

EXECUTIVE SUMMARY

The Economic Impacts of the Columbia Museum of Art

Study period: Fiscal years 2007 and 2008

The Columbia Museum of Art is a major attraction for tourists in South Carolina and the region and has experienced a 390% increase in attendance and outreach since 2003. **The combined impacts of the direct operations of the Columbia Museum of Art and the spending by museum visitors generated almost \$23 million in economic activity in the Columbia Metropolitan area for 2008.**

The combined return on investment for the City of Columbia, Richland County and the surrounding area is more than \$16 for each dollar invested in the Columbia Museum of Art.

The Columbia Museum of Art is located in downtown Columbia and is viewed as “the anchor” of the revitalization of downtown Columbia as well as one of the major cultural organizations in the Central Carolina area. The museum has over 20,000 square feet of gallery space to showcase its own substantial art collection as well as traveling art exhibitions from around the nation and abroad.

The Columbia Museum of Art, which draws thousands of visitors to the area, enhances the image of Columbia and therefore is vital to the long-term success of the city.

The Columbia Museum of Art serves the entire metro area and in particular downtown in many ways. In addition to its primary mission of exhibiting its art collection and bringing international art exhibitions to the area, the museum also serves the Columbia community in the following ways:

1. **The museum is a major component of the downtown economy.** The museum buys goods and services from many businesses in Columbia. The museum’s annual expenditures averaged more than \$3.5 million per year in 2007 and 2008. This is important to the City and County since the vast majority of the museum’s expenditures stay in the local economy.
2. **The museum is a downtown retail establishment.** The museum gift shop caters to museum patrons and features high-quality goods not only related to current exhibitions, but also features products from major museums around the world. Museum store sales in the last two years have increased by 30% to an average of \$152,500 for 2007 and 2008.

3. The museum is a major contributor to downtown Columbia tourism. Attendance and outreach for the museum is over 128,000 people per year. 54% of the visitors were from areas outside Richland County and 16% are from outside of South Carolina in 2007 and 2008.

This economic impact study does not include the museum's spring 2009 exhibition Turner to Cézanne, which was highly successful and broke all attendance records for the museum. A 2009 impact study will be done next year and will include the results from this blockbuster exhibition. The tourism numbers for this show are exceptional. Out-of-state tourism has increased to 20% of all visitors and visitation from outside Richland County has risen from 54% to 64%. These out-of-town visitors spend more dollars in the local economy than day visitors.

4. The museum is a provider of arts education. Studies have shown children engaged in the arts have better overall academic performance and are more likely to have better test scores than those with little or no exposure to the arts. Most importantly, students involved in the arts will develop basic skills needed by the 21st-century workforce: critical thinking, creative problem solving, effective communication, and teamwork. Art programs in public schools continue to struggle for funding and are facing more challenges in the current recession. The Columbia Museum of Art has continued to step up its efforts to help fill in the gap in arts education for SC children and educators. The museum provides lesson plans for educators, tour guides for field trips and also has an active outreach program that includes visiting local schools and community programs, ensuring that Columbia-area children receive a comprehensive arts education.

5. The museum is a venue for local events. The Columbia Museum of Art has facilities for events such as board meetings, private dinners, wedding receptions and cocktail receptions. The museum can accommodate parties from 10 – 1,200 people. In 2007 and 2008 the museum hosted 30,000 people at rental events. These events are a big source of income for local caterers, event planners, party supply companies, florists and many more businesses.

6. The museum is the cultural anchor of the revitalization of downtown Columbia.

When the City of Columbia wanted to revitalize and improve the downtown area in 1998, it asked the Columbia Museum of Art to relocate to the corner of Hampton and Main Street. Since then, the downtown area has thrived. New businesses are locating downtown, existing tenants are renewing their leases, and there have been a number of new office towers, luxury condos and apartments built in the downtown area where hundreds of people now live.

Economic Impacts of the Columbia Museum of Art

The Columbia Museum of Art greatly impacts the economy of downtown Columbia as well as the entire metro area. The results of this 2007 and 2008 study indicate:

- CMA directly and indirectly supports more than **370 jobs** in the Columbia area
- CMA generates more than **\$23,000,000** in economic activity annually due to direct, indirect and induced impacts of the museum
- The City of Columbia, Richland County and the surrounding area receive a **more than a sixteen-fold** return on the combined investment in the museum of \$1,426,000. This return is realized through increased tourism and retail sales, support of the local labor force, as well as accommodation and hospitality tax revenues.
- CMA **serves an average of 10,700 people per month** through its programs, events and outreach activities
- CMA **overnight visitors spend \$8.2 million per year** in Columbia directly on lodging, retail, and restaurant/bar expenditures.
- An average of almost **1,600 people per month attend meetings, receptions and other events** at the museum – **drawing many people downtown** from other areas of the city and state
- CMA's arts **education** programs reach over **28,000 area children** per year

The City of Columbia and Richland County each provide on average, 19% of the museum's annual operating budget. Over the past four years, the museum has significantly expanded private support. There is a broad-based commitment and investment in the museum that provides the remaining 62% of funding through private donations, sponsorships, and grants from foundations.



A survey done by the South Carolina Arts Commission indicated that 99% of CEO's state that the availability of cultural activities is an important consideration when choosing a new location (<http://www.state.sc.us/arts>). Currently, Columbia is competing with other South Carolina cities to lure the best businesses and the brightest workforce. As the largest art museum in the state, with the most significant international collection and exhibition program, the Columbia Museum of Art is fast becoming the leading art museum in the region and a must-see destination for tourists around the southeast.

The Columbia Museum of Art is well appreciated in the business community. Many of Columbia's leaders understand the importance of the museum and have written letters voicing their support. They include:

- Dr. Harris Pastides – President, University of South Carolina
- M. Edward Sellers – President and CEO of BlueCross BlueShield of SC
- Leighton Lord III – Partner, Nexsen Pruet Law Firm
- Edward Mullins – Partner, Nelson Mullins Law Firm
- James Gambrell – Director, City of Columbia Office of Economic Development
- Tom Savory – Founder, Watson Tate Savory, Architects
- Mike Flack – Executive Director, Columbia Metropolitan Airport
- Deirdre Mardon – Executive Director, Congaree Vista Guild
- Terry Brown – CEO, Edens and Avant and Board Chair of City Center Partnership

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