including:

- Economic drivers
- Educational assets
- Civic catalysts
- And cultural legacies

Economic Drivers: the arts create jobs and produce tax revenue. A strong arts sector is an economic asset that stimulates business activity, attracts tourism revenue, retains a high quality work force and stabilizes property values. The arts have been shown to be a successful and sustainable strategy for revitalizing rural areas, inner cities and populations struggling with poverty.

Educational Assets: the arts foster young imaginations and facilitate children's success in school. They provide the critical thinking, communications and innovations skills essential to a productive 21st century work force.

Civic Catalysts: the arts create a welcoming sense of place and a desirable quality of life. The arts support a strong democracy, engaging citizens in civic discourse, dramatizing important issues and encouraging collective problem solving.

Cultural legacies: the arts preserve unique culture and heritage, passing precious cultural character and traditions along to future generations.

Incorporating the arts into economic revitalization, education, literacy, workforce development, tourism, community sustainability and social service plans improves the impact of other public policies and services.

The arts are a dynamic contributor to the small business sector. The creative industries are comprised of many talented workers who are self-employed, or employed by micro-enterprises. Non-profit organizations, too, are small businesses and play an important role in training creative workers and incubating artistic enterprises.

The arts are a hallmark of innovation. The arts are part of the county's creative capacity, spurring innovation and creating distinctive products and locales that attract tourists, businesses and residents alike. Creativity is part of Erie County's competitive edge in a modern marketplace where distinctive design and effective communications can spell the success of a business or policy venture.

Cultural organizations small and large also act as community hubs and catalysts for social cohesion and neighborhood revitalization

It takes a mixture of both public and private funds to support the arts. Although many citizens and companies contribute to cultural activities, the benefits of the arts cannot be fully realized without the unique contributions of government. In the marketplace or among individual donors, many motivations drive funding

decisions. In contrast, government investment serves the public interest and ensures that all areas of the community receive the benefits of the arts. Government support also:

- Provides fair access to arts resources, especially among underserved populations
- Accurately assesses cultural needs and assets, then organizes efforts to help achieve goals that are relevant to policy priorities
- Provides accountability, ensuring that funds are distributed according to public interest
- Reduces barriers to public participation in the arts, such as those linked to poverty, geographic isolation, limited education, lack of imagination, disability, age or ethnicity
- Public grant making emphasizes grass-roots arts development
- Priority is placed on programming, community outreach, long-term planning and other activities
- Fosters sound management practices by requiring applicants to adopt planning, evaluation and financial management systems
- Contributes to a distinctive identity through activities that celebrate and promote its artistic assets as export goods and magnets for travelers and investors
- Hone a competitive edge by fostering a creative work force, shaping an attractive quality of life
- Preserve cultural heritage as a legacy for future generations
- Build bridges across cultures, generations and geographies, supporting civic engagement and involving citizens in community and civic life

- Encourage other investments in the arts, catalyzing tax revenues, public and private investment, and entrepreneurial business practices that create a vibrant market for the import and export of Erie County's cultural goods
- Demonstrate accountability and good government by requiring sound management, planning practices and accountability standards that contribute to long-term financial stability

A study from the UB Regional Institute reported that the arts:

- **Generate hundreds of millions in local economic impact**
- **Returned almost $10 for every philanthropic dollar** contributed by public and private sources
- **Supported thousands of full and part-time jobs** in Erie and Niagara Counties
- Generated **million in sales taxes** directly to Erie County government
- **Attracted millions of visitors**, a level of attendance greater than the combined season attendance for the Buffalo Bills, Buffalo Sabres and Buffalo Bisons

History

- 35 years ago, in 1977 Republican County Executive Ned Reagan initiated county funding for the arts (Local Law No. 3-2006. Added by Local Law No. 1 1977).
- It was a new provision in the County Charter
- Successive administrations met this provision by working with an advisory board appointed by the County Executive
    - 4 Republican County Executives (Reagan, Rutkowski, Giambra, Collins)
    - 2 democratic County Executives (Gorski, Poloncarz)
    - Over all these years appointees from both parties served together in a non-partisan manner and protected their recommendation process from interference
- In 2010, the former Collins administration drastically reduced the level of operational support allocated to cultural organizations by Erie County
- County Executive Collins dissolved the Erie County Cultural Resources Advisory Board ("ECCRAB"), which was designed to make objective decisions on cultural funding levels.
    - All funding was cut to smaller organizations

