

# Contribute to the Economy & Quality of Life

# The pARTnership Movement

The arts create jobs, spur urban renewal, attract new businesses, generate tourism revenue, and foster an environment that appeals to a skilled and educated workforce. By partnering with arts organizations, you can strengthen the health and vitality of our neighborhoods, cities, states, and nation.

By Aaron Dalton







New York Lowdown Hudson Blues Festival. Photo by Ryan Muir.

# THE BIG IDEA

rts partnerships frequently offer companies effective and cost-efficient methods of achieving critical business goals. Americans for the Arts is producing a series of essays that will explore and illustrate the different types of benefits that arts partnerships can bring to your company. In this essay, we demonstrate how arts partnerships can add value to entire communities. Since businesses are part of the fabric of life in these communities, a thriving arts scene can also help the businesses that operate in that community.

Across the United States, the nonprofit arts and culture industry generates more than \$135 billion in economic activity every year—more than \$61 billion in spending by organizations and an additional \$74 billion in event-related spending by their audiences, according to *Arts & Economic Prosperity IV (AEP IV)* by Americans for the Arts.

This 2010 study found that arts and culture support more than 4 million full-time jobs in the United States, which generates nearly \$87 billion in resident household income. As for the return on public arts investment, the AEP IV study found that the arts and culture industry generates more than \$22 billion in revenue to local, state, and federal

No man is an island, entire of itself; every man is a piece of the continent, a part of the main.

John Donne (1572-1631), poet governments—a nice return considering that the public sector collectively allocates only around \$4 billion per year to support arts and culture.

Businesses are increasingly recognizing the value that arts can provide and investing accordingly. The 2013 National Survey of Business Support for the Arts from Americans for the Arts found that the percentage of companies describing support for the arts as a top philanthropic priority quintupled from 2 percent in 2009 to 10 percent in 2012. More than 60 percent of current arts supporters say that the arts contribute to the economy and quality of life in the community.

As the examples below demonstrate, arts partnerships can have beneficial impacts for companies and communities across the country.

### Case #1: Arts and Business Communities Join Hands in Houston

"The business of America is business," said President Calvin Coolidge in the 1920s. For much of the 20th and 21st centuries, that aphorism seemed an apt description of Houston as the city became one of the most dynamic centers of industry in the United States. International commerce, healthcare, aerospace, oil and gas—these were the engines that drove the city and played major roles in defining its identity.

But in recent years, Houstonians and outsiders alike have started to see the fast-growing city in a different light. After the city felt the strains of the Great Recession and the oil bust that began in 2014, more people began to see the advantages of diversifying Houston's economy by promoting tourism and strengthening those arts and culture institutions that could attract visitors.

"The value of tourism is still not self-evident for most Houstonians," admits Dawn Ullrich, CEO of the Houston First Corporation (HFC), a local government corporation established by the city in 2011 to operate Houston's convention center, an adjacent hotel and multiple performing arts facilities. "That said, we don't have any opponents when it comes to investing in the growth of our leisure product. Houstonians are proud of the quality of our arts and culture scene and they embrace that aspect of the community."

Ullrich points out that Houston has a long history of supporting the arts. Decades ago, she says, the city decided to maintain beautiful performing arts facilities (e.g., the Wortham Center, home to Houston Ballet and Houston Grand Opera, and Jones Hall, where the Houston Symphony appears in concert). Hotel occupancy tax revenues support upkeep of the facilities, and HFC enjoys bulk purchasing power that provides economies of scale. Meanwhile, arts groups pay modest rent to gain access to the facilities, while residents and visitors alike benefit from gold-standard venues in which they can experience great art.





Alley Theatre. Photo by Julie Soefer.

"It's not common for local government corporations to own the variety of venues that we have," notes Ullrich. "It allows us to try to look for ways to marry the convention business with performing arts. While the opera company doesn't plan its programming around particular conventions we have coming to town, meeting planners can rest assured that we will always have some quality productions on stage at any given time. Sometimes conventions may buy out a show or purchase a large block of tickets. Other times, you can arrange for a musical quartet to perform during lunch at the convention center. There are lots of ways for arts and business to work in sync, and one of our logical goals is to find ways to make that happen."

HFC's commitment to integrating arts into the experience for all visitors—even those who come to Houston primarily for business reasons—can be seen in the artistic elements that are being incorporated into a major renovation of the George R. Brown Convention Center. "Our convention center was built in the 1980s as a functional, but almost chameleon-like space that could transform into anything a meeting planner wanted," explains Ullrich. "Now we're trying to introduce a bigger sense of place and give visitors an idea of the personality of Houston. To do this, we're proud to have assembled a cadre of artists who can demonstrate our city's artistic capabilities using photography, mosaics, and other techniques."

