

NORTH CAROLINA

OVERVIEW

Even though North Carolina had a long and storied history and tradition in the arts, crafts, literature, historical drama, and music, it was only in 1964 that then-Governor Terry Sanford signed an executive order creating the North Carolina Arts Council to strengthen the state's creativity, invention and prosperity.¹ Then, in 1967, the Council was statutorily established as a state agency, and currently operates as a division of the North Carolina Department of Cultural Resources, the nation's first cabinet level state agency for the arts, history, and libraries.

In its mission to transform North Carolina to be a better state through the arts, the Council provides technical assistance, information resources, and more than 1,000 grants each year to non-profit organizations and artists. A 24-member board, appointed by the governor, oversees the operations of the Council as it administers state and federal funds appropriated for the arts.

FUNDING FOR THE ARTS

In response to the stifling fiscal crisis that swept across the country in the first few years of the decade, North Carolina, like practically every other state, was forced to initiate drastic cutbacks in state appropriations to a number of programs. State appropriations to the arts experienced reductions, and the trends for the five years under review are presented in Table 21.

As indicated in Table 21, the North Carolina Arts Council experienced severe setbacks in the funding levels it secured from the state during the review period. Even though the Council's financial position was assuaged by the flow of funds from the federal government and private sources, the fact that an overwhelming proportion of its funds were state appropriations did pose challenges. For instance, between fiscal years 2001 and 2005, total funding secured by the Council shrank by more than 30 percent, from almost \$9 million to \$6.9 million. While the largest reduction in total funding was experienced between fiscal years 2001 and 2002 (almost 21 percent), the Council faced a cutback of more than 11 percent between fiscal years 2002 and 2003, and another reduction of one-half percent between fiscal years 2004 and 2005. Between fiscal years 2003 and 2004, the Council experienced an increase of almost 4 percent. In terms of purely state appropriations, the Council saw reductions of almost 30 percent between fiscal years 2001 and 2002 (the height of the state fiscal crisis), almost 14 percent between fiscal years 2002 and 2003, and a negligible reduction of 0.2

Table 21

Funding to the North Carolina Arts Council Fiscal Years 2001 through 2005

Fiscal Year	State Funds	Federal Funds*	Other Funds		Total
			Amount	Source	
FY 2001	\$8,351,064	\$604,000			\$8,955,064
FY 2002	\$6,440,119	\$643,600	\$333,000	Lila Wallace Foundation	\$7,421,719
			\$5,000	Mary Duke Biddle Foundation	
FY 2003	\$5,661,737	\$668,800	\$334,000	Lila Wallace Foundation	\$6,664,537
FY 2004	\$5,648,134	\$669,100	\$333,000	Lila Wallace Foundation	\$6,910,234
			\$260,000	Golden LEAF Foundation	
FY 2005	\$5,919,562	\$693,000	\$265,000	Golden LEAF Foundation	\$6,877,562

Source: North Carolina Arts Council, May 2, 2005

percent between fiscal years 2003 and 2004. On a positive note, between fiscal years 2004 and 2005, state appropriations actually increased by almost 5 percent. Similarly, on a positive note, federal funds channeled through the federal National Endowment for the Arts (NEA) increased by an average of 3.4 percent during the five-year review period.

In fiscal year 2001, the Council received \$2 million in non-recurring state funds that were distributed as grants during that year. These funds were not available for distribution to grantees in the following fiscal year due to the cutbacks in state appropriations. In fiscal year 2003, as part of the governor's efficiency cuts, the Council saw a further reduction of approximately \$9,000 in state appropriations along with an added reduction of nearly \$5,200 in its telephone and information technology budget; in addition, there was an overall budget cut of 8 percent. Instead of cutting staff, the Council opted to slash its operating support, grants, and special line items. Fortunately for the Council, in fiscal year 2005, the state restored its operating support level to before the 8 percent reduction in fiscal year 2003, and also restored support for grants to the fiscal year 2003 level.

During the period when the national financial picture was bleak, including North Carolina's, the Council was fortunate to receive several grants from private foundations. For instance, the Lila Wallace Foundation (named after the co-creator of *The Reader's Digest* Association), which seeks to strengthen education leadership to enhance student achievement, improve after-school learning opportunities and expand participation in arts and culture,² provided a \$1 million grant that was spread over three years. Then, the Golden LEAF Foundation, a non-profit corporation created in 1999 to receive one-half of the funds coming to North Carolina from the master settlement agreement with cigarette manufacturers, provided \$260,000 in fiscal year 2004 and another \$265,000 in fiscal year 2005.³ The Golden LEAF Foundation seeks to help North Carolinians (and North Carolina com-



Minnie Evans, *Untitled*. Photo courtesy North Carolina Arts Council.

munities) make the transition from a tobacco-dependent economy through grants and investments to other economic activities. Similarly, the Mary Duke Biddle Foundation provided a small grant in fiscal year 2002 too.

