SPILLOVER EFFECTS OF INVESTMENTS IN CULTURAL FACILITIES

BY T. LEA, K. JONES, D. SHARPE, T. JONES AND S. HARVEY

RYERSON UNIVERSITY
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Preface

This prototype research tested the power of geographic information systems and associated fine grained spatial databases to examine the spin-off effects of investing in cultural facilities at the local level. In many ways, the research can be viewed as lead-edge as it provides, for the first time, various cultural organizations with a means of demonstrating the value of investments in cultural facilities in generating various local benefits. Some of these benefits are economic, other are environmental, while still others are social in nature.

The research was undertaken in partnership with two organizations – Toronto Artscape Inc, a non-for-profit organization that creates space for the arts while building communities and revitalizing neighborhoods and the Planning Department of the City of Vancouver. Two individuals from each of these organizations provided valuable insights and leadership throughout the project – Tim Jones and Sue Harvey, respectively. A number of other individuals also contributed to the projects successful completion. They include Tom Oster of the City of Toronto, Beau Dunker and Kelly Ross two student researchers in the Masters in Spatial Analysis Students at Ryerson University and Jeff Everson of the Canadian Urban Institute. The CSCA would also like to thank Sarah Simpson, Communication Manager, Arts Club Theatre Company for kindly providing the photographs for the front cover of the report.

The work presented here can be viewed as a first step. The CSCA and Toronto Artscape Inc are planning to extend the work to other communities. In addition, with the support of Heritage Canada, we held a workshop in June 2004 with representatives from the arts community across Canada that explored ways of extending the research presented in this report. Currently, we are developing a set of indicators that hopefully will enable the research team to examine impact of cultural investments in communities across Canada.

Ken Jones, Director, CSCA
Spillover Effects of Investments in Cultural Facilities

Overview

Impact assessments in the arts and culture have typically been framed in terms of economic multipliers or return-on-investment ratios. Recently, however, there has been a growing interest in assessing if a region’s cultural and artistic “scene” can be a strong predictor of the region’s economic success in apparently unrelated sectors (Florida, 2002, Gerber, et. al. 2002). Moreover, researchers have begun to try to explore the conceptualization of larger conceptual and measurement frameworks that can capture the complex social, cultural, and economic impacts of cultural and artistic activity at the neighbourhood level. At this local level, investment in culture increasingly is seen as a key component of urban revitalization projects. For example, in Toronto, the redevelopment of the 401 Richmond Street West with its mix of artists spaces (see Cohnstaedt et al., 2003) and the Distillery District, a destination that integrates a mix of artists, galleries, restaurants and residential development, are cited as illustrations of this culturally-driven type of new urbanism. Similar developments have been seen in both Birmingham, UK with the redevelopment of the Bird’s Custard Factory and the Shubert Theater in Minneapolis, U.S.

In 2003, investigators from Toronto Artscapes Inc. and Ryerson University’s Centre for the Study of Commercial Activity began to study the complex process of change in neighbourhoods that were in close proximity to 3 recently opened cultural facilities: 2 artist live-work facilities located along Queen Street West in Toronto, and the Stanley Theatre located on Granville Street in central Vancouver. These studies assessed micro-data from a variety of sources (e.g., census information, business databases, crime statistics, business and resident surveys that were administered in the three neighbourhoods). The study adopted a geomatics methodology to study impacts at very small spatial scales—that is, areas of less than 1 square kilometer surrounding the facilities in each of the three study areas in question. This innovative spatial approach has already proven effective in documenting and understanding social, cultural, and economic spillover effects (Jones, Lea, Jones & Harvey, 2003). This research monograph provides an overview of the findings of this research program.