HFC has also started a Marketing Matching Grant Program to encourage partnerships that could fulfill HFC's vision to establish Houston as one of the world's premier destinations over the next 10 years. To receive a grant ranging from \$10,000 to \$25,000,



Audience in the Hubbard Theatre at the Alley. Photo by John Everett.

arts and culture nonprofits (as well as other visitor attractions) were encouraged to forge partnerships with hotels, restaurants, or other businesses. The goal of the program is to drive leisure tourism to Houston—with a special focus on attracting visitors from beyond a 150-mile radius—and then ensure that they have a first-class experience that leaves them with a favorable impression of the metropolitan area.

Jorge Franz, senior vice president of tourism for Visit Houston, says that collaboration is a critical part of the Matching Grants Program. "As we looked at efforts to grow leisure travel, one of the things we found lacking was communication and cooperation among likely partners," he elaborates. "We set out to encourage new conversations and to increase visibility for our attractions, and I think we're achieving that." ('Visit Houston' is Houston's marketing brand. It became a division of HFC back in 2014 when the Greater Houston Convention and Visitors Bureau and HFC merged in order to unify and streamline Houston's efforts to market itself to the world.)

The inaugural Marketing Matching Grant Program awardees were announced in January 2016. Fourteen applications were approved, including the Alley Theatre, which partnered with two nearby businesses—The Lancaster Hotel and Birraporetti's restaurant—for a promotion it called "Summer Chill-Out in Downtown Houston." HFC awarded Alley Theatre and its partners \$20,000, which Alley invested mainly in digital advertising to promote its Summer Chills series (popular tales of mystery, comedy, and suspense) to target audiences in three regional metro markets: Austin, Dallas, and San Antonio. Per the terms of the Matching Grants Program, Alley kicked in some of its own marketing dollars to provide aggressive, discounted ticket pricing.

"We had no idea what to expect," says Katie Jackman, Alley Theatre's director of communications. "We had not really tried any overnight promotions in the past, so we set

a model goal of selling 50 packages and ended up surpassing that goal by more than 60 percent." Jackman is excited about some of the other metrics associated with the promotion; more than 40 percent of the package buyers came from outside a 150-mile radius and 50 percent of the buyers were patrons who had either never attended an Alley Theatre show or at least had not been to Alley for more than five years.

"We're not a tourism institution," says Jackman. "We're a local/regional theater that has historically marketed within the city, so we were pleasantly surprised at how well the promotion performed. This has helped us raise our profile beyond Houston and put our brand out there to people who did not know about us before. The survey data we collected via e-mail indicates that 70 percent of the people who bought our Summer Chill-Out package had not previously been planning a trip to Houston. That's what Visit Houston was hoping to accomplish through this Marketing Matching Grant Program—they were hoping people would see a promotion, plan a trip to Houston and spend the night."

Jackman feels the corporate partnerships with the hotel and the restaurant played a big role in the success of the promotion. Summer Chill-Out package buyers said that dining discounts would be a key factor in determining whether they'd purchase similar packages down the road. Post-performance surveys also revealed that buyers wanted all elements of the package to be within walking distance.

This type of data collection has proved useful to Jackman, who was recently awarded a second Marketing Matching Grant for Alley Theatre for 2017. "With any test program, there are lessons learned," she notes. "I'm excited to take our experiences and kick our promotion up to the next level." Since Alley Theatre will be performing a musical adaptation of Disney's *Freaky Friday* in summer 2017 when children are on vacation, Jackman has planned a package tailored around a mother/daughter weekend getaway. And although she was pleased to partner with an independently owned local hotelier last time, this time she's teaming up with the JW Marriott Houston Downtown, still just a few blocks away. In part, she's hoping the partnership with an outpost of such a large national brand will add some marketing muscle to Alley Theatre's own marketing efforts for the promotion.

The partnership made just as much sense to Cahal Mowery, director of group sales at JW Marriott Houston Downtown. "One of the passion points for the JW Marriott brand is culture," he says. "At our hotel, we exemplify that commitment to culture with a curated art program. A lot of people who walk into our hotel describe it as an art museum. Our meeting spaces and public space all contain artwork from both local and international artists. The theater district is only a few blocks from our hotel, and a lot of the travelers who stay with us really enjoy experiencing Houston's culture, so we felt that the sort of people the Alley Theatre is looking to attract also matches our target demographic."

The single most important thing a city can do is provide a community where interesting, smart people want to live with their families.

