



City of Olympia

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8447

Meeting Agenda General Government Committee

Tuesday, May 20, 2014

4:30 PM

Room 207

REVISED

1. ROLL CALL

2. CALL TO ORDER

3. APPROVAL OF MINUTES

- 3.A [14-0422](#) Approval of April 15, 2014 General Government Committee Meeting Minutes

Attachments: [Minutes](#)

4. COMMITTEE BUSINESS

- 4.A [14-0519](#) ORAL REPORT: Amend Rules of Procedure for Council-Appointed Advisory Committees, Boards, and Commissions

- 4.B [14-0421](#) Briefing on Plastic Bag Ban Outreach and Communication

- 4.C [14-0483](#) Receive Report on Economic Impacts of the Greater Olympia Area Music Industry

Attachments: [Music Impact Study Phase 1](#)
[Music Impact Study Phase II](#)

- 4.D [14-0482](#) Review of Music Out Loud Concept

- 4.E [14-0500](#) ORAL REPORT: 2014 Legislative Session and Olympia Priorities

Attachments: [Olympia Priorities](#)
[AWC Recap](#)

5. ADJOURNMENT

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Meeting Minutes - Draft General Government Committee

Tuesday, April 15, 2014

4:30 PM

Room 207

1. ROLL CALL

Present: 2 - Chair Jeannine Roe and Committee Member Jim Cooper

Excused: 1 - Committee Member Cheryl Selby

2. CALL TO ORDER

Chair Roe called the meeting to order at 4:35 p.m.

3. APPROVAL OF MINUTES

3.A 14-0307 Approval of March 17 General Government Committee Meeting Minutes

Committee Member Cooper moved, seconded by Chair Roe, to approve the minutes. The motion carried by the following vote:

Aye: 2 - Chair Roe and Committee Member Cooper

Excused: 1 - Committee Member Selby

3.B 14-0370 Approval of March 18, 2014 General Government Committee Meeting Minutes

Committee Member Cooper moved, seconded by Chair Roe, to approve the minutes. The motion carried by the following vote:

Aye: 2 - Chair Roe and Committee Member Cooper

Excused: 1 - Committee Member Selby

4. COMMITTEE BUSINESS

4.A 14-0256 Community Development Block Grant Funded Options for Economic Development

Community Planning & Development Deputy Director Leonard Bauer reviewed the proposed schedule. He said the main point of discussion is to identify funding recommendations for PY-2014.

The anticipated amount available for PY-2014 is \$642,375. The Committee previously

discussed recommending \$165,920 for the Isthmus Project, Downtown Ambassadors, Crime Prevention Through Environmental Design (CPTED) improvement projects, and Section 108 Debt Service. \$100,000 is needed for Program Administration.

Mr. Bauer handed out and reviewed information prepared by Michelle Morlan with the National Development Council about small business revolving loan funds. Committee members discussed a potential "Grow Olympia Fund," as a revolving loan for eligible small businesses. Committee Member Cooper asked for follow-up information about experience in other cities with these types of funds.

Committee members also discussed the costs for taking down the City-owned buildings on the Isthmus. Mr. Bauer reminded the Committee that the Isthmus area does not yet have a defined use. Site clean-up without a designated end-use may be eligible as removing a slum or blight location. However, CDBG expenditures for removing slum and blight cannot be more than 30 percent in a program year without an end-use that benefits low-moderate income individuals.

City Manager Steve Hall outlined the currently identified funding sources for the Isthmus Project:

- \$50,000 - CDBG 2012
- \$100,000 - Capital Vista Park Organization
- \$200,000 - RCO grant
- \$200,000 - CDBG 2013
- \$550,000: total
- Plus \$500,000 year end 2013 General Fund

He said the current estimate is \$1 million for the site preparation phase, which includes asbestos abatement, taking the buildings down, and putting gravel on the foundation. He said there may be some potential restrictions on eventual use given the source of funds.

Committee members agreed to recommend \$250,000 for a small business loan program, in addition to the \$165,920 uses previously discussed.

4.B 14-0358 Pride Festival Beer Garden Proposal for 2014

Capital City Pride Festival Representative Anna Schlecht reviewed the proposal and staffing plan for the beer garden. She said they have applied for State licenses. Although not required by the State, they plan to use all licensed individuals for beer garden operations except for one potential unlicensed individual who will be stationed at the gate to check IDs. Their goal is to run a profession operation. Ms. Schlecht noted they will have food carts present at the beer garden, perhaps positioned so that food can be ordered and served from inside and outside the beer garden.

She asked about signage requirements. She said some of their festival sponsors are beer-related organizations. Committee Member Cooper suggested making sure there are no state restrictions on brand advertising outside the beer garden. Committee

members agreed with following whatever is required by State law, as long as the Festival is not oversaturated with alcohol brand advertising.