This research was supported by a number of partners that included: Toronto Artscapes Inc., the City of Vancouver, Ryerson University, the Department of Canadian Heritage, the Ontario Ministry of Culture, the Ontario Arts Council, the Laidlaw Foundation and the City of Toronto. The project examines the impact of investment in cultural facilities at a small geographic level. The objectives were to develop:

- a new Set of Measurement tools and benchmarks to assess the economic, social, and cultural impacts of investments in cultural facilities at a variety of spatial scales
- a Decision Support System for the measurement and monitoring of the spin-off effects of cultural investments on various communities
- a Set of Insights that would inform both cultural facilities and government policy makers in issues associated with planning, capacity building, and sustainability

Research Context

To date, Florida’s (2002) qualitative research based on focus groups and interviews with creative individuals, has provided some insights into the locally framed opinions about quality of place. His work underscores the importance of a region’s having a “thick” labour market (i.e., with many employment opportunities), a rich lifestyle “scene” (e.g., music, art, outdoor sports), many “third places” for social interaction (e.g., bookstores, cafes), diversity (e.g., of ethnicity, sexual orientation, personal decoration), authenticity (i.e., uniqueness, history), and identity (i.e., as expressed through a sense of belonging or engagement in community or environmental groups). Much of this, in turn, relates to what one might refer to as the Jane Jacobs (1961, 1997) “look and feel” of a central city neighborhood: mixed use residential, office, studio, and retail space, all in close, pedestrian-friendly proximity, with abundant green space, bike paths, and the like.
This type of analysis, however, leaves open the question of how cultural producers and facilities impact on a neighbourhood socially, culturally, and economically. One group that has wrestled with this from a conceptual and measurement point of view is the Urban Institute in Washington, D.C. (Jackson & Herranz, and Kabawawa-Green, 2003). They have conducted focus groups and interviews in many centres across the United States to try to come to a more full understanding of the role of arts, culture, and creativity in community building. Their research has led them to a set of “guiding principles” for studying arts, culture, and creativity: that definitions of these concepts depend on local values; that participation includes many means of expression; that meaning and purpose are multiple; and that participation may be both art- and non-art-specific. These researchers’ concern is that there has been a tendency in thinking about arts, culture, and creativity, to over-emphasize traditional notions of the arts, and traditional dichotomies such as high-low or formal-informal, which they see as over-simplifications. They nonetheless argue that manifestations of arts, culture, and creativity have positive impacts on pride, stewardship, and safety. They acknowledge, however, that the mechanisms are poorly understood, and involve complex systems of support that mix art production, dissemination, and validation with non-art enterprises.

A review of the relevant literature would indicate that there are a great many other research projects taking place to study the capacity, sustainability, and impacts on the arts and culture sectors in various locations. These range from Boston, Chicago, New York, Philadelphia and Silicon Valley to Red Deer, AB, and Nelson, BC. As noted at the outset, many of these focus on economic multipliers and return on investment, but some—particularly the Philadelphia Social Impact of the Arts Project (SIAP; 2001) look at more fine-grained, survey-based measures such as the number and capacity of local arts organizations, attendance at musical performances, demographic characteristics (e.g., age, race, income) and location (i.e., zip code). Other groups, such as Francois Matarasso with Comedia in the UK (Matarasso, 1999) have looked at survey-based measures of “local culture” (e.g., the number and capacity of local arts organizations, education, training and, diversity) and outcomes such as “personal development” (e.g., self-confidence, self-image, skills, employment) and “community development” (e.g., crime reduction, environmental improvement, volunteer work). Finally, there have been a number of recent reports on the need for and policy mechanisms associated with the development of creative cities (Bradford, 2004; Duxbury 2004; Gerder, 2004).

Methodology

A background literature search suggested that no empirically-based research project has brought to bear all of the different types of data that have been collected (i.e., census, business, crime, survey) at an extremely small scale (e.g., just hundreds of metres to each side of a particular facility) across time. In addition, indicators were constructed in an attempt to measure relevant psychological decision-making processes. To address this need (see the attached Summary of indicators in Appendix A), we constructed Census-based indicators such as economic hardship, well being, neighbourhood improvement, and demographic indicators such as ethnic diversity and change. Business databases were used to construct indicators of local business creation, health, stability, business churn (defined as the number of businesses in the area entering + leaving/staying +100), and restaurant/bar (harbinger) change. Crime data, in the case of Vancouver, was used to measure social change. Finally, we designed and conducted surveys of residents, business owners, and patrons of the Stanley Theatre, and constructed psychologically relevant indicators such as sense of well being, neighbourhood improvement, and arts driving neighbourhood improvement in addition to the previously mentioned measures such as arts interest and arts involvement.