Malcolm Gladwell, author of The Tipping Point and Blink





Soaring in the Clouds, 2016, Ed Wilson. George R. Brown Convention Center. Photo: Nash Baker

"Everybody in the arts world, especially marketers, sees the potential in business partnerships," declares Jackman. "The hard part is finding the funding to underwrite tests of partnership projects. When you're trying to grow, you need to take risks and try new things to see what works and what doesn't. It's been tremendous seeing the money and commitment that Visit Houston has made to this matching grants program. They've really done their homework and they see this as a deliberate investment to make Houston an arts and culture destination."

HFC's efforts seem to be paying off. President and CEO of the Houston Arts Alliance (HAA) Jonathon Glus says that leisure tourist numbers have been climbing for several years now, although he notes that Houston (the fourth largest city in the United States) still faces a big tourism gap compared to Chicago (the third largest city). To help close that gap, HAA has partnered with the University of Houston and the Greater Houston Partnership (GHP), which represents more than 1,200 companies across 11 counties in the Houston region, to conduct studies on the creative economy in Houston.

The most recent study in 2014 showed that Houston's regional creative economy is a \$26 billion industry that has grown by 18 percent since 2004 and employs nearly 180,000 highly skilled workers—everyone from painters, actors, and musicians to film producers, choreographers, fashion designers, architects, writers, composers, jewelers, and more.

The studies give Glus the data to persuade the city's business community how much arts and culture add to the city's economy and quality of life. He's working together

with Visit Houston, the Harris County Houston Sports Authority (HCHSA), and the GHP to promote awareness of the importance of arts, culture, tourism, and sports in Houston.

As Houston's creative economy continues to grow, the city is making strides toward rebranding itself as one of the country's major leisure destinations. One of the city's greatest assets is its commitment to arts and business partnerships—not just at the individual level (as with the Marketing Matching Grant Program), but at city-wide and regional levels where HAA, GHP, HFC / Visit Houston, and the HCHSA are all working hand-in-hand to assist and support one another.

You can see this spirit of collaboration exemplified by Janis Burke, CEO of the HCHSA. Whenever major sporting events take place in Houston, Burke looks for ways to involve Houston artists in everything from logo design to music performances. For example, when Houston hosted the World Weightlifting Championships in 2015, HCHSA engaged a cellist from the Houston Symphony to compose and perform original music for a short film on the history of weightlifting that played at the opening ceremony.

"When we bid for sporting events, we do so with the goal of using the event to benefit and enhance the community," explains Burke. When Houston won its bid to host the Transplant Games of America in 2014, HCHSA partnered once again with the arts community—engaging a ballerina to perform original choreography at a Donor Tribute Ceremony. In the audience, HCHSA arranged for donor families to be seated along-side transplant recipients who had been given another chance at a healthy life. "The audience was awed by the performance," recalls Burke. "It was a beautiful, poignant moment where we succeeded at mixing arts and sports together."

These sorts of collaborations and partnerships are becoming the norm in Houston. That's why Glus serves as co-chair of the Joint Tourism Committee at Houston First. In that capacity, he has a platform to share news about upcoming arts events with the hospitality industry. As Franz points out, hospitality is the 10th largest industry in Houston, generating more than \$1 billion in local and state tax revenue and employing nearly 130,000 people in the Metropolitan Statistical Area.

Glus believes that Houstonians themselves are starting to recognize their city's role as an arts powerhouse. "If you ask Houston residents what makes the city special, many of them will say the arts," proclaims Glus. "Does that mean that they go to the opera three times a year? Maybe not, but they do now that the arts enrich and enliven our city."

Glus and Franz both know that the business community cares about quality of life both to attract and retain employees and also to recruit new companies to the region. HFC and Visit Houston want a city bursting with arts and culture attractions to attract leisure travelers. All these organizations can work together because they've come to the





Left: Light Cycles by Anne Militello and Fantastical Botanical by Okamoto Studio. Photo by Ryan Muir.

Right: Starburst by FriendswithYou at Brookfield Place Toronto.

realization that they are often working toward the same goal. "To me, quality of life and tourism are two sides of the same coin," says Franz. "If a cultural event is good for a local, then it is probably fun for a tourist, too."

### Case #2: Arts Brookfield Puts on a Show

What if your office building was not just the place you went to work, but also a destination for arts and culture? That's the vision that real estate firm Brookfield Property Partners has implemented at some of its premier properties in New York City, Los Angeles, Denver, Houston, and several international cities.

This isn't some passing fancy. Brookfield has demonstrated its long-term commitment to arts and culture programming with its Arts Brookfield program for more than 25 years. Today, Arts Brookfield enables hundreds of thousands of people to experience world-class cultural experiences each year—for free—at Brookfield buildings around the world.

