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Groundbreaking Study Reveals \$1.1 Billion Impact of City of San Diego's Nonprofit Arts and Culture Sector

ECONOMIC ACTIVITY SUPPORTED 16,900 JOBS AND GENERATED \$276 MILLION IN TAX REVENUE

SAN DIEGO – A new study by the Americans for the Arts shows that San Diego's nonprofit arts and culture industry generated more than \$1.1 billion in local economic activity last year. The study, which looked at regions in all 50 states and Puerto Rico, measured the economic and social impact of nonprofit arts and culture organizations and their audiences.

According to the <u>Arts and Economic Prosperity 6 (AEP6) study</u>, which is conducted every five years, in 2022 San Diego saw nearly \$658 million in spending by local nonprofit arts and culture organizations. The study also measured \$528 million in event-related spending by audiences - things like restaurant dining, paying for parking or transportation, and even childcare.

Overall, the impact of this economic activity in the city supported 16,900 jobs and generated about \$276 million in tax revenue.

"Arts and culture is a critical industry that supports jobs, generates tax revenue, strengthens the tourism economy and makes San Diego more enjoyable for all of us," said Mayor Todd Gloria. "This study demonstrates that arts and culture enhances our quality of life and boosts our city's economy."

In support of this AEP6 study, the City of San Diego hired the San Diego Regional Arts and Culture Coalition to collect 1,548 surveys across the city at various arts and culture events. The results, which helped inform the study, revealed that investing in arts and culture strengthens our economy and contributes to developing more vibrant communities. Spending by local arts and culture audiences significantly boosts local businesses, a unique value proposition that few industries can match. Regionally, the AEP6 study identifies San Diego County's nonprofit arts and culture sector as a thriving \$1.3 billion industry, supporting 19,771 jobs and generating nearly \$321 million in tax revenue for local, state and federal governments. The participants, listed by population, include the City of San Diego and Balboa Park Cultural District, Oceanside and Oceanside Cultural District, Escondido, Carlsbad, Encinitas, National City and Coronado.

"The findings of AEP6 hold great significance for our region for various reasons," said Jonathon Glus, Executive Director for Arts and Culture. "The pandemic severely impacted the nonprofit arts and culture sector, especially the performing arts, leading to reduced audience and revenue challenges. However, the data highlights that the nonprofit arts sector is indispensable to the economy, generating nearly \$276 million in tax revenue. The findings also emphasized our commitment to equity by including data specific to organizations representing BIPOC and ALAANA communities."

Nationally, the AEP6 study reveals that America's nonprofit arts and culture sector is a \$151.7 billion industry that supports 2.6 million jobs and generates \$29.1 billion in government revenue.

AEP6 represents a reset from its previous versions, establishing a new benchmark in the AEP study series. For the first time, AEP6 expands beyond the economic and financial data to include social impact measurements of arts and culture's effect on the well-being of communities and residents.

AEP6 broke new ground by prioritizing equity, community engagement, and inclusivity, transforming its approach, and expanding the inclusion and participation of organizations serving or representing BIPOC (Black, Indigenous, People of Color) and ALAANA (African, Latin, Asian, Arab, Native American) identifying communities.

The full report and a map of the 373 study regions around the nation can be found on the <u>AEP6 study</u> <u>website</u>, along with a two-page economic and social impact summary for San Diego.

The City of San Diego advances and drives an equitable and inclusive creative economy and cultural ecosystem by investing in the work of artists and creatives and the institutions and systems that amplify creative work and experiences. To learn more, visit <u>sandiego.gov/arts-culture</u>.

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