In an effort to diversify its revenue sources and initiate innovative programs to promote the arts during the period of fiscal austerity, the Council embarked on several specific measures. As mentioned, securing funds from private foundations was a major factor here. More specifically, in 2001, the Council applied for a grant under a program designed by the Wallace Foundation to provide state arts agencies with a major infusion of funds over a three- to five-year period to help artists and arts organizations in different states increase, broaden, and diversify their participation in the arts. The Council was successful in receiving a grant of \$1 million for this purpose. This funding enabled the Council to hire an additional staff person and create *Learning Audiences NC*, a major new audience development program. Conducted in collaboration with George Thorn and Nello McDaniel of Arts Action Research (AAR), who co-authored the book, *Learning Audiences*,

and its sequel, *Growing Audiences*, this program consults with arts professionals and arts organizations on planning, leadership development and transition, board development, organizational structure and restructuring, and a full range of development, communication, and operating needs.⁴

As a result of the funding received from the Wallace Foundation, during the past three years, 73 visual arts, performing arts, literary organizations, presenters, and local arts councils have participated in one of six 2-day *Learning Audiences* roundtables conducted by AAR. Participation in these workshops made the arts organizations eligible to apply for grants of up to \$30,000 to support two-year demonstration projects that utilize the *Learning Audiences* concepts. As of May 2005, the Council had provided a total of \$584,600 to 25 organizations across the state. Arts organizations that received funding continue to receive on-site consultations with AAR during their project period in addition to participating in two follow-up workshops.

As an example of a grantee under this program, The Charlotte Symphony created the *McAdenville Project* to utilize the medium of music to weave

an account of the social and economic transformations occurring in one of the state's oldest mill communities, McAdenville, in Gaston County, not far from Charlotte. By the first half of 2005, the musicians were conducting "musical encounters" and interviews with mill workers and their families in order to collect stories and musical ideas for this commissioned piece that will be performed in McAdenville and surrounding counties. From these interviews, and frequent visits to McAdenville, emerged "*Mill Village: A Piedmont Rhapsody*," a musical tribute to the thousands of Carolinians who lived, worked, witnessed and felt what it was like to be part of a textile mill town that was crumbling. As the orchestra's tuba player noted, "[I]f you want your symphony to be organic to your community, this is the story we should set to music."⁵ Along with the shaping of musical ideas, the project also resulted in a movie about the history and transformation occurring in McAdenville.

Another grantee, the Southeastern Center for Contemporary Art (SECCA), created the HOME House Project to demonstrate the benefits of good design and sustainable building practices in partnership with the affordable housing community. SECCA held a design competition and produced an exhibition that showcased the 440 design entries and 25 award-winning designs. Winston-Salem's Housing Partnership will build six houses utilizing these designs. Already there is interest from across the country in the project.

Another revenue source for the Council during this period of fiscal austerity was the Golden LEAF Foundation. As previously noted, in 2003 the Council began applying for grants from the Foundation to distribute a portion of the state's tobacco settlement money to assist tobacco-dependent counties in their transition to other economic activities. Subsequently, the Council, during the review period, received grants totaling \$575,000 (including \$50,000 for fiscal year 2006) to create an agri-cultural tourism initiative in the eastern and Piedmont regions of

North Carolina, modeled on the Blue Ridge Heritage Initiative in the western part of North Carolina.⁶ In addition to stimulating sustainable tourism and showcasing the state's rural riches in this portion of the state, another project goal involves creating a system to develop agri-cultural tourism throughout the state from inventory development through business planning, market research, and development of marketing and promotional material.

While the Council's collaborating partners on this initiative were *HandMade in America* and the North Carolina Cooperative Extension Service, the project started in 16 eastern counties with the creation of three regional teams that included farmers, small business owners, and tourism and arts professionals. The teams initially attended a 3-day intensive *HandMade Institute* to learn the basics of trail development and how to build meaningful and authentic experiences for visitors. Based on instruction at these workshops, the teams established criteria and created consumer-friendly agricultural trails and itineraries, including those along I-40 and Highway 70 and around the Albemarle Sound. As of May 2005, four trails were available involving Art Roads and Farm Trails and were titled *From the Front Porch to the Back 40*; *Music, Millponds, and Mousetraps*; *Rock Stew Ramble*; and *Red, White, and Blue*. The trails feature peanut farms, goat dairies, artists' studios, equestrian and canoe excursions, u-pic fruits and vegetables, harvest and farm festivals that include crafts and music, farm stays, and hollerin' and watermelon-spitting contests. Based on these Golden LEAF grants, the Council will complete trails covering 77 counties, produce companion compact discs for travelers, and develop itineraries and packages during the next two years. Furthermore, county extension agents work side by side with Council staff to manage and oversee the implementation of this project.

ECONOMIC IMPACT

In the past five years there have been a number of studies assessing the economic impact of the arts in North

Carolina. While most of these studies were localized and presented detailed economic impact information on specific counties or metropolitan areas, in 2004, the Council, utilizing a combination of state appropriations and federal (NEA) monies, funded a statewide economic impact study.

The following list presents a brief summary on the local studies along with greater details on the statewide study carried out in 2004.

» 1999-2000 – *The Economic Impact of the Affiliated Members of the Charlotte Arts and Science Council*.

Impact: \$94 million

» 2000 – *The Economic Impact of the Arts in Wake County*. WESTAF Report, commissioned by the United Arts Council of Raleigh and Wake County, funded by Wake County Commissioners, with additional support from the Raleigh Chamber of Commerce.

Impact: \$67 million

» 2000 – *Rodin* (exhibition and festival) at the North Carolina Museum of Art. Economic impact study conducted by the Kenan-Flagler Graduate School of Business, University of North Carolina at Chapel Hill.