The study chose three areas to study the spillover effects of two distinct type of cultural investments. The two facilities in Toronto were located along Queen Street and were relatively small artist’s live work spaces that were operated by Toronto Artscape. In Vancouver, the study area was centred upon the redeveloped 650 seat Stanley Theatre located at 2750 Granville Street that was reopened in 1998. The conceptual model that was tested in the research is illustrated in Figure 1. The notion is, that once a cultural facility or development is announced, change in the local environment begins. This change continues, and accelerates, in most cases, once the project is in place and the various aspects of change begin to take effect. As is suggested in the figure certain variables will show increases (e.g., local employment, land values, income levels) while other variables may exhibit a decline (e.g., crime rates, business vacancies, poverty levels, employment rates). The key concept is that the introduction of a cultural facility appears to contribute to or facilitate neighbourhood change. As such, culture can be viewed as a driver of change. At one level it provides a mechanism for city building, while at another it is an agent of not just neighbourhood redevelopment but potential gentrification.
<table>
<thead>
<tr>
<th>Data Type</th>
<th>Source</th>
<th>Spatial Scale</th>
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<tbody>
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<td>Statistics Canada Boundary Files</td>
<td>Dissemination Level</td>
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<tr>
<td></td>
<td>DMTI Street files</td>
<td>Latitude / Longitude</td>
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<td></td>
<td>YanMap</td>
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<td>Canada Census 1996 and 2001</td>
<td>Enumeration / Dissemination Area</td>
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<td></td>
<td>Residents &amp; Business Owner Survey</td>
<td>Individual Point</td>
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<tr>
<td>Business Data by Address</td>
<td>CSCA Retail Strip Database</td>
<td>Point Data by Address</td>
</tr>
<tr>
<td></td>
<td>National Business Database</td>
<td>FSA LDU (6 Digit Postal Code)</td>
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<tr>
<td></td>
<td>Numbers of Firms by Type &amp; Mix</td>
<td>Address</td>
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<td></td>
<td>Change over Time</td>
<td>1 km Strip Polygon</td>
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<td></td>
<td>New Business Creation</td>
<td>1 km Strip Polygon</td>
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<tr>
<td></td>
<td>Leaving and Dying firms</td>
<td>1 km Strip Polygon</td>
</tr>
<tr>
<td>Retail Sales Data</td>
<td>SARTRE (annual 1996-2000)</td>
<td>FSA (3 Digit Postal Code)</td>
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<tr>
<td>Employment Data</td>
<td>Toronto Planning &amp; Dvlp. Dept.</td>
<td>Block / Building</td>
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<tr>
<td></td>
<td>Greater Vancouver Research</td>
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<td></td>
<td>Development Employment Study</td>
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<td>Crime Data</td>
<td>Vancouver Police Department</td>
<td>Address / Intersection</td>
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<tr>
<td>Real Estate Prices</td>
<td>Telephone Survey of Real Estate Agents</td>
<td>Stanley Theatre Area</td>
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<tr>
<td>Area development and Change</td>
<td>City of Vancouver Development Services</td>
<td>Block</td>
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</table>

**Data**

The databases that were collected for each of the areas provided fine grained information often at the level of the individual business or, in the case of census data, the dissemination area level. To add to the complexity of the data collection exercise, the data were collected for various time periods, typical census intervals, in order to measure change. Table 1 characterizes the data used in this project in terms of its type, source, and level of spatial detail.

Based on these databases the project developed a set of key impact variables (see Appendix A for a complete list). These impact variables measured change in the local community; changes in the social environment, neighbourhood character, and local economic conditions. In addition, for each area, a number of impact indicators were generated: (i) talent index (population with a bachelor’s degree or higher); (ii) bohemian index (labour force in arts, culture and recreation and sports); (iii) mosaic index (total immigrant population); (iv) hardship index (low income population); and, (v) business churn index (change in local business).
Analysis and General Findings

Rather than reporting on each of the three study areas in detail, in this report the findings of the research will be discussed with reference to the general trends that were found in each of the three study areas. This approach is required for two reasons. First, each of the projects are of a different scale and secondly each of the areas is in a different stage of development.