Some discussion also occurred about how to handle individuals who may smoke marijuana at the event. Police Chief Ronnie Roberts suggested the Pride organizers handle it the same way they remind people about other restrictions at the Festival.

Committee Member Cooper moved, seconded by Chair Roe, to forward the proposal to the City Council for approval, including stipulations regarding alcohol advertising based on state law requirements and not overstimulating the site. The motion carried by the following vote:

Aye: 2 - Chair Roe and Committee Member Cooper

Excused: 1 - Committee Member Selby

4.C 14-0374 ORAL REPORT - Thurston County Needle Exchange and Downtown Issues/Policing Initiatives

Police Chief Ronnie Roberts said he has assigned a third person to the downtown walking patrol: Sgt Sam Costello. He said the Police Department is also conducting some emphasis patrols at night. They are looking at the finances of additional overtime and patrols, particularly on weekends. Committee Member Cooper and Chair Roe suggested publicizing that the downtown walking patrol is now staffed with three officers.

Chief Roberts reported needles continue to be a challenge. 135 improperly discarded needles were found downtown by ambassadors last month.

Committee members discussed options regarding needles, such as expanding hours at the County's fixed location needle exchange; increasing methadone treatment capacity through County Health; and adding a second needle exchange drop box near the Capitol Campus. They also discussed the situation with drug sales and use at/near the downtown library. Committee members suggested inviting the library director to meet with Tacoma, City staff, and couple of Councilmembers to learn about the initiatives taking place at the Tacoma Library.

Committee Member Cooper suggested some messaging to the community that it is not acceptable to throw needles on the ground. He wondered if we could have a law mandating fixed local needle exchanges.

Chief Roberts said the department and Municipal Court judge are looking at the booking policy for our jail, in particular about restricted warrants which are not serviceable outside City issues. He said they are looking at how to manage the City's jail to meet Olympia needs and issues.

Chair Roe thanked Chief Roberts for the informative discussion. She said it is very important to get the word out that we have three people assigned to the downtown walking patrol. She said the community's impression is that we are not doing anything.

The report was received.

4.D 14-0371 ORAL REPORT - Briefing on Status of Marijuana Laws

City Attorney Tom Morrill said the expectation was that the Legislature would deal with the issues, but they did not. He said we have two different systems: recreation marijuana, created through the initiative process, and medical marijuana, started through the initiative and modified over the years. One is regulated; the other is not. He said the idea was to have common regulations, but the bills did not pass.

The report was received.

5. ADJOURNMENT

Chair Roe adjourned the meeting at 6:45 p.m.

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General Government Committee

ORAL REPORT: Amend Rules of Procedure for Council-Appointed Advisory Committees, Boards, and Commissions

Agenda Date: 5/20/2014

Agenda Number: 4.A

File Number: 14-0519

File Type: decision

Version: 1

Status: In Committee

..Title

ORAL REPORT: Amend Rules of Procedure for Council-Appointed Advisory Committees, Boards, and Commissions

..Recommended Action

City Manager Recommendation:

Move to amend the Rules of Procedure to correct references to City Guidelines and add new sections related to Email and Open Government Training.

..Report

Issue:

Shall the Rules be amended to reflect new references and requirements.

Presenter(s):

Darren Nienaber, Deputy City Attorney

Background and Analysis:

Proposed changes will be handed out for discussion and action at the meeting.

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General Government Committee

Briefing on Plastic Bag Ban Outreach and Communication

Agenda Date: 5/20/2014

Agenda Number: 4.B

File Number: 14-0421

File Type: report

Version: 1

Status: In Committee

..Title

Briefing on Plastic Bag Ban Outreach and Communication

..Recommended Action

City Manager Recommendation:

Receive and discuss information.

..Report

Issue:

Briefing on plastic bag ban outreach and communication.

Staff Contact:

Spencer Orman, Senior Program Specialist, Public Works Waste ReSources,
360.753.8752

Presenter(s):

Spencer Orman, Senior Program Specialist, Public Works Waste ReSources,

Background and Analysis:

On October 15, 2013, the City Council approved Ordinance 6869 regulating the distribution of single-use plastic and biodegradable carry out bags. The ordinance requires retail establishments to collect a pass-through charge of \$.05 cents or greater per bag from customers who do not bring in a reusable bag and request recyclable paper carry-out bags. The retailer collects and retains the fee to help cover their expenses. The cities of Lacey, Tumwater, and unincorporated Thurston County have all passed similar ordinances.

Beginning in 2014, City staff made efforts to notify, prepare, and assist Olympia businesses on how to comply with the upcoming ban. Outreach included information on the City's web site, partnering with Thurston County Solid Waste to hold a Bag Ban Open House for businesses, direct mail, a media release, and working directly with businesses.