Impact: \$26.8 million

A total of nearly 305,000 visitors attended the exhibition with 26 percent of the visitors traveling less than 99 miles; 34 percent of the visitors traveling between 100 to 299 miles; 13 percent traveling 300 to 499 miles; 14 percent traveling 500 to 999 miles; and 13 percent traveling 1,000 miles or more. While a substantial portion of the attendees (more than 60 percent) were female, more than 50 percent of the attendees were between ages 35 and 64. Of the visitors traveling at least 100 miles, 50 percent reported that the *Rodin* exhibition was their primary reason for coming to Raleigh.

Further demonstrating that cultural tourists are relatively affluent compared to other tourists, 57 percent of the visitors at the *Rodin* exhibition reported annual incomes greater than \$50,000, and 20 percent reported annual incomes greater than \$100,000. While the estimated total economic impact was \$26.8 million, this total comprised lodging (\$11.9 million) and

food (\$10.7 million), with the remainder involving tickets and souvenirs at the Museum.

» 2002 – *Arts and Economic Prosperity*. Study funded and conducted by *Americans for the Arts* and focused on Buncombe County, North Carolina.

Impact: \$60 million

» 2003 – *The Economic Impact of the Arts in Watauga County, N.C.* Study conducted by the John A. Walker College of Business, Appalachian State University.

Impact: \$26 million

» 2004 – *Just the Ticket: The Arts Make Money in North Carolina*. Study conducted by the John A. Walker College of Business, Appalachian State University and funded by the North Carolina Arts Council.⁷

Impact: \$723 million

This statewide study assessed the economic impact of non-profit arts organizations in North Carolina and clearly established the substantial economic impact of the arts in the state. Specifically, the study, released in June 2004, noted that the total economic impact of the non-profit creative sector in North Carolina was \$723 million, including an estimated \$131 million in volunteers' time. The study also noted that the non-profit arts industry had created 6,669 full-time jobs in the state – just under 2 percent of the state's total jobs – and that, between 1999 and 2002, cultural volunteerism increased 13 percent, while attendance at arts events rose 11 percent. In other words, more than 1 million North Carolinians – nearly one in every eight residents of the state – are active arts supporters, members, or volunteers. The study was based on data collected from 513 non-profit organizations, including performing arts groups, museums, local arts councils, and festivals.

The study reported that the direct economic impact of non-profit arts organizations in the state was an impressive \$394.7 million. After using the very conservative multiplier factor of 1.5 and adding an estimate of the worth of volunteers' time of \$131 million, the study arrived at the total economic impact estimate of \$723 million. As it noted, additional data from

the for-profit sector, artists, education, film industry, informal arts, and festivals undoubtedly will add several hundred millions of dollars to complete the picture of the economic impact of the creative industry in North Carolina. For instance, the more than 6,100 craft artists in the state generated \$538 million in revenue during the study's review period.

Another level of contributions from the non-profit arts industry involves federal and state payroll taxes paid by these organizations. Based on sample statistics, while the average salary of full-time non-profit arts employees was \$30,094, the minimum state and federal payroll tax withheld was estimated to be \$32 million, or 16 percent of total payroll. Finally, the report indicated that arts funding is highly dynamic, with each grant dollar invested by the Council being matched by \$24 other dollars locally.

» 2005 – *Matisse, Picasso and the School of Paris: Masterpieces from the Baltimore Museum of Art*. Information provided by the North Carolina Council of the Arts and from the North Carolina Museum of Art's Website.

Impact: \$9.5 million

This 84-day exhibition, October 10, 2004 through January 16, 2005, attracted 123,595 visitors in total—an average of 1,471 visitors per day—and proved to be the second-best attended show in the Museum's history. Not only did total attendance for this exhibition exceed expectations (the estimate was 100,000), it attracted visitors from around the state and the country, some of whom had never visited a museum before. In fact, Museum officials were forced to revise their estimate of total attendance several times from the predicted 100,000 to 110,000, and then to the final count of almost 124,000.⁸ Even though the Museum's previously best-attended exhibition was the 2000 *Rodin* exhibition (almost 305,000), it extended for 20 weeks as opposed to the *Matisse, Picasso* exhibition's 14 weeks. Also, during *Rodin*, the Museum gained 3,569 new or renewing members; in contrast, during the *Matisse, Picasso* exhibition, the Museum gained more than 9,000 new or renewing members,

bringing the Museum's total membership to more than 15,500, a record high and all the more noteworthy because the exhibition was much shorter in duration. All these factors combined to generate an economic impact of \$9.5 million, many times more than the \$1 million it cost to bring the exhibition to Raleigh from Baltimore.

In addition, the exhibition garnered more than 4,720 volunteer hours to host the visitors, including nearly 752 organized docent-led tours and 545 self-guided tours. Of note, since exhibition attendance and membership sales increased dramatically toward the close of the exhibition, Museum officials were prompted to offer a marathon 32-hour closing weekend event. Hence, the Museum opened at 9 a.m. on Saturday, January 15, and remained open throughout the night and through the day Sunday, closing its doors and the exhibition at 5 p.m. on Sunday, January 16, 2005. This 32-hour event boasted sellout crowds and more than 11,000 visitors.