- 10 larger organizations personally deemed regionally significant by the former-county executive were approved for Erie County grants

Erie Arts Board

- 13 members (smaller than former 20-25 member boards)
- appointed by County Executive Poloncarz
- 2 nominated by the County Legislature
- Is a balanced mix of financial, legal, education, management and arts advocacy experience
- highly qualified and well respected board members brought new attitude towards the culturals in line with the Poloncarz administration
- only 2 members with any prior service on an Erie County advisory board appointed by prior administrations
- conflict of interest policy discussed and all board members completed & signed form
- charge = evaluate organizations on their worthiness to receive public funding
    - Cindy Abbott-Letro (media consultant, Francis M. Letro Attorneys at Law),
    - Erin Bahn (Kavinoky Cook LLP),
    - Ted Brinson (Board Chair of Elim Christian Fellowship Church)
    - Anthony Chase (Assistant Dean of Arts and Humanities at Buffalo State College),
    - Karla Gadley (First Niagara Bank),
    - Thomas Hayes (M&T Bank),
    - Tod Kniazek (Executive Director of Arts Services Initiative of WNY),
    - Jennifer Persico (Mosey Persico LLP),
    - Lisa Ludwig (actress and owner of Free Fall Productions),
    - Jonathan Rivera (Key Bank),
    - Catherine Schweitzer (The Baird Foundation)
    - Sandy White (President, Mustard Seed Consulting Group), and
    - Kevin Zanner (Hurwitz & Fine PC).

The Department of Environment and Planning's Division of Planning provides:

- financial assistance and
- strategic focus and
- direction to Erie County's cultural sector

- to promote the economic and cultural benefits of the County's tourism, arts, culture, and heritage industry.
- Supervises advisory board process

Process

- Undergo re-creation of a funding process after elimination of the Advisory Board

- duty of advisory board is to study conditions, with particular reference to the policies and programs in Erie County, and to report its findings and recommendations to the county executive, who shall forward the same together with any comments he or she may choose to make, to the county legislature.
- 66 applications were organized by budget size into 4 committees
- Smallest organizations or eligibility questions were assigned to staff
- Board members were assigned to serve on one committee
- One board member on each committee was asked to serve as leader
  - Jenifer Persico
  - Ted Brinson
  - Karla Gadley
  - Tom Heltz
- Every board member was familiar with the narrative s of all 66 applicants
- First step = Determine if eligibility was met, application complete
- Capital requests were not permitted
- No site visits or interviews
- No appeal process
- Sub-committees met several times to discuss applications and assign values based on shared observations
- Full board met to review observations, discuss, adjust scoring among and between groups
- Raw Scoring was simplified into star system to accommodate range of difficulty applied by some reviewers, the capacity of organizations, the size of organization, etc.
- 3 stars are highest – scores below 20 were not recommended for funding

Eligibility Requirements & Qualifications for Applicant Organization

- Must be physically located in Erie County & provide services in the County
- Be a 501 c 3

- Demonstrate minimum of 3 years of operations & financial records along with tax exempt status prior to July 2009
- programs open to the public
- have an organizational Data Profile in cultural Data Project (or 1 time waiver/exemption)
- board approved strategic plan
- meet at least 1 of the following definitions of a cultural organization:
    - operates on a countywide or recognizable community level, which by its nature of its cultural activities and/or collections, is unique, distinctive and of significant quality; **OR**
    - an organization that provides visitors with access to programs and displays of the performing, visual, literary and media arts, and/or to exhibits and collections, which preserve and interpret our cultural, natural and scientific heritage; **OR**
    - an organization that particularly serves the cultural needs of significant segments of the County population, thereby contributing to the quality of life in Buffalo & Erie County

Required Attachments

- IRS determination letter
- Bylaws
- List of all current board members
- 2013 Proposed Operating Budget
- 2013 Proposed Cash Flow Statement
- 2014 Projected Operating Budget
- Capital budget if applicable
- Copy of most recent 990 or proof of 990-N filing
- Board approved strategic plan
- Most recently filed NYS annual Filing for Charitable Organizations & all supplementary schedules
- CDP Funder Report containing two most recently completed fiscal years

