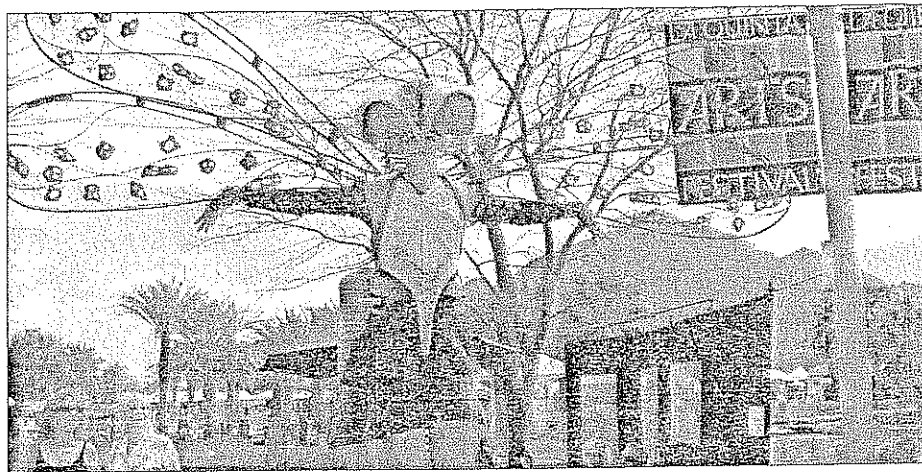


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SERVING ALL OF THE DESERT CITIES AND UNINCORPORATED AREAS OF RIVERSIDE COUNTY IN THE COACHELLA VALLEY

The art of business, the business of art: economic benefits of arts and culture events felt across the Coachella Valley



The La Quinta Arts Festival draws major crowds every year adding prestige and a jolt of cash to the region

By ALEX ALTMAN

Though frequently dismissed by members of the business community, the evidence is clear: as an industry, arts and culture has an enormous impact on our national economy. According to the most recent study undertaken by Americans for the Arts, a nonprofit organization devoted to advancing the arts in America, the nonprofit arts and culture industry generated \$166.2 billion in economic activity in 2005. That number represents the aggregate of \$63.1 billion in spending by arts organizations themselves, and an additional \$103.1 billion spent by their audiences. In Riverside County alone, arts and culture organizations spent \$41,073,193 dollars in 2005. Audiences added an additional \$26,800,820. This spending represents the equivalent of more than 2,000 full-time jobs, and \$3,060,000 and \$3,675,000 in revenue to local and state governments, respectively. And that is just in Riverside County.

Nationwide, local governments saw \$7.9 billion dollars in revenue from the industry in 2005, while state and federal tax revenues reached \$9.1 billion and \$12.6 billion. These astonishing figures are a powerful reminder that, particularly in a tourist destination like the Coachella Valley, the benefits of arts and culture events should be recognized and pursued as diligently as possible.

The valley certainly has a vibrant arts community, and this is reflected in its wide variety of well-supported and well-attended arts and culture events, among them the Palm Springs International Film Festival, the La Quinta Arts Festival, the Coachella Valley Music and Arts Festival, and Palm Springs Modernism Week. These events and others, which bring tens of thousands of visitors to the valley each year, are heavily relied upon by hoteliers, restaurateurs, retailers, and other tourism-related businesses that have come to count on arts event-related boosts in sales.

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"Obviously, visitors have a whole host of reasons to visit the Coachella Valley," says Lydia Kremer, in charge of public relations for Modernism Week, which takes place from February 13th through the 21st. "Palm Springs is an international destination with worldwide appeal, particularly during our season, when people from other parts of the country and around the world are suffering through miserable weather. What events provide is that additional enticement, that specific reason to physically travel here from all over the globe."

The desert's wide variety of arts and culture-related events draws attendees across all demographics, says Kremer. "For people considering a visit to the Coachella Valley, events help seal the deal."

Christi Salamone, Executive Director of the La Quinta Arts Foundation, points to the remarkable growth of the La Quinta Arts Festival as a testament to the allure of the arts in the valley, not to mention great news for the local economy. "The 2009 La Quinta Arts Festival will be the festival's 27th year," says Salamone. "Over that time, the festival's total annual sales have grown from \$35,000 in 1983 to over \$2 million per year in each of the last several years." The four-day festival, which takes place from March 12-15, hosts between 230 and 250 artists and attracts over 15,000 visitors each year. Revenues for the La Quinta Arts Foundation come from both ticket sales and a percentage of artists' sales. "Through last year," says Salamone, "the festival has generated \$27,231,760 in sales, and funded \$847,000 dollars in scholarships for local students." While it is difficult to predict how the grim economic climate will affect this year's attendance, Salamone is hopeful.

"Anecdotally, our Art Under the Umbrellas events have all been wonderful successes so far this season. They have all met their budget expectations, and

ticket sales of \$1,037,000 and 1,600 attendees. All passes for the festival sold out. Harold Matzner, Chairman of the Festival, called its performance "amazing in this economic environment."

But these revenues, while impressive, represent only a small portion of the benefit these events provide to the valley. Visitors who come to the desert for a specific event do not limit their spending to the event alone. They stay at hotels, buy meals, rent cars, visit retail stores. Travel industry research shows that cultural travelers spend both more money (\$631 vs. \$457) and more time (5.2 nights vs. 4.1 nights) at their destination, and are more likely to spend at least \$1,000 (18% vs. 12%).

For their part, vendors and festival organizers also spend on everything from power, lighting, and entertainment to waste services. And this money does not disappear once the goods or services have been purchased. Rather, it is re-spent in the valley numerous times, multiplying the benefits of the original expenditure. Ticket revenues are spent again on goods to be sold, or wages for vendors, construction, or maintenance workers, who in turn use their wages to purchase groceries, and so on.

With its wonderful climate, attractions, and quality of life, one of the most lasting benefits of these events is difficult to quantify: the continued exposure of the Coachella Valley to a new and growing population of visitors. As anyone who has watched a first-timer from Canada or the East Coast step off a plane and into our January sunshine can attest, visitors often develop a powerful, lasting relationship with the desert. Many will return, and some will even make the valley their full-time home. Modernism week, with its obvious ties to desert architecture and real estate, is perhaps a special example of this. "We have a unique culture and lifestyle here in the valley that is envied all over the world. Modernism Week is about celebrating that lifestyle, and showing it off to the world."

All of the Coachella Valley's arts and culture events manage to capture the unique spirit and culture of our community; perhaps this explains why these events are flourishing despite the recession. Their success should serve to highlight the message to doubters: business and the arts are hardly incompatible. On the contrary, there is much business to be had in the arts.