The *Matisse, Picasso* exhibition resulted in an extensive marketing effort with the Greater Raleigh Convention and Visitors Bureau working with the Museum to accomplish this massive promotion. According to the Council, statewide advertising in newspapers, magazines, radio and television, along with an aggressive regional on-line campaign, reached more than 3.3 million targeted potential visitors. Then, the exhibition received exposure from a public relations effort that reached well over 32 million potential visitors across the nation, and the Museum's Website activity doubled when compared to the same period of time in 2004.

CULTURAL HERITAGE TOURISM

According to the Council, North Carolina's rich tradition in arts and crafts and abundant crafts venues across the state allows the state to attract a great number of cultural heritage tourists. As a result, the state has consistently focused on these advantages for some years now with various programs to spur cultural heri-



Allenstandt Craft Gallery on the Blue Ridge Parkway. Photo courtesy North Carolina Arts Council.

tage tourism along with regular tourism. Consequently, tourism in North Carolina is a \$13 billion industry, an extraordinary figure indeed. In addition, domestic tourism expenditures directly supported 182,950 North Carolina jobs and generated more than \$1.1 billion in state and local tax revenue in fiscal year 2004. In a promising development, tourism has risen 72 percent in the past 10 years in the state's 38 most rural counties. Not only is North Carolina currently ranked 6th in the nation in overall tourism, it is ranked 10th in the nation in cultural tourism.

The state's efforts to focus on cultural heritage tourism are driven not only by the desire to promote cultural heritage sites and activities, but to generate additional economic benefits too. Recent research showed that travelers who seek out culture and cultural events in North Carolina spent an average of \$102.28 per person, per day; this is nearly one-third more than the national average of cultural and heritage travelers, and nearly twice the per-day spending of North Carolina's general traveler. The average income of cultural tourists in North Carolina is \$74,576, more than twice the fiscal year 2002-2003 national average of

\$30,906, and nearly twice the average of North Carolina's household income (\$38,432).

The opportunity to tap into this cadre of relatively affluent cultural tourists has influenced the Council to promote and market cultural heritage tourism in North Carolina with brochures and rack cards that promote cultural expeditions and trails. In addition, the Council's Website features cultural expeditions, with information and links to the *African American Culture Tour*, *Discover Craft NC*, the *Blue Ridge Music Trail*, *Carolina Musicways*, the *Cherokee Heritage Trail*, and *Gardens and Countryside Trails*. This section of the Website also promotes Southern Festivals and the North Carolina Summer Performing Arts consortium, which features two outdoor dramas depicting the history and heritage of their respective areas. As so many other state arts agencies have done, the Council has embraced the Internet as an increasingly popular tool for travelers planning vacations, and the Council has been instrumental and closely involved in the development and promotion of the many online cultural heritage trails and expeditions in the state.

In addition to promoting festivals and performing arts events on its Website, the Council also funds the North Carolina Presenters' Consortium (NCPC). The NCPC is "a not-for-profit membership association comprising professional performing arts-presenting organizations throughout North Carolina and associates based in the state and beyond who share the mission of bringing artists and audiences together."⁹ In 2005, the NCPC published the eighth edition of *On Stage in North Carolina*, the organization's highly successful statewide guidebook to performing arts for tourists and travelers. Information in the guidebook is a useful tool to those cultural heritage tourists visiting the state.

Another strategy deployed by the Council in publicizing cultural heritage tourism and expeditions in North Carolina involves funding the publication of a series of other guidebooks. Included in this list are the *Blue Ridge Music Trails: Finding a Place in the Circle*, *Cherokee Heritage Trails Guidebook*, *Craft Heritage Trails of Western North Carolina*; and *Farms, Gardens, and Countryside Trails*. A joint partnership between the Council and the North Carolina's Division of Tourism produced a book about African American heritage in North Carolina. As indicated, all these publications and brochures featuring cultural tourism in the state are available on the Council's website.

An earlier section provided details on the funds that the Council (and its partners, *HandMade in America* and North Carolina Cooperative Extension Service) received from the Golden LEAF Foundation for a project aimed at stimulating statewide sustainable tourism and showcasing the state's rural riches, especially in formerly tobacco-dependent (and now largely economically distressed) communities. These grants, totaling \$575,000, resulted in the creation of *HomegrownHandmade*, a project seeking to harmonize the close links between agriculture and the arts in North Carolina. The Council was able to steer a portion of these funds to produce the *Agri-Cultural Tourism Communications Toolkit*. The toolkit was

designed to assist participants involved with *HomegrownHandmade* promote and develop heritage sites into visitor-ready tourism attractions. Once again, the Council has made this toolkit available in print and on its Website along with other multimedia tools that might be of use to participants and shareholders interested in promoting agri-cultural tourism.

As noted earlier, the Council also has been very active in promoting the state's craft industry, including its history and current crop of crafts and artisans.¹⁰ In fact, 2005 concluded the *Celebration of North Carolina Craft* program, a two-year promotional effort—so proclaimed by Governor Easley—that highlighted North Carolina's craft artists and products. Asheville, North Carolina, is considered the center of one of the top folk art and crafts regions in the United States, and more than 4,000 people residing in 23 western North Carolina counties make at least part of their living producing arts and crafts.¹¹ These include paintings, sculptures, intricately patterned and hand-sewn quilts, hand-forged jewelry, pottery with custom-created glazes, blown glass of delicate prism-like colors, ornate pieces carved from fine-grained native wood, fabrics woven of hand-spun wool, and much more. In addition to the ongoing educational programs regarding the arts and crafts unique to the region, a number of festivals and shows are held in the region several times a year that not only generate publicity about the work and history of the artisans but also bring in tourists from around the region and the country.