Applications were due at the Department of Environment and Planning by 5:00pm on July 6, 2012

Late applications were not accepted
Incomplete applications were given one week to complete

Applications For Erie County's 2013 Cultural Funding

- streamlined and newly-organized three-page application, developed with input from cultural organizations
- included use of technology – Cultural Data Project for financial information
- clearly stated eligibility requirements,
- twelve essay-style questions, with management focus on:
  - organizational mission
  - programs, and services
  - organizational planning and evaluation
  - organizational governance and staffing
  - organizational reports on marketing and attendance

Summary Review

66 applicants/57 recommended for funding /14 new organizations

- Quality of applications was high
- Cumulative effect of County long term investment and Fund for the Arts Initiative was obvious

5 Groups

Group 1: Operating expense budget @$20,000 to $125,000
16 organizations in group
3 stars – 7
2 stars – 4
1 star – 5

Group 2: Operating expense budget @ $150,000 to $350,000
11 organizations in group
3 stars – 5
2 stars – 6

Group 3: Operating expense budgets @$400,000 to $700,000
14 organizations in group
3 stars – 5
2 stars – 8
1 star – 1

Group 4: **LARGEST** Operating expense budgets @ $750,000 to $16,000,000
13 organizations in group
3 stars – 6
2 stars – 6
1 star – 1

Group 5: **smallest** budgets; internal review by staff
4 organizations
2 star – 2
1 star – 2

SUMMARY Star System

1 star	8
2 stars	26
3 stars	23

Note Geographic diversity
City of Buffalo
Tonawanda
Cheektowaga
Derby
East Aurora
Amherst
Hamburg
Lancaster
Fruit Belt
Springville

Organizational type
Non-profits, independent, several public/pvt partnerships

Budget size
Largest applicant budget at $16 million, smallest at $5,000

Erie County Capital Investment in sector

major capital investments in:

- Buffalo Zoo, $4 million
- Frank Lloyd Wright's Darwin D. Martin House Complex
- Botanical Gardens of Erie County, $13 million
- Other projects

Cultural Sector includes:

- Living and natural collections, performances and exhibits, classes, all ages
- Partnerships, collaborations, shared services
- Strength & depth in art and culture as well as in management, governance, fund raising, earned revenue, media coverage
- Organizations are intertwined with tourism from outside the region and visitorship within the region, both of which serve to positively promote the attractions, grow revenue for the county through sales tax
- Neighborhood, regional, national & international significance
- Music , Dance, literary & book arts; film, video & photography; African-American history & culture, theatre, military & maritime history, neighborhood art classes, natural history, galleries & museums, national landmarks & historic sites, Presidential history and the American campus of the Arts & Crafts movement

Accreditation – nationally significant, rigorous process, very few achieve it

- Albright Knox
- Buffalo History Museum
- Burchfield
- Science Museum
- Zoo

Highlights

- Squeaky Wheel Channels program on VIMEO, stories from the Niagara Frontier, is available to 35 million; invited to Minnesota to a national conference titled "Leading Creatively" to present their innovative community programming
- Springville Center for the Arts I working with their Downtown Economic Development Group to coordinate gallery openings and receptions, they

have temporary exhibits in hardware stores, copy shops and consignment stores.

- TOY celebrates a 40th anniversary, including rebirth of the historic Allendale theatre and is the only professional theatre in Erie County dedicated to creating live theatre experiences for children and families. NCCJ award stated "Toy seeks out and employs ethnically diverse staff and actors for the stage to reflect the cultural landscape of the audience...the stage productions are magnificent and help teach 'life lessons' about people who are 'not like us' and shows children how to overcome obstacles and work together".
- African American Cultural Center is known as the "Gatekeeper for Urban Generations" because they serve 3rd & 4th generations in the community. They also serve as the fiduciary agent for 23 programs and special events.
- Musicalfare 1990 – 22 (winner of 90 Artie Awards)

Visitors = 150,000+ at Science Museum
BPO 120 concerts, 173,000 visitors including 40,000 children
Zoo planning for 450,000 visitors in their "Zoo for All Seasons"

Press Coverage

- Toronto Star "Buffalo has a thriving theatre scene"
- NYT included Shakespeare in Delaware Park, the second oldest and one of the largest outdoor Shakespeare festivals, as one of only 7 NYS theatres listed in their "Summer Stages" article

Requested Purpose of Grants:
Collections care, cataloguing, and exhibit development; marketing; building sustainable revenue; board development; staffing levels; growing audiences

Supporting cultural institutions simply because they exist is imprudent
28 organizations = 30+ years old – a result of the sustained investment by Erie County and others.

