

VIRGINIA

OVERVIEW

The Virginia Commission for the Arts is the lead state agency mandated to support and stimulate excellence in all of the arts—in their full cultural and ethnic diversity—and to make the arts accessible to all Virginians.¹ Established in 1968 as an agency of state government, the Commission provides financial assistance for arts activities and information/advisory services to artists, arts organizations, and others interested in the arts.

In order to carry out these diverse tasks, the Commission receives funds primarily from the Virginia General Assembly and the federal National Endowment for the Arts. Operationally, the agency is directed by 13 commissioners appointed to five-year terms by the governor and confirmed by the General Assembly. To ensure statewide representation on the Commission, at least one commissioner—and no more than two—is appointed from each of Virginia's congressional districts.

FUNDING FOR THE ARTS

The negative effects of the state fiscal downturn affected arts funding in Virginia too, and the Commission

for the Arts saw its state legislative appropriations decline sharply during the five-year review period.

As indicated in Table 28, state funding for the arts increased from \$4.7 million in fiscal year 2001, to \$4.9 million in fiscal year 2002 (by 4 percent) before plunging to \$3.9 million in fiscal year 2003 (a 20 percent drop). Then, in fiscal year 2004, it dropped even more drastically to \$2.8 million (a 29 percent decline) before rising marginally by 8 percent to \$3 million in fiscal year 2005. The decline from the high of \$4.9 million in fiscal year 2002 to \$2.8 million in fiscal year 2004, a \$2.1 million (or 42 percent) reduction, was significant.

Interestingly, Virginia did not experience any reductions in federal funds; in fact, except for fiscal

year 2004, funds allocated to Virginia actually increased (by as much as 9 percent in fiscal year 2003) during the five-year review period. Given that the Commission's allocation from the state declined during this period, the proportion of federal funds as a percent of total funds secured by the Commission for the Arts actually increased from 10 percent in fiscal year 2001, to 17 percent in fiscal year 2005.

In terms of responding to the reductions, the Commission, in fiscal year 2003, eliminated several categories of grants to arts organizations and slashed staff travel and professional development budgets. Additionally, to deal with the funding reductions in fiscal year 2004, the Commission reduced staff positions by 23 percent and trimmed funding to arts organization by 50 percent.

Given the extremely dire fiscal position in which states found themselves in the early years of this decade, state arts councils, including Virginia's, pursued a variety of different strategies to generate much-needed revenue. Even though this effort was eventually unsuccessful, one of the strategies proposed in Virginia was the issuing of debt to garner funds for the arts. Consequently, during the 2005 legislative session, Delegate Vincent Callahan and Senator Benjamin J. Lambert III sponsored similar bills to borrow nearly \$86

Table 28

Public Funding for the Arts in Virginia Fiscal Years 2001 through 2005

Year	Total	State Funds	% Change	% of Total	Federal Funds	% Change	% of Total
2001	\$5,194,374	\$4,690,174	-	90%	\$504,200	-	10%
2002	\$5,421,939	\$4,880,239	4%	90%	\$541,700	7%	10%
2003	\$4,483,195	\$3,891,495	-20%	87%	\$591,700	9%	13%
2004	\$3,371,734	\$2,779,934	-29%	82%	\$591,800	0%	18%
2005	\$3,617,435	\$3,001,535	8%	83%	\$615,900	4%	17%

Source: Virginia Commission for the Arts, August 2005

million for arts and cultural projects in the state.² While the bill's proponents indicated that one of their primary goals was to provide financial support for the 2007 Jamestown celebration, (i.e., the ceremonies designed to commemorate the first permanent English settlement in the Americas, in Jamestown, Virginia, in 1607), a number of other Virginia cities stood to gain with the passage of the legislation.

In an effort to corral legislative support, supporters of the bill provided analyses demonstrating that the positive fiscal impact of this multimillion dollar bond issue would actually exceed its costs. Specifically, they noted that the one-time grants for projects that would be oriented toward the Jamestown 2007 celebration would generate more tax revenue than the related debt service costs; accordingly, these officials maintained that the Jamestown projects would generate \$9 million, which would more than offset the \$6 million in annual debt payments the state would assume. Similarly, Richmond officials indicated that the \$29.8 million included in the bill for the Virginia Performing Arts Foundation would assist in constructing a \$113 million performing arts center on the site of the old Thalhimers Department Store, a short walk from the Capitol, and in renovating three historic theaters in the vicinity. These Richmond projects were touted as a "cornerstone" in the redevelopment of downtown Richmond and in efforts to prepare the city for Jamestown 2007, all developments that would generate substantial economic inflows.