Thurston County Solid Waste took the lead on outreach efforts throughout the County. At this time, we do not have plans for any more public outreach, other than businesses contacting us with questions or requesting assistance. Thurston County finished a series of open houses and will send a future media release closer to the effective date.

Agenda Date: 5/20/2014

Agenda Number: 4.B

File Number: 14-0421

Staff will brief the General Government Committee on the results of the public outreach program.

Neighborhood/Community Interests (if known):

Approximately 30 people attended an open house for businesses on April 16, 2014. Most were concerned if their bags could still be used. If not, what would they need to get and how the pass-through charge for paper bags would work? A few business owners were concerned about the level of effort it would take to comply. Some were not supportive of the of the plastic bag ban.

Options:

None.

Financial Impact:

None.

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General Government Committee

Receive Report on Economic Impacts of the Greater Olympia Area Music Industry

Agenda Date: 5/20/2014

Agenda Number: 4.C

File Number: 14-0483

File Type: report

Version: 1

Status: In Committee

..Title

Receive Report on Economic Impacts of the Greater Olympia Area Music Industry

..Recommended Action

Commission Recommendation:

Receive and discuss report.

City Manager Recommendation:

Receive and discuss report

..Report

Issue:

This presentation marks the completion of a considerable effort by Arts Commissioner Michael Olson to quantify the economic benefits of the music industry in the Olympia area. The first report was completed by students at The Evergreen State College in 2010, more recent findings Riley Moore, professor at St. Martin's University, earlier this year. Both documents are attached to this report.

Staff Contact:

Stephanie Johnson, Arts & Events Program Manager, Parks, Arts & Recreation,
360.709.2678

Presenter(s):

Trent Hart, Chair Olympia Arts Commission
Michael Olson, Olympia Arts Commission

Background and Analysis:

Dr. Moore's report, "Recent Trends and Economic Impacts of the Greater Olympia Area Music Industry," utilized economic input-output modeling to assess employment, income, and output impacts of the music industry at the local (Olympia-Lacey-Tumwater), county (Thurston), regional (Thurston-Pierce-King Counties) and state (Washington) levels. He notes in 2010, impacts for Greater Olympia (local) were 692 jobs, generating \$17.8 million in labor income which results in an economic output of \$88.3 million for the local economy.

Impacts of the Music Industry in Greater Olympia:

**Estimating the Economic and Non-Dollar Values Music Brings to Our
Community**

Prepared for the Olympia Arts Commission

By: William Bennett, Becca Kenna-Schenk, Abbey LaBarre, & Rose Sampson

**Masters of Public Administration Program
The Evergreen State College**

June 2010

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Executive Summary

Music is a critical element of the cultural foundation of any community, and the value music adds to the community in Olympia, Washington is no exception. In fact, for many Olympia has a reputation for being a particularly musically oriented community. In order to gain a better perspective of the values music brings to the area, the Olympia Arts Commission solicited the assistance of the Evergreen State College's Masters in Public Administration Program to conduct a study of the impacts of the music industry. This report is the initial result of this request.

This report provides a multi-phased research design for analyzing the economic and non-dollar values of the music industry in the greater Olympia area. The report includes the results of an economic indicator analysis, which is referred to as "Phase I" of the study, as well as designs and recommendations for the use of surveys and focus groups to measure the non-dollar value of music in Olympia. The implementation of these community surveys and focus groups is referred to as "Phase II" of the study, which will be implemented in the 2010-11 academic year by a subsequent group of students.

Phase I of this study uses conservative measures to estimate the total economic impact of the music industry in the Olympia area. Yet, despite the conservative nature of the analysis, the results indicate the economic impacts of the music industry to the Olympia-area economy are significant. This study estimates that the music industry in the Olympia area generated approximately \$27 million in total direct sales in 2008. That year the music industry in the Olympia area was responsible for approximately 1,414 jobs in the region, with 508 jobs directly related to the industry and 907 jobs created as an indirect impact of the music industry and roughly \$7.4 million was earned in labor income. In addition, the music industry contributed approximately \$2.5 million in annual local and state taxes in 2008.

While the results of Phase I of the study offer dollar-value estimates of the impact music has in Olympia, the authors of this report make no claim of providing a professionally conducted economic impact analysis. The results of Phase I of the study were derived through the collection of basic economic indicator data that is accessible to the public, and the results of the community surveys are unlikely to be statistically significant. In this way, this study is merely intended to serve as a

framework or supplemental tool for exploring the differing values of music in the city, whether economic, personal, or public.

Introduction

Olympia has long had a uniquely vibrant musical presence. This presence was not pre-planned or accounted for by any agency or program. Rather, it was created by the independent will of many different people throughout the history of the city. It is the result of the combined will and creative, entrