

BREAKING THROUGH: A Call to Action to Grow the City's Creative Sector Quick FAQs

New Orleans Creative Economy Growth is dramatic.

Between 2010 and 2013 New Orleans employment in the Creative Industries grew by 14%

- The cultural sector encompasses about 13.7% of New Orleans jobs
- This growth is far above the national average
- The cultural sector is one of the few areas that has seen positive economic development between 2002 and 2013
- The city collected \$76 Million in sales taxes (44% of the total collected) in 2013 from cultural businesses

What do we need to do to further promote growth of the New Orleans Creative Economy?

- Better define the creative industries sector
- Improve statistical data on scope and impact of the industry
- Increase and broaden awareness of scope and impact of industry
- Increase understanding of linkages between creative industries and other economic sectors
- Help New Orleans students and citizens understand educational and career opportunities of the creative and related industries
- Secure reliable, dedicated funding (public and private) to support growth of the industry.
- Develop a multi-disciplinary constituent base and coalition of support for industry growth
- Greater funding to creative industries in New Orleans in particular means increased revenue to the city through tourism
 - Cultural tourists spend on average 10-20% more, are more likely to stay in a hotel, and travel for longer periods of time
 - Over 65% of adults who travel more than 50 miles from home attend cultural events when they travel
- Increased jobs
 - Greater funding in the creative industries increases employment through sustained job opportunities
- Increased Development
 - Through the construction and maintenance of cultural centers
 - Through the resurgence of neighborhoods where thriving, supported cultural centers are based

Why a Coalition?

- Develop broader based public commitment for dedicated funding in the creative industries
- Clarify that support for the creative economy extends well past the arts community
- Tap greater resources of other sectors in developing an effective campaign for greater funding
- Extend the network of public, private, and civic support through other sectors
- Increase legislative and general political clout of constituent base

Who can be part of a Coalition?

- Stakeholders and interested parties from across all sectors of the New Orleans community to research, address, and move forward sustained, dedicated funding for the creative industries in New Orleans

What are the Jobs of a Coalition?

- Provide clear messaging by a united front of sectors including cultural and economic development, business, educational, public, private and civic
- Provide solid research as to the viability of a dedicated funding source
- Determine how to secure sustainability of a dedicated funding source
- Develop and implement policy and organizing strategies to establish a coalition, garner better understanding of the creative industries sector and the need for and potential value of dedicated funding sources for the creative industries
- Research alternative infrastructure alternatives for administering a fund and allocating funds
- Develop policies for priority uses of funding such as operating, programming or marketing uses
- Establish policies for diversity, transparency, fairness in distribution of funds

What are some Potential Dedicated Funding Sources?

- City Endowment for the Arts
- Hotel-motel tax percentage
- Sales tax
- User tax
- Car rental fees
- Video rental
- Cable TV
- Admissions taxes
- Property tax
- Liquor, gambling, cigarette taxes ("sin taxes")
- NOTE: One source of funding is never adequate
 - A combination of funding sources assures greater stability as the economy, budgets, and funding streams can fluctuate greatly from year to year
 - Revenue streams often yield radically disparate amounts of funding
 - Funding sources can be restricted depending on where they come from

Examples of Cities with Dedicated Funding for the Arts

- Albuquerque, NM (sales tax for the arts)
- Charlotte, NC (car rental tax)
- Chicago, IL (considering sales tax)
- Columbus, OH (hotel tax; \$3 million to arts)
- Denver, CO (sales tax; \$40 million to arts)
- Ft. Lauderdale, FL (music/movie rental tax; \$837,000 to arts)
- Houston, TX (hotel tax; \$7-9 million to arts)
- Long Beach, CA (hotel tax; \$600,000 for the arts)
- Miami-Dade County, FL (hotel tax; \$3.1 million to arts)
- Pittsburgh, PA (sales tax; \$7 million to arts)
- Sacramento, CA (hotel tax; \$425,000 to the arts)
- St. Louis, MO (hotel tax: \$4.5 million to arts; property tax: \$60 million to arts)
- San Francisco, CA (hotel tax; \$31 million to arts)
- Seattle, WA (county hotel tax; \$7 million to arts)
- Wichita, KS (property tax; \$2.6 million to arts)

Why New Orleans can achieve greater support and dedicated funding for the Creative Industries: It has been done in many other cities with less cultural resources as well as within other sectors of New Orleans!

- More than 50% of American cities have funding dedicated to the Creative Industries that do not come from the private sector
 - Funding ranges from \$80,000 to \$70 million dollars annually
 - **The tourism, education and economic development sectors of our city have already proven their capability to achieve dramatic and lasting reforms and progress**
 - A coalition to secure greater support and funding for the creative industries can work if the leaders of these other changing sectors unite to extend their successes to the creative industries sector