In terms of its specifics, HB 2048/SB 1129 sought to fund the following arts and cultural venues with a bond issue that would total \$85.6 million:

Richmond

- » Virginia Performing Arts Foundation Facilities (\$29.8 million). (Since Richmond also sought tax credits, the state's total support to Richmond's performing arts centers would have amounted to \$47 million.)

South Hampton Roads

- » Chrysler Museum (\$2 million)
- » Virginia Beach Performing Arts Center (\$2 million)
- » Virginia Arts Festival (\$1.2 million)
- » Virginia Aquarium and Marine Science Center (\$1 million)

Peninsula

- » USS Monitor Center at the Mariners Museum (\$5 million)
- » Virginia Living Museum (\$5 million)

Remainder of the State

- » George Mason University Performing Arts Center (\$3.7 million)
- » Virginia Museum of Natural History (\$1.5 million)
- » Art Museum of Western Virginia (\$9.8 million)
- » The Barter Foundation (\$5 million)
- » Fredericksburg Area Museum and Cultural Center (\$1 million)
- » Marine Corps Heritage Foundation (\$2 million)
- » Museum of the Shenandoah Valley (\$1.5 million)
- » Paramount Theatre (\$1 million)
- » Shenandoah Valley Discovery Museum (\$1.5 million)
- » Staunton Performing Arts Center (\$1.5 million)
- » Woodrow Wilson Presidential Library (\$7.1 million)
- » Wolf Trap Foundation for the Performing Arts (\$4 million)

Soon after the bills were introduced, the proposed legislation was enmeshed in a swirl of controversy. Between claims of disproportionate funding to parts of the state to disagreement over the concept of the state assuming additional debt to fund arts projects, the legislation failed and was left to languish in committee.

ECONOMIC IMPACT

In December 2000, *Virginians for the Arts*, in cooperation with the Virginia Commission for the Arts and the Virginia Association of Museums, released a report assessing the economic impact of arts and cultural organiza-

tions in the state.³ Even though a number of years have passed since the issuing of this report, the sheer economic impact of the state's arts and cultural organizations is quickly apparent. Specifically, arts and culture in Virginia is a billion dollar business that continues to grow and expand constantly; it is safe to conclude that this economic impact has only grown in the past few years. The report documented that every year Virginia hosts millions of patrons at numerous arts and cultural events around the state that provide employment for thousands of Virginians while producing millions of dollars in revenue. Furthermore, the intangible benefits created as a result of the arts enhancing the quality of life in rural, urban and suburban communities transforms Virginia into a much more attractive location for new and relocating corporations.

The 2000 report noted that arts and cultural organizations in Virginia annually produced the following impressive economic effects:

- » \$849 million in revenues for Virginia businesses and \$342 million in revenues for Virginia tourism businesses through spending by out-of-state visitors to arts and cultural events;
- » \$447 million in value-added income (mainly personal income) for Virginia's workforce and entrepreneurs;
- » \$307 million in annual labor compensation for Virginia's workforce;
- » 18,850 full- and part-time jobs and nearly 1.4 million hours of volunteer time;
- » 30 million patrons at various arts events each year with over one-third of those paying admission fees to arts and cultural organizations residing outside Virginia; and
- » \$62 million in grant income annually and an estimated \$74 million in contributions annually to supplement their budget.

Along with this statewide study, there have been more recent, regionalized studies conducted in Virginia. Specifically, Old Dominion University

released a study of the economic impact of the arts and culture sectors in the Greater Hampton Roads area in October 2005 that showed \$563.9 million in direct and indirect spending in fiscal year 2004.⁴ Impressively, this represented an 11 percent increase from the \$510 million reported in the previous survey, released in fiscal year 1999. Even more impressive was the finding that when a similar survey was conducted in fiscal year 1993, the total economic impact of the arts and culture sectors on the region was calculated to be \$274 million. Of the region's 300 or more arts and cultural groups, about 70 completed the survey, including several of the larger organizations such as the Colonial Williamsburg Foundation and the Virginia Arts Festival.

Among other findings in the 2005 report was the fact that despite a decrease in the number of employees from 7,617 to 5,758 (due to a deep cut in part-time workers, from 4,167 to 2,129) between 1999 and 2004, the arts and cultural workforce, according to the latest survey, continues to be twice that of the local telecommunications industry. Interestingly, the number of full-time employees rose from 3,450 to 3,629 between 1999 and 2004. In addition, earned income—from ticket sales and other means through which the arts groups raise money aside from grants and donations—rose by 15 percent to \$223.7 million. Similarly, donations moved up slightly from \$38.1 million to \$40.7 million between 1999 and 2004. Finally, grants fared significantly better, expanding by 45 percent, from \$18.3 million in 1999, to \$26.5 million in 2004. The increase in ticket sales demonstrates that many more people, both residents and out-of-state visitors, participated in the various arts and cultural events, a trend that is encouraging to businesses contemplating investing in arts-related activities and venues.

CULTURAL HERITAGE TOURISM

As is the case with several other states, Virginia is focused on developing cultural heritage tourism in an effort to provide more exposure to the state's artists and performers as well as create more economic benefits to the specific region and the state. In this connection, the Commission for the Arts has awarded grants to several cultural tourism promotion projects and for training arts organization staff in tourism marketing. The Virginia Tourism Corporation (VTC) routinely advertises the state's myriad cultural attractions. For instance, every other

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year in September, the VTC publishes a report entitled "*The Heritage and Culture of African Americans in Virginia: A Guide to the Sites*," a comprehensive inventory of major African American sites in the state.⁵ While the report includes suggested itineraries and descriptions of historical sites, museums and churches, as well as maps of the state's eight cultural regions, it also contains a short history of African Americans in Virginia.

While not entirely connected to cultural heritage tourism, an October 2005 announcement from Virginia Governor Mark R. Warner indicated that in 2004, Virginia was the destination of nearly 36 million tourist visits,

representing a \$15.3 billion investment in the state's economy.⁶ Not only does the tourism industry in Virginia pack a multibillion dollar punch, it employs more than 280,000 people and generates more than \$2 billion in state and local taxes annually. In addition, 304,834 overseas and 436,800 Canadian travelers' spending totaled more than \$352.4 million in Virginia in 2004, a growth rate of 26 percent and 17.5 percent, respectively, while travelers from other parts of the country to Virginia increased by 8.3 percent between 2003 and 2004.

Even though this surge in tourism is not all related to cultural heritage tourism, the governor and the VTC have been stressing the benefits of Virginia's cultural tourism assets, located especially in southwest and south Virginia. For instance, then-Governor Warner's *Virginia Works* initiative, an effort launched in December 2004 to provide targeted investments to help distressed communities improve their economies, deployed a number of cultural attractions to increase tourism and enhance economic growth. An important component of the *Virginia Works* effort involves developing and promoting local and regional assets such as music, arts, crafts, history, and outdoor recreation with new tourism initiatives such as Virginian artisan centers;

The Crooked Road: Virginia's Heritage Music Trail; Virginia Tobacco Heritage Trail; Round the Mountain; and the rails to trails projects. These multidimensional efforts already are having a positive economic impact in southwest and south Virginia.

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grass, and mountain music heard today on The Crooked Road trail was passed down from generation to generation and is well represented by a collection of musicians and musical instrument makers that live along the trail. There are eight major links that glue the Road together, and these include Ferrum College's Blue Ridge Institute, Floyd Country Store, Rex Theater in Galax, Blue Ridge Music Center on the Blue Ridge Parkway, Birthplace of Country Music Alliance Museum (in Bristol), Carter Family Fold (in Scott County), Country Cabin (in Norton) and the Ralph Stanley Museum (in Clintwood in Dickenson County). Furthermore, the region is rich in other cultural assets (traditional handcrafted woodwork, weaving, pottery) and outdoor recreation (hiking, biking, fishing, boating) that are further incentives to take the trail. In fact, the recent popularity and success of The Crooked Road will lead to a group of musicians and musical instrument makers from the trail traveling to Scotland in May 2006 to showcase their talents and expertise on the international stage.⁸

In a sterling demonstration of interstate cooperation, the Virginia Commission for the Arts, Blue Ridge Institute of Ferrum College, Virginia, and the North Carolina Arts Council currently collaborate on an ongoing project, the Blue Ridge Music Trail.⁹ The Trail project emerged from a multistate partnership of organizations, communities, and individuals committed to promoting the cultural heritage of the region, particularly in the musical sphere. Given that the Blue Ridge region is an area where an array of musical styles and dance has flourished for decades, the Blue Ridge Music Trail project hosts a Website that guides travelers to the many public settings in which Blue Ridge folk music and dance thrive today. The goal of the Website is to provide cultural heritage tourists with current information regarding ongoing events reflecting the musical and dance heritage of the Southern Appalachian region and help them plan a productive and enjoyable visit. Once again, the goal of this program is to preserve the culture of the

region while bringing in much-needed tourism dollars to assist in expanding the economic potential of one of the more distressed regions of our nation.

BLOCKBUSTER EXHIBITIONS

Even though the Commission's response to the SLC survey indicated that there were no blockbuster exhibitions featured in any of the state's museums in the last five years, it is relevant to mention the remarkable permanent collection of more than 20,000 works of art from almost every major world culture housed at the Virginia Museum of Fine Arts (VMFA). Particularly noteworthy are the VMFA's collections of Art Nouveau, Art Deco, and modern and contemporary American art; French Impressionist and Post-Impressionist art; British sporting art; American art; the collections of Fabergé jeweled objects and English Silver; and, finally, the Museum's holdings of South Asian, Himalayan, and African art, rated among the finest in the nation.

The Roanoke-based Art Museum of Western Virginia, another jewel in the crown of Virginia's museums, featured an exhibition of the work of Ansel Adams entitled, *Ansel Adams: The Man Who Captured the Earth's Beauty*, between July 1 and September 11, 2005. In terms of its permanent collection, the Art Museum of Western Virginia houses 19th and 20th century American art, contemporary and modern art, decorative arts, and works on paper.

In addition, the Commission commented on the importance of the Chrysler Museum of Art in Norfolk.¹⁰ The Museum, founded in 1939 as the Norfolk Museum of Arts and Sciences, experienced explosive growth in 1971 when automobile heir and art collector, Walter P. Chrysler, Jr., presented the city of Norfolk with his collection. Today, the Chrysler Museum has an outstanding permanent collection of over 30,000 original works of art, including European and American paintings, and extensive glass and photography collections. Furthermore, the Museum continues to host outstanding

special exhibitions based both on its own collection and the collections of other museums on a regular basis.

BUILDING BOOM

In a trend that is evinced in a number of SLC states, Virginia also is experiencing an impressive boom in the construction of performing arts and cultural facilities. The construction of these state-of-the-art facilities with the latest technological advances in acoustics, lighting and sound remain an integral component of not only fostering the arts but also significantly enhancing economic capacities. Following are examples of several Virginia institutions that are in the process of expanding their facilities.

Virginia Museum of Fine Arts (Richmond)

This Richmond-based facility, which is the nation's largest and oldest state art museum, is in the process of a major expansion effort.¹¹ The London-based, American architect Rick Mather was selected to work on the \$108-million building expansion that will transform the Museum's nearly 14-acre campus with a work of contemporary architecture that will display more fully the Museum's extensive collection of world art. Mather's project will result in a five-level glass-and-stone structure that will add more than 100,000 square feet of space to the existing 240,000-square foot museum. The VMFA's trustees also announced the selection of the Olin Partnership of Philadelphia as landscape architects for the E. Claiborne and Lora Robins Sculpture Garden. According to its timetable, starting with the parking deck, VMFA broke ground for its expansion in 2005 and will proceed in phases. The parking deck will be completed first, in 2006, while the Robins Sculpture Garden will be constructed in phases once the parking deck is completed.

Art Museum of Western Virginia (Roanoke)

Another Virginia museum in the process of a major expansion effort is the downtown Roanoke-based Art Museum of Western Virginia.¹² In September 2005, the Art Museum broke ground for its much anticipated 75,000-square foot new facility. The new building, designed by Los Angeles-based architect Randall Stout, promises to be a dramatic composition of flowing, layered forms in steel, patinated zinc and high performance glass paying sculptural tribute to the famous Blue Ridge Mountains that provide Roanoke's backdrop and shape the spirit of the region. While the \$46 million project currently is scheduled to open to the public in the fall of 2007, the Art Museum's fundraisers have generated more than \$30 million

already toward this financial goal. The new facility will be the first purpose-built art museum ever constructed in Roanoke and a substantial step in the continued development of the region as an arts destination of national and international stature.

Ferguson Center for the Arts (Newport News)

Located in Newport News at the Christopher Newport University, the Ferguson Center is Virginia's newest home for artists from around the state, the region and the world.¹³ Since opening in 2004, the Ferguson Center houses three state-of-of-the-art theaters and facilities including a 1,700-seat proscenium, a 450-seat modified proscenium, a 125-seat experimental theater alongside new scenic and costume studios, computer and lighting labs, extensive rehearsal facilities and state-of-the-art teaching and learning spaces.

Sandler Center for the Performing Arts (Virginia Beach)

Scheduled to open in 2007, the Sandler Center will be the cultural centerpiece of Virginia Beach, a professional-quality facility that celebrates the arts and showcases the wealth of Virginia and the region's cultural resources.¹⁴ With its location right in the middle of the city's vibrant Town Center, the state-of-the-art performance hall will seat 1,200, offer perfect sight lines, feature an outdoor performance plaza and support spaces. In terms of financing the facility, in November 2004, city officials approved a total budget of \$46.7 million for the Center. Of this amount, \$35 million will be secured from city funds that, in turn, will be secured from dedicated meal and hotel taxes, funds partially collected from visitors. The remaining capital requirements are expected to be raised from private funding.