Vancouver Case: The Stanley Theatre

This major urban redevelopment project, located on Granville Street in the Fairview area of Vancouver (Map 1), was completed in October, 1998. The original Art Deco theatre was built in 1918 and operated as a cinema until 1991. The theatre was closed until 1998 when it was re-opened as an art-deco 650 seat proscenium theatre. Given the 1998 redevelopment date, a comparison of census data between 1996 and 2001 provided an ideal temporal data source to assess short-term change associated with the re-opening of the Stanley Theatre on the local area. The analysis showed that the total population in the area experienced little change over the 1996-2001 period. However, the data did reveal that a number of demographic shifts had occurred between the two census years. Most importantly, there was a shift in the local residents with a university degree increased by 25% so that 50% of the local residents over 20 years of age had a university degree compared to the Vancouver average of 19%; those employed in arts, culture, recreation and sport increased from 10.6% to 13.6% of the local population (slightly above the Vancouver average of 13%); the unemployment rate decreased to 5.5% (well below the Vancouver average of 8.6%) and the average income of local residents increased from $43,500 to $58,800 (again well above the Vancouver average of $44,600).

Other indicators also exhibited significant changes in the area in close proximity to the Theatre. The price of condominiums changed from $196,000 to $404,000 between 1996 and 2002 and the average sale price of housing in the area increased from approximately $190,000 in 1996 (well below the Vancouver average of $270,000) to approximately $280,000 in 2002 (above the Vancouver average of $250,000). Similarly, the number of building permits in the Stanley area increased significantly from a total of 18 for the 1992-1997 period that was prior to the theatre’s opening in 1998 to a total of 117 for the 1998-2003 – the post Stanley period. Retailing in the Granville strip also exhibited significant change and the retail fabric of the area changed radically with 55% of the original 205 businesses closing over the 1998-2002 period. As evidence of these changes, the total number of restaurants, cafes and bars experienced a 21% increase, the number of arts and culturally-related businesses increased by 9% and a new destination retailers located in the area – Chapters in 1997. Restoration Hardware in 1998 and Pottery Barn in 2003. Total retail sales in the area increased from $103 million in 1998 to $216 million in 2000 (SARTRE, 2000).

The area also experienced a number of social changes over the pre- and post-Stanley period. Most dramatically there was a major shift in local crime rates. Large decreases were noted in assaults (-53%), break and entries (-47%) and personal theft (-23%), while increases were noted in crime associated with robbery (+13%) and shoplifting (+16%). The survey of 134 local businesses and 426 residents confirmed the importance of the Stanley Theatre. Area residents reported that 83% attended a performance at the Stanley and 42% also dined at a restaurant in the area when attending the theatre. The local residents and business owners also reported that since the opening of the theatre increases were noted in pedestrian traffic (71% and 55%, respectively), business diversity (56% and 38%), cultural diversity (50% and 29%), community activities (35% and 33%) and neighbourhood cleanliness (30% and 36%). However, the two groups of respondents (residents and business owners) also had worsening perceptions of increases in vehicle traffic (65% and 55%), crime against property (21% and 22%), and crime against persons (12% and 17%).

Finally, the five social indicators (measured as location quotients1) that were generated from the 1996 and 2001 Census indicated that the area around the Stanley Theatre continued to score considerably above the Vancouver average in both the Talent and Bohemian Indices while the Mosaic Index experienced declined and the Hardship Index was below the Vancouver average (see Table 2 – that also includes comparative data for the two Toronto study areas).

1 The location quotient (LQ) is a dimensionless index for comparing a local area share of a particular activity with the regional share of the same phenomenon. As such, it is a ratio of a ratio, that permits one to determine if a particular phenomenon is over (LQ>1.0) or under represented (LQ<1.0) in a particular local area.
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<tbody>
<tr>
<td>Talent Index (LQ pop. 20 yrs + with a bachelor's degree or higher * 100)</td>
<td>233</td>
<td>215</td>
<td>72</td>
<td>124</td>
<td>75</td>
<td>86</td>
</tr>
<tr>
<td>Bohemian Index (LQ - labour force with occup. In art, culture, rec. &amp; sports *100)</td>
<td>312</td>
<td>320</td>
<td>36</td>
<td>320</td>
<td>166</td>
<td>251</td>
</tr>
<tr>
<td>Mosaic Index (LQ - total immigrants by places of birth *100)</td>
<td>123</td>
<td>103</td>
<td>123</td>
<td>103</td>
<td>132</td>
<td>122</td>
</tr>
<tr>
<td>Hardship Index (LQ - household income below Low Income Cut Off *100)</td>
<td>n.a.</td>
<td>85</td>
<td>n.a.</td>
<td>114</td>
<td>n.a.</td>
<td>264</td>
</tr>
<tr>
<td>Business Churn 2002/1998 (businesses entering + leaving/staying *100)</td>
<td>121</td>
<td>123</td>
<td>74</td>
<td></td>
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</tbody>
</table>

*LQ - Location Quotient calculated on Census Metropolitan Area as a base.

The LIC0 (Low Income Cut Off) is used by Statistics Canada to identify low-income families in Canada. They characterize a family as low income based on certain measurements - like family size and family income. Statistics Canada looks at how much of a family's income is spent on what they call the three basics: food, shelter and clothing. If a certain percentage of the income is spent on the big three, then the family is classified as low income. That percentage is calculated by taking a look at how much income the average family spends on food, clothing and shelter. The first LIC0 was established on data collected in 1959 when an average family spent 50 percent of its pre-tax income on the three necessities. Statistics Canada therefore decided that if a family in 1959 were spending 70 percent of its income on the big three they were in strained circumstances. The most recent base for LICOs is the 1992 Family Expenditures Survey that showed that the average family spent 44 percent of its after-tax income on food, shelter and clothing. Statistics Canada again adds 20 percent to that number to establish that a family that spends 64 percent of its income on the three necessities is low-income.
The Toronto Case: Toronto Artscape

In Toronto, two artist workspace facilities were studied to determine their spillover effects on their respective local communities. These buildings were located at 900 and 1313 Queen Street West. Each of these areas, although geographically in close proximity, are in different stages of development.

The 900 Queen West property was a former warehouse that was renovated in 1995 and was the first legal artist live/work building in Toronto. It comprised 22 subsidized and market value housing units and 6 artist work studios. Over the 1996 to 2001 period the demographic character of the areas adjacent to the facility experienced a number of fundamental changes. The dominant ethnic group in the area clearly was changing from Portuguese (-20%) to Chinese (+9%) and the proportion of the population with a university degree had increased by 129 percent to 31 percent of the resident population. Moreover, the labour force in the local community was now dominated by white collar (54%), arts, culture and sports and recreation (25%) and management occupations (18%). These changes were associated with a corresponding increase in total household incomes of 69 percent.

From a business perspective, the area experienced an increase in both art galleries and artist supplies stores (+4) and restaurants and bars (+3). Moreover it was observed that over time the retail composition of the area experienced a recognizable sequence. The first arrivals were art galleries and facilities, followed by restaurants and bars, and finally, specialty retailing.

The 1313 Queen Street West facility, redeveloped in 1998, is a mixed-use project comprised of 9 artist live/work units and a series of community based offices. The facility is located in the somewhat “gritty” area known as Parkdale. Since the establishment of the Toronto Artscape facility, the neighbourhood has undergone substantive change. While the average total household income in the area increased by 12.3 per cent over the 1996-2001 period, 44% of the households were categorized as low income according to the LICO index and 88% of the housing in the area was rental.
Table 3 - Selected Indicators for Queen Street West based on Business Survey Results

<table>
<thead>
<tr>
<th>Survey-Based Indicators</th>
<th>900 Queen St. West</th>
<th>1313 Queen St West</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Neighbourhood Well Being</td>
<td>64.3</td>
<td>51.0</td>
</tr>
<tr>
<td>2. Neighbourhood Improvement</td>
<td>58.9</td>
<td>51.7</td>
</tr>
<tr>
<td>3. Community Involvement in Culture</td>
<td>41.3</td>
<td>42.8</td>
</tr>
<tr>
<td>4. Arts Interest</td>
<td>33.9</td>
<td>19.8</td>
</tr>
<tr>
<td>5. Arts Driving Neigh'd Improvement</td>
<td>69.2</td>
<td>71.2</td>
</tr>
<tr>
<td>6. Artscape Knowledge &amp; Appreciation</td>
<td>39.8</td>
<td>36.9</td>
</tr>
</tbody>
</table>

As was the case in Vancouver, both residents and local business owners were surveyed to determine the impact of the Artscape facilities on the local neighbourhood. The resident responses indicated that 66% patronized local galleries, 33% attended local exhibits or workshops and 20% purchased local art. Similar to the Vancouver study, residents noted that since the development of the Artscape facility in Parkdale, business diversity, community arts and activities, and streetscape improvements had increased. The key drivers that they viewed as associated with these positive neighbourhood changes were the increase in the total number of galleries (75%), artists living in the area (66%), restaurants (62%) and other retailing (62%). Again, similar responses were elicited from the business survey and approximately 50% of the businesses had made capital improvement to their store. In order to illustrate the differences in the two areas, Table 3 provides a summary of business survey results on a series of 6 indicators of neighbourhood change.

The indicator values presented in Table 3 suggest that over 50% of the respondents in the two Queen Street West study areas believed that both neighbourhood well-being and associated neighbourhood improvements had experienced a positive change since the introduction of the Artscape facilities. Moreover, approximately 70 percent of the businesses surveyed in the two areas expressed the view that arts and culture were driving this improvement and approximately 40 percent of the businesses in both areas had a direct involvement in the arts and cultural scene in their respective neighbourhoods. These findings clearly reflect the view that the introduction of creative activity at the local level does enhance the feeling of community vitality and is recognized as a major stimulant for neighbourhood revitalization.

Finally, five indices were calculated for each of the study areas for each of the two time periods. A comparison of these values enables one to assess the differences in the social environments of each of the communities. In both 900 and 1313 Queen Street West the Talent Index increased. In the case of 900 Queen West the index increased from 72 in 1996 to 124 in 2001, while in the 1313 Queen Street West this index increased from 75 to 86 – still below the Toronto Census Metropolitan Area Average. In both areas the Bohemian Index was 2 to 3 times above the Toronto average. However, the 900 Queen Street community was extremely high was showing some decline (360 to 320), while the 1313 Queen Street community showed a large increase in this indicator over the five year period (166 to 251). In terms of the Mosaic Index both areas were showing less diversity, with 900 Queen Street approaching the Toronto average (123 to 103) and 1313 declining from 132 to 122. Finally, the Hardship index showed a marked difference between the areas with residents in the 1313 area exhibiting a Low Income Cut Off (LICO) that was 2.64 times the Toronto average while 900 Queen Street areas had a LICO of 114 (14% above the Toronto average). From a business creation perspective the different values of the business churn index for the two areas indicates that the 900 Queen Street West retail area continues to experience constant retail change and adjustment, while we would suggest that 1313 strip with a low churn index of 74 is about to enter a period of major retail redevelopment.
Conclusions

This research shows that the process of neighbourhood change is extremely complex, with a number of trends clearly evident. Foremost is the finding that in each of the study areas there is compelling evidence that the artistic and cultural component of an area is strongly associated with growth, development, gentrification, reduced crime rates and reinvestment in residential and commercial property. Moreover, both local residents and business owners strongly believe that artists and arts and cultural facilities are important drivers of this growth, neighbourhood change and associated structural improvements.

Moreover, the three case studies show that there is a definite association between the investment in the arts and the development of a neighbourhoods cultural fabric and a number of socio-economic and demographic changes. These include: increases in education levels and incomes of local residents, an influx of more professionals and managers, a higher labour force participation rate, lower unemployment, smaller families, and an increase in residents between 29 and 54.

From an economic perspective, the three cases demonstrate directional links between an increase in cultural facilities in a local area and an increase in property values, the number of building permits, and a real increase in retail sales. Remarkably, each of three study areas showed a similar pattern of business change. Each area exhibited a high level of business turnover (in the range of 40-50%) after the initial introduction of the cultural facility. Over the 5 year period under study (1996-2001), approximately 115 new business were created in each area and between 20 and 30 percent of these new business startups were associated with culturally-related activities and employment in the arts, and culturally-related retailing experienced an approximate 50% increase.