Brookfield tries to work with local artists in each city where it operates and adapt the Arts Brookfield program to each location. In Midtown Manhattan, Brookfield's Grace Building sits at the bustling intersection of 6th Avenue and 42nd Street. "The foot traffic there is enormous," says Debra Simon, who served as vice president of arts and events at Brookfield for 14 years. "You just play a few chords of music and suddenly you have a few hundred people come off the streets to see what's going on."

Why does Brookfield invest time and resources in making its buildings into cultural destinations? Simon says that it all comes down to one word: placemaking. She elaborates that the arts are a key selling point for Brookfield's leasing teams, giving the company's buildings personality and making them into destinations in their own right. "To my knowledge, no other real estate company has this sustained commitment to a whole range of arts—visual arts, film, photography, ballet, theater, tap dance, and even site-specific new works," says Simon. She explains that the arts help Brookfield connect to the community. By producing world-class arts and culture events in Brookfield's public spaces, the company provides a civic benefit to both artists and audiences.

Simon says that some businesses are keen to lease space in an inspirational art-filled environment. To the extent that all businesses are built on innovation and creativity, programs that stimulate new ideas and spark inspiration by bringing arts into the work-place could give tenants a competitive advantage in their industries.

On another level, of course, artistic events that draw hundreds of passersby (or office workers from the upper floors) into the lobby or plaza of a building to see a concert, a play, or a dance performance can mean good business for retail stores or restaurants on that building's ground floors.

But more than just bringing in shoppers, Simon says the arts can create a real sense of community while making steel, glass, or marble lobbies come alive and feel more connected with the life of the city. With workers putting in long hours, Simon says Brookfield looks for ways to deliver culture in shorter and more "digestible" increments. Knowing that people may not be able to commit an hour to seeing a play at lunch, for example, Brookfield has partnered with New York Classical Theatre to put on a compressed 15-minute version of A Christmas Carol during the holidays at its Brookfield Place [formerly the World Financial Center] office building in Lower Manhattan.

Speaking of partnerships, Simon says that Brookfield tries to establish long-term relationships with its arts partners for at least three to four years. The ideal partners have the flexibility to work within Brookfield's parameters. They don't balk at the concept of putting on a theatrical production in the atrium of a busy office and retail space, and they're willing to conduct rehearsals and set up their show in full view of passersby, because Brookfield likes the public to have the experience of seeing the behind-the-scenes work that goes into putting together a show.

One of Brookfield's successful multiyear partnerships involves New York Classical Theatre, the only all-free professional theater in New York City. With an 18-year track record of producing accessible classical productions in non-traditional public spaces (many of its productions take place outdoors in public parks), NY Classical was a natural fit for Brookfield. "Our specialty, which is perfect for commercial venues, is to create







Left, top: Alloy Orchestra at Brookfield Place NY. Left, bottom: Waterfall by Katharine Harvey at Bank of America Plaza.

Right: Looking Glass by

Third Rail Projects at Bank of America Plaza.

low-tech productions with minimal lighting and no scenery," says Artistic Director Stephen Burdman. "We adapt every production to highlight each unique space. We can put on a show in a 12-foot square box if necessary, but we prefer productions like Shakespeare's *Hamlet*, which we performed in 2010 while using the entire 150,000 square feet of public space at Brookfield Place. For us, that didn't seem overwhelming since we're used to working with 12 acres in Central Park or 25 acres in Battery Park."

For her part, Simon notes that there are advantages when a company partners with an artistic organization that already has its own fan base. Since NY Classical has a large social media following and an e-mail list of thousands of supporters, Simon knows there's a good chance that a large portion of these fans will come out to Brookfield Place to see a new production, generating new audiences for Arts Brookfield's productions.

As in any good partnership, both Simon and Burdman are concerned not just with their own success, but with the benefits for the other partner. "Our goal is to attract new people," says Burdman, "To date, we have staged four classics with Arts Brookfield and introduced nearly 15,000 new audience members to Brookfield Place. Our productions bring a tremendous amount of visibility and a lot of press attention, especially since we are offering all-free professional performances with salaried actors."

The visibility certainly benefits Brookfield, but Simon also wants the visibility to help New York Classical Theatre and her other arts partners. In fact, based largely on the ongoing success of its Brookfield productions, Burdman says that NY Classical has received a \$164,000 grant from the New York City Department of Cultural Affairs and the New York City Council to launch Pop•Up Classics: all-free professional productions inside large vacant commercial spaces in all five boroughs of New York City.