The *Celebration of North Carolina Craft* was sponsored by the N.C. Craft Coalition, a coalition of 19 craft organizations that joined together to promote North Carolina as a cultural tourism destination. The N.C. Craft Coalition, an entity funded by the North Carolina Arts Council, also partnered with local convention and visitors' bureaus in a number of North Carolina cities and towns to produce

two television ads promoting crafts in the state. The Council also worked collaboratively with the North Carolina Department of Transportation (DOT) on a project that resulted in the 2004 and 2005 state maps printed by DOT prominently featuring *The Celebration of North Carolina Craft* promotional effort. The maps promoted a new Website that directed visitors to craft-based organizations, including museums, galleries, schools, and art centers, all in an effort to lure more cultural heritage tourists to the state.

Another cultural heritage tourism initiative involves the state's efforts (led primarily by the North Carolina Office of Archives and History) to actively promote North Carolina's Civil War history.¹² The major component of the project involves colorful markers that highlight Civil War sites throughout the state and describe how North Carolina's involvement in the war began and ended at the state capitol when two former governors surrendered to Union forces led by General William T. Sherman. Along with maps, brochures and web announcements, the markers are part of an effort—in concert with Virginia and Maryland—to define a multistate Civil War Trail. Even though North Carolina has long promoted its Civil War sites,[†] this June 2005 project helps link and package this with the efforts of other states to jointly attract heritage tourists. Civil War tourism is a multibillion dollar industry and the placement of the 150 markers in mid-2005 (at least 100 more are planned) in North Carolina will be crucial in attracting more tourists to the state.

In the early years of the North Carolina Arts Council, grants were awarded to major heritage organizations to help develop marketing materials. These grants are now included in the general support budgets provided by the Council. Beginning in 1999, the Council awarded grants to develop statewide and regional tourism marketing efforts and in 2000 and 2001, additional funds were made available through the Blue Ridge Heritage Initia-

tive. Since the first distinct marketing grants to attract national and regional visitors to the state in 1979, the Council has awarded \$1.3 million for specific cultural tourism projects. Just in fiscal year 2005, including the Golden LEAF funds, the Council awarded \$326,443 for the promotion of cultural heritage tourism.

All these details demonstrate the seriousness with which the state of North Carolina continues to promote cultural heritage tourism, particularly in the last five years. This commitment has resulted in national recognition and, in 2004, the North Carolina Arts Council received the first *Preserve America Presidential Award*. The award, which was presented by President George W. Bush to the executive director of the North Carolina Arts Council in an Oval Office ceremony, recognized the Council's work on the *Blue Ridge Heritage Initiative*, a partnership between federal, state, tribal, and local governments that was formed to promote the unique cultural heritage of the southern Appalachians.

BLOCKBUSTER EXHIBITIONS

In the last few years, and particularly during the review period, North Carolina has been very active in featuring a number of blockbuster exhibitions at locations across the state. Not only did these exhibitions bring in epic masterpieces from around the country and the world to be viewed by North Carolinians and out-of-state visitors, these exhibitions cumulatively generated millions of dollars in economic impacts. The following list breaks down key pieces of information related to some of these exhibitions in the last five years or so. Where reported, the economic impact of each event is provided to establish the enormity of the arts influence on the local economy.

[†]While North Carolina was the last of the 11 Southern states to join the Confederacy, the state sent more troops (125,000) and endured the most fatalities (40,000).

North Carolina Museum of Art (Raleigh)

- » *Monet to Moore: The Millennium Gift of the Sara Lee Corporation* (September to November 1999)
Visitors: 81,090 (an attendance level over 50 days that broke all previous records)
- » *Rodin* (April to August 2000)
Visitors: 305,000 (the highest number of visitors to attend an exhibition at this venue)
Economic Impact: \$26.8 million
- » *In Praise of Nature: Ansel Adams and Photographers of the American West* (October 2000 to January 2001)
Visitors: 78,378
- » *Matisse, Picasso and the School of Paris* (October 2004 to January 2005)
Visitors: 123,594
Economic Impact: \$9.5 million
- » *Monet in Normandy* (October 2006 to January 2007)
Anticipated Visitors: 200,000
- » *Treasures of Egyptian Art from The British Museum* (April to July 2008)

Asheville Art Museum (Asheville)

- » *Abstraction 1940-1970: Masterpieces from the Whitney Museum of American Art* (June to October 1999)
Visitors: 20,084
Economic Impact: \$723,024
- » *Classic Images: From the Ansel Adams Archive* (July to October 2004)
Visitors: 30,490
Economic Impact: \$1,097,640
- » *Black Mountain College: Its Time and Place* (January to April 2006)
Visitors: 10,000 (estimated)
Economic Impact: \$360,000 (estimated)
- » *Black Mountain College: Experiments in Materials and Form* (April to July 2006)
Visitors: 10,000 (estimated)
Economic Impact: \$360,000 (estimated)
- » *Black Mountain College: Collaborations and Interdisciplinary Dialogues* (August to November 2006)
Visitors: 10,000 (estimated)
Economic Impact: \$360,000 (estimated)