Finally, in both the Vancouver and Toronto study areas, survey results suggested that both residents and local businesses viewed the increases in art and artists as a major contributor to an increased local well being, a major driver of neighbourhood change and a major factor that contributed to increased community involvement. Based on this prototype research there is empirical evidence that cultural investments do have spillover effects. While this has been recognized anecdotally, this report has helped to quantify these beliefs. But, there is an obvious need for a larger body of case studies to substantiate the “impacts” and associations that were observed in this piece of research.

Next Steps

This project ends with a need to simplify and refine the research methods and tools that were developed over the course of conducting 3 case studies of cultural facilities in Vancouver and Toronto in 2003, and to chart a course for the selection of future case studies. The research already has demonstrated to be effective in documenting the complex profile of social, economic, and cultural impacts at the neighbourhood level. The next stage is to use this work as a base to develop a streamlined research template that is cost-effective, efficient, flexible and targeted to meet the needs of cultural facilities and policy makers.

First, while we are left with a re-invigorated sense of the robustness of our methods and the timeliness and interest of our findings, there is need to improve and tweak the indicators. Moreover, there is an obvious need to broaden the limited case study base to cover other types of cultural facilities and other regions. Similarly, there was an expressed desire from various members of the arts and cultural community to see an increase in the level of public engagement through outreach to the media, the public, and the political establishment.

Further to this point, comments from a national research advisory council that met in March, 2004, suggested that the research methodology could have a broader use than only understanding the impact or spillover effect of cultural facilities investment. It might be conceived not only as a mechanism to monitor the effectiveness of creative sector players and interventions on community and economic development, but also as a tool for municipal planners to develop sustainable communities. Study areas need not necessarily be focused exclusively around new cultural facility developments. It might well make sense for case studies to focus on identifying the patterns of change in communities at different stages of transition, and finding correlations between net changes and shifts in the creative sector. The aim would be first to identify a cycle of transition from derelict to highly gentrified neighbourhoods. Then, the research would identify a potential range of cultural and other interventions appropriate for the different stages of transformation that promote long term sustainability. For instance, if planners discover a trend toward loss of income diversity in a neighbourhood, the antidote would be affordable housing development. It seems reasonable to suggest that this broader focus on sustainable communities—which to our minds is already inherent in this work—is in fact strategically in line with the current shift in policy development away from aspatial approaches to economic
development toward more place-sensitive ones. To put the point somewhat differently, one might view this research either as providing impact measurement tools for neighbourhoods around cultural facilities, or as providing neighbourhood indexing tools that speak to the optimal nature of cultural investments.

In light of these discussions, it seems reasonable to suggest that the multi-pronged study of census, business, crime, and survey data at small spatial scales across time seems ideally suited to capture the complex process of neighbourhood change, and to point to the kinds of strategic and catalytic cultural investments that constitute best practice in bringing about sustainable change. Indeed, it is argued that studies of social, cultural, and economic indicators in the impact zones around cultural facilities suggest the development of what might be called a neighbourhood renaissance index. The development of a neighbourhood renaissance index would help to create the kind of compelling narrative understanding of what is in fact happening in many locations across the country and around the world. Such a tool promises to help policymakers locate the place of any given neighbourhood in its evolution, and make decisions about the kinds of strategic cultural investments that are likely to be optimal.

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Appendix A - Key Impact Indicators

Key Impact Indicators

- Changes in Local Community
  - Age structure
  - Family composition
  - Household income
  - Education levels
  - Ethnic diversity

- Changes in Social Environment
  - Community engagement
  - Neighbourhood improvement
  - Crime reduction
  - Local arts “buzz”
  - Knowledge and appreciation of arts activities
  - Arts driving neighbourhood improvement

- Changes in Neighbourhood Character
  - Diversity of business
  - Loss/Gain in local service amenities
  - Diversity of artistic community
  - Investment in streetscape improvements
  - Heritage preservation
  - Use of public facilities

- Changes in Local Economic Conditions
  - Property values
  - Employment
  - Income
  - Retail sales
  - Vacancy rates
  - New business creation
  - Building permits
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