Cumulatively, Erie County now has a significant asset recognized by the Regional Institute, Brookings institute, Federal Reserve Bank and Gov. Cuomo's new initiative "Pathways thru History".

Dana Gioia, former Chairman of the National Endowment for the Arts under President Bush, described arts and culture in the U.S. "One decade's high-flying leader can suffer huge reversals the next – just as in corporate America," he said, adding that the quality of the organization is the only guarantee of its survival. "The best institutions make themselves irreplaceable in their chosen fields."1

Highlight a few of our seasoned "irreplaceable" cultural institutions especially because they have figured out how to sustain their quality for more than 3 decades.

Age

AfAmer Cultural 1958 – 54 yrs old
Albright Knox 1862 - 150 - older than the Met in NYC
Alleyway 1980 – 30+
American Legion Band 1929 - 65 yrs old(national 18x & international champions 6x, state since 1947)
Buff Arts Studio – 1992, 20 yrs old
Neglia/Ballet Artists 1994 - 18
Big Orbit 1991 – 21
Botanical Gardens 1895 – 117
Buffalo History Museum 1862 – 150
Buffalo Inner City Ballet 10 yrs
Buffalo Music Hall of Fame 2000 – 12 yrs
Buffalo Naval Museum 1976 – 36
Buffalo Philharmonic Chorus 1937 – 75 yrs
Buffalo Philharmonic Orchestra 1935 – 77
Buffalo Museum of Science 1861 – 151 yrs
Buffalo Transportation Museum 1997 – 15 yrs
Burchfield Penney 1966 – 46
CEPA 1974 – 38
Community Music School 1924 – 88 yrs
El Buen Amigo
El Museo 1977 - 35
Explore & More 1994 – 18
Friends of Vienna 1976 – 36
Graycliff 1997 – 15 yrs
Hallwalls 1975 - 37
Just Buffalo 1975 – 37
Kavinoky 1980 – 32
Lehrer Dance 2007 - 5
Penn Dixie 1993 – 19
Irish classical 1990 - 22
Jewish Repertory theatre 2002 – 10l
Lancaster Opera 1975 – 37 (started as a Bicentennial project)
Locust St 1959 - 53
Darwin martin House 1992 – 20
Michigan Street Preservation Corporation 1996 – 16
Museum of Disability History 1998 - 14
Music is Art 2003 – 9

Musicalfare 1990 – 22 (winner of 90 Artie Awards)
NETO 1992 – 20
New Phoenix 1996 –
Niagara 1812 Bicenntennial 2007 – 5
Orchard Park chorale 1975 – 37
Polish arts Club 1945- 67
Road Less Traveled 2003 – 9
Roycroft 1989 – 23
Shakespeare 1976 – 36
Squeaky Wheel 1985 – 27
Subversive Theatre 2002 - 10
Springville Center for the Arts 1998 - 14
Theatre of Youth 1972 - 40
Theodore Roosevelt Inaugural Site 1971 - 41
Torn Space Theatre 2003 - 9
Ujima 1978 - 34
WNY Artists Group 1994 – 18
WNY Book Arts 2006 - 6
Young Audiences 1952 – 50
Zoo 1875 - 137

In Regional Institute report:

"Public support for art, culture, tourism should not know the bounds of political parties, but should be a unifying effort that is not limited to an individual or an elect ion cycle. "

- Local Foundation Director

In Erie County the art and culture and heritage industry's diversity and scope is its distinguishing factor, a tourism draw and an asset in the new, knowledge-based economy. A stable source and fair level of support can be seen as not only a foundation for the cultural industry, but an investment in regional economic growth.

Questions?