Hickory Museum of Art (Hickory)

- » *Aftermath: Images from Ground Zero* (January to April 2005)
Visitors: 15,000
Economic Impact: \$540,000

Mint Museum (Charlotte)

- » *Selections from the Chasanoff Ceramic Collection* (November 2000 to May 2001)
Visitors: 28,434
Economic Impact: \$1,023,624
- » *The Sport of Life and Death: The Mesoamerican Ballgame* (September 2001 to January 2002)
Visitors: 37,365
Economic Impact: \$1,345,140
- » *The Gilded Age: Treasures from the Smithsonian American Art Museum* (January to April 2002)
Visitors: 31,135
Economic Impact: \$1,120,860
- » *Narratives of African American Identity: The David Driskell Collection* (August to October 2002)
Visitors: 37,980
Economic Impact: \$1,367,280
- » *Edward Hopper: The Paris Years* (February to June 2003)
Visitors: 29,619
Economic Impact: \$1,066,284
- » *American Quilt Classics, 1800-1980* (August 2003 to January 2004)
Visitors: 23,256
Economic Impact: \$837,216
- » *Raphael to Monet: European Masterpieces from the Walters Art Museum* (October 2003 to January 2004)
Visitors: 52,310
Economic Impact: \$1,883,160
- » *The Artful Teapot: 20th Century Expressions from the Kamm Collection* (January to May 2004)
Visitors: 20,321
Economic Impact: \$731,520
- » *The Nature of Craft and the Penland Experience* (July 2004 to January 2005)
Visitors: 25,117
Economic Impact: \$904,212
- » *Andrew Wyeth: The Helga Pictures* (October 2004 to January 2005)
Visitors: 29,980
Economic Impact: \$1,079,280
- » *Renaissance to Rococo: Masterpieces from the Collection of the Wadsworth Atheneum* (September 2005 to January 2006)

- Visitors: 50,000 (estimated)
Economic Impact: \$1,800,000 (estimated)
- » *Encouraging American Genius: Master Paintings from the Corcoran Gallery of Art* (October to December 2006)
Visitors: 50,000 (estimated)
Economic Impact: \$1,800,000 (estimated)

Nasher Museum at Duke University (Durham)

- » *The Evolution of the Nasher Collection* (October 2005 to June 2006)
Visitors: 100,000 (estimated)
Economic Impact: \$3,600,000 (estimated)

Weatherspoon Art Museum (Greensboro)

- » *The Prints of Andy Warhol* (2001)
Visitors: 11,000
Economic Impact: \$396,000
- » *Nancy Burson: Seeing Is Believing* (2002)
Visitors: 12,800
Economic Impact: \$460,800
- » *Georgia O'Keeffe from Southern Collections* (2003)
Visitors: 11,000
Economic Impact: \$396,000

BUILDING BOOM

According to the Council, with more than 45 art building projects currently in the planning, design development, capital campaign or construction phase, and an additional 20 arts infrastructure projects completed since 2001, North Carolina is undergoing a significant upswing in building for the arts. While expenditures or estimated costs for the aforementioned building projects exceed \$300 million, current per building project costs range from \$65 million to a few hundred thousand. More importantly, there is a great deal of discussion and enthusiasm at every level—public and private/corporate sectors—to design new and expanded arts venues in various North Carolina cities and metropolitan areas, a trend that many arts advocates consider very promising.

The following represents a sampling of the major museum construc-

tion or expansion projects along with the estimated costs.

- » Kamm Teapot Museum, Sparta (\$12 million)
- » North Carolina Museum of Art, Raleigh (\$65 million)
- » Mint Museum, Charlotte (\$32 million)
- » Asheville Museum of Art, Asheville (\$18 million)
- » Cameron Museum of Art, Wilmington (\$10.5 million)
- » Ackland Art Museum at the University of North Carolina-Chapel Hill (\$20 million)
- » Nasher Museum of Art at Duke University, Durham (\$23 million)
- » Turchin Center for the Arts, Appalachian State University, Boone (\$9 million)
- » Fine and Performing Arts Center (formerly Belk Gallery), Western Carolina University (\$1 million)
- » Delta Fine Arts Center, Winston Salem

With regard to the proposed \$65 million expansion effort at the North Carolina Museum of Art, the goal of advocates was to secure \$50 million from the state with Raleigh and Wake County contributing the remaining \$15 million.¹³ While the House Finance Committee approved a \$50 million bond issue to this effect during the 2005 legislative session, the governor responded that he could not support loading the state with additional debt to finance a cultural project, i.e., the Museum's expansion. (A similar circumstance occurred in Virginia when an effort to finance a variety of arts projects totaling nearly \$86 million with a bond issue was rejected on the grounds that the state should not acquire additional debt for this purpose). Even though the \$50 million bond effort failed, lawmakers did approve \$10 million to commence construction of the expansion in fall 2006.

The Museum's expansion would include a glass-sheathed 90,000-square foot facility longer and wider than a football field with galleries, gardens and pools under an undulating roof punctuated by hundreds of skylights;

a piazza and fountains would link the new building with the old. This expansion project originated when a donor promised the Museum a cache of Rodins (valued at more than \$25 million), by the end of 2008, that would enable the Museum to house the most significant collection of Rodins in the South and in the top 10 nationwide. In a ceremony in November 2005, when the donor/philanthropist Iris Cantor, formally announced that she would donate 22 Rodin sculptures to the Museum, Governor Easley reiterated his complete support for the expansion effort indicating that he wants to "make it happen."¹⁴

Another noteworthy art project garnering attention in Raleigh involves the work of Spanish sculptor Jaume Plensa, whose work soon will stand in the middle of Fayetteville Street recently reopened to cars (a \$10 million project), and alongside the city's new convention center (a \$215 million project).¹⁵ The \$2.5 million Plensa project, featuring a wall of water and a thin grid of stainless steel wires, is the result of a private gift and has been touted as having "the potential for becoming one of the great public art works in America."¹⁶ Critics have praised Plensa's work for being abstract without being dense.

In addition, a number of counties, universities, and municipalities across the state also are engaged in constructing new visual and performing arts venues and a sampling of some of these projects include the following:

- » ImaginOn, Charlotte (\$35 million)
- » Imperial Performing Arts Center, Rocky Mount (\$18 million)
- » Old Mill Cultural Center, Hendersonville (\$16 million)
- » Memorial Hall at University of North Carolina, Chapel Hill (\$15 million)
- » Arts, Civic and Technology Center at Edgecombe Community College, Tarboro (\$11.5 million)
- » Blowing Rock Arts Center, Blowing Rock (\$8 million)
- » Richmond Art Center, Rockingham (\$2.3 million)

- » Pasquotank Art Center, Elizabeth City (\$2.1 million)
- » Pocosin Arts, Columbia (\$3 million)

Durham: Under the rubric of counties, municipalities and universities leading the charge to enhance their cultural capacities, the efforts of Duke University remain important. Since 1999, the city of Durham has explored the idea of a performing arts center and theater downtown.¹⁷ In April 2005, the likelihood of this project became more realistic when Duke University agreed to contribute more than \$3 million to the \$35.5 million fundraising project, along with another contribution that still is to be determined. While a bulk of the venue's construction costs would come from the city's hotel tax revenue, construction of the 2,800-seat theater could begin as early July 2006, with a completion date of spring 2008. The center is expected to book at least 100 acts every year along with meeting the needs of the 150 or so arts organizations in Durham.

Cary: Similar efforts are underway in Cary with a non-profit foundation entrusted with raising \$30 million to build a downtown performing arts center.¹⁸ For its past projects (a \$12 million amphitheater, \$6 million tennis center, and \$10.5 million baseball field), Cary has relied on city hall to provide the funds; for this arts project, in contrast, the foundation will be approaching a variety of private sources for the funds. Given that Cary is home to such corporations as the SAS Institute, and 33 percent of all households in the city have an annual household income above \$100,000, the foundation is confident of raising the necessary funds from private sources (individuals and corporations/businesses). Businesses in downtown Cary enthusiastically support the project and are expected to be major contributors of the proposed 1,200-seat center that would include an \$11 million arts center in the old Cary Elementary School, \$2 million digital media center and a \$10 million parking garage.

Charlotte: Charlotte's effort to construct, renovate and expand its arts and cultural venues offers very instruc-

tive lessons for other metropolitan areas contemplating similar moves since it involves players from all the key interest groups.¹⁹ This includes public and private officials and the officials of the numerous non-profit arts organizations working in Charlotte. Specifically, at the local level, it involves the Charlotte City Council; at the county level, the Mecklenburg County Commissioners; at the state level, the North Carolina General Assembly; at the corporate level, officials with Bank of America, Wachovia, Duke Energy, Enterprise Rent-A-Car, all major corporations in the Charlotte area; and, finally, officials heading the numerous arts organizations in the city, including the Arts & Science Council, Discovery Place, Mint Museum of Art, Bechtler Art Museum, Afro-American Cultural Center and the North Carolina Dance Theater.

The genesis of the city's arts leaders to devise a funding strategy for new arts and cultural facilities goes back more than four-and-a-half years to June 2001, when a non-binding referendum to build several cultural venues and an arena was rejected by voters. In November 2003, after revising their plans and approach, arts leaders unveiled the first version of its

latest effort to introduce new uptown museums and theaters to Charlotte: a plan that involved \$236 million (public and private funds) for a number of arts projects. In May 2004, Duke Energy (\$2 million), Bank of America and Wachovia Bank (both at \$8 million) indicated their initial financial commitment to this project. After further discussion and additional revisions scaling down their plans, in February 2005, arts leaders indicated that their latest list of projects would cost the city \$117 million and the county \$30 million, for a total of \$147 million. This February 2005 plan included six projects: renovations to Discovery Place; a 1,200-seat theater; an uptown Mint Museum of Art; a new modern art museum to be called the Bechtler Art Museum that would house \$20 million in art gifted by Charlotte businessman and collector Andreas Bechtler; an Afro-American Cultural Center; and the North Carolina Dance Theater.

The most likely sources of revenue for these costs would be a rental-car tax increase, a new tax on uptown parking and money freed up if the city required the arts groups to assume more of their own operating costs. However, as expected, these additional costs still raised a number of questions

related to whether the city and county should be devoting scarce resources toward the arts when general fund revenues were sorely needed for police, roads and schools. Given these constraints and the fact that, in late February 2005, the city of Charlotte had a \$12 million budget shortfall alongside demands for more police officers, city officials requested that the arts group consider combining projects to lower overall costs. Yet, reports noted that the Mint and modern art museum (that would house the Bechtler collection) could not agree on sharing a location.

Given the assortment of difficulties, in late April 2005, arts officials scaled down their version of new and revamped arts facilities in Charlotte yet again to \$100.3 million (from \$147 million), with the city share amounting to \$65 million and the county share amounting to \$36 million. A further twist to the larger effort surfaced around the same time when Wachovia announced that its expanded vision for developing the city involved a new tower and condominiums (a \$400 million complex) that would yield sufficient property taxes to build both the Bechtler Art Museum and the 1,200-seat theater. By December 2005, both city and county officials had voted on supporting this move and agreed to commit \$41 million in expected property taxes from this Wachovia project to the arts projects.

The next hurdle that has to be overcome by city, county, corporate and arts officials in Charlotte and Mecklenburg County is securing support in the General Assembly for an increase in the rental-car tax from the current 11 percent to 15 percent, a hike expected to generate enough money annually to fund \$81 million of the arts package. This will prove to be a challenge for arts proponents because the entire Mecklenburg County state legislative delegation's support remains crucial for the passage of this rental-car tax hike in the General Assembly; already, several legislators have voiced their opposition to the proposed tax hike on the grounds that it amounts to an increase in taxes. At least one rental car industry member has begun



Mark Hewitt pottery exhibit, Cameron Art Museum, Wilmington. Photo courtesy North Carolina Arts Council.

lobbying efforts against the proposed increase. Advocates indicate that imposing the rental-car tax hike only at the airport might be more palatable since it would most likely only affect out-of-town travelers while sparing local renters.

The progress of this resolution will be closely watched when the General Assembly meets in mid-2006, given the varied obstacles that still have to be overcome. The involvement and commitment of the corporate community continues to be critical in all these discussions, and the presence of major players like Bank of America and Wachovia remains vital. In all the discussions, the corporate community has stressed the fact that a vibrant uptown in Charlotte, with a thriving arts and cultural scene, continues to be an important consideration in their recruitment programs and for enhancing the quality of life in Charlotte.

A number of smaller rural communities are working toward including art spaces in multi-use centers. In these instances, many of the arts building projects have involved or will involve the renovation of abandoned textile mills, manufacturing and retail spaces, banks, vaudeville theaters, schools and other historic sites in downtown areas, a trend that could precipitate the economic and cultural revitalization of these communities. Two of these projects include:

- » Stecoah Valley Craft, Heritage and Education Center, Robinsville (\$1.2 million)
- » Ebbs Chapel Community Center, Madison County (\$2 million)

In an example of efforts to convert buildings soon-to-be-shuttered to arts venues, there is momentum to

convince officials that the gymnasium of the Dorothea Dix Hospital should be provided to musicians of the Philharmonic Association for rehearsals.²⁰ The 300-acre Dix hospital campus is scheduled to be closed in 2007, and the Philharmonic Association, which draws more than 250 musicians aged 18 and younger from around region, is seeking the hospital's gymnasium as a practice facility. The state and city are exploring various options with regard to the future of the campus and some of the proposals include establishing a botanical garden, a "Central Park" for Raleigh, new offices, laboratories for up to 3,700 workers, or even taking advantage of the development potential of the property by selling parcels of land.

In conclusion, a number of North Carolina cities operate impressive arts facilities and the descriptions provided reinforce the fact that there continues to be significant interest among many sectors—private, public and community—in expanding these facilities.

OTHER

An issue that surfaced in North Carolina that might have some interest in other settings concerns an audit that was released in January 2006.²¹ The state auditor's concerns involved the role of the North Carolina Museum of Art Foundation, an organization established in 1969 that raises millions of dollars from private donors to supplement the financial position of cultural organizations like the North Carolina Museum of Art and North Carolina Symphony. For instance, the audit raised concerns over the Foundation augmenting the salaries of about 50 staff (including the executive director, whose total compensation from

the state and the Foundation in 2005 amounted to \$358,041) at the Museum and about six staff at the symphony, rationalized as a way to retain these employees from leaving for higher-paying jobs.

In response, the Foundation maintains that its relationship with key cultural treasures in the state, like the Museum and the Symphony are a fine example of a vibrant private-public partnership that has enabled the Museum, for instance, to expand its education program, bring in major exhibitions, convert the neighboring youth prison into a park and retain the services of the executive director at a time of unprecedented growth and acclaim for the Museum. The director is credited with wooing major donors and national attention to the Museum, along with blockbuster exhibitions (with more planned for the future), that will generate a huge amount of positive media and economic benefits at the local and state levels. In addition, the state's Department of Cultural Resources, the state entity that oversees the Museum, also has disagreed with many of the audit findings and maintained that it has been working to resolve the supplemental salary issue for two years. The Department of Cultural Resources also noted that it had worked with the Foundation to review and reorganize its role in the affairs of such hybrid organizations as the Museum and the Symphony, cultural entities that receive both public and private funds. Critics of the audit also maintain that at a time when public funding for the arts remains under great pressure, the role of organizations like the North Carolina Museum of Art Foundation is crucial for the continued expansion of arts and culture in the state.