What else does it take to make this type of partnership work? On one level, it's the little things, like making sure that evening security guards know about the play so they don't walk into the middle of a scene. It also helped that NY Classical's productions are characterized by interactivity. "Our signature staging style, Panoramic Theatre, puts the audience at the center of the action," says Burdman. "It involves quite a bit of interactivity, with actors constantly surprising the audience by entering from unexpected places or using spaces in an usual way. In *Hamlet*, Polonius was killed in an actual lobby (per Shakespeare's text) and the audience chased a mad Ophelia down a hall-way. Of course, when actors are carrying big swords, people are likely to move out of the way and let them through!"

Brookfield's robust arts program adds value for tenants like American Express, which has been headquartered at Brookfield Place in Lower Manhattan since 1986. "Arts Brookfield has helped to make this location a home," says Timothy J. McClimon, president of the American Express Foundation. "Through high-quality art exhibitions and live performances, our employees have the chance to not just work at Brookfield place, but also come together with families from the neighborhood over a shared appreciation for the arts."

Nearly 15 years after the devastation caused by the terrorist attacks on 9/11, Lower Manhattan has rebounded, experiencing tremendous growth and diversification. Many former office buildings were converted to apartment towers, which has led to an exponential increase in the residential population. Brookfield has played a significant role in the revitalization of the area, both through its own Arts Brookfield program and through its leadership of major cultural events such as the summertime River To River Festival that attracts an average annual audience of 50,000 visitors to Lower Manhattan and the Lowdown Hudson Music Fest (formerly the Lowdown Hudson Blues Festival), which annually attracts 17,000 visitors.



Sargasso by Philip Beasley at Luminato Festival at Brookfield Place Toronto.

## THE TAKEAWAYS

he arts are important economic engines that contribute to the success and prosperity of our communities, but they are more than that. They also bring people together by creating shared experiences. They contribute to quality of life for residents while also making a destination an exciting place for travelers to visit.

What is the city but the people?

William Shakespeare (1564-1616), playwright

As Brookfield and New York Classical Theatre have demonstrated, businesses and arts organizations can derive mutual benefits from partnerships that also create a sense of place and reinvigorate damaged communities in need of healing.

On a larger scale, Houston demonstrates how a shared commitment among the leaders of a city's arts, culture, business, sports and tourism industries can yield major benefits for all involved. This is not a zero-sum game and a rising tide really does appear to be lifting all boats in the city on the bayou.

Cities hoping to learn from Houston's example could start by establishing and promoting the sort of inter-organizational ties that Houston has encouraged between those bodies representing business (GHP), arts (HAA), tourism (HFC / Visit Houston), sports (HCHSA) and so forth. As Burke of HCHSA says about her collaboration with the other organizations: "We all have the same goals. We're all trying to reach a bigger audience and increase awareness. We all want to make the city for residents, visitors, and corporations alike." Collaboration and communication, says Burke, can help everyone see that big picture and realize all the great things going on in the city and region that make it a wonderful place to visit, to live and to do business.

# THE QUESTIONS TO CONSIDER

ow to use artistic partnerships to strengthen the economy & quality of life in your city

- Analyze the current arts and culture scene in your community. What are its strengths
  and where are its weaknesses? What is the current economic impact of your local or
  regional nonprofit arts and culture scene? You can find this data via Arts & Economic
  Prosperity IV.
- Does your community encourage the sorts of collaboration and communication among different sectors—arts, business, sports, culture, tourism—taking place in Houston? If not, what steps could you take to promote such dialogue and cooperation in your community?
- What sort of support does the arts and cultural scene in your community receive
  today from public and private sectors? How could you strengthen that support and
  do so in a way that establishes partnerships rather than relying exclusively on the
  donor-recipient model?
- What reputation does your community have today for arts and culture? What sort of reputation would you like it to have five or 10 years from now? What steps can you take today to get started toward those goals?
- It is rare for one community to be known as exemplary in every art form. Does your community already excel or have a foundation in any particular artistic discipline (dance, theater, music, visual arts, etc.)? Could your community develop a reputation as the premier destination in the country or the region for "X" art form? If so, how can you start honing and strengthening that reputation now?
- Is there a local arts agency in your community that has the ability to bring public and private representatives together to forge a cohesive strategy for strengthening your arts and culture scene? If such an organization exists in your community, how can your company contribute and help that organization achieve its goals? If your community does not already have such an organization, what steps could your company take to forge partnerships with like-minded public and private entities to develop your own local arts advocacy and funding organization?

Americans for the Arts is the nation's leading nonprofit organization for advancing the arts in America. With more than 50 years of service, we are dedicated to representing and serving local communities and creating opportunities for every American to participate in and appreciate all forms of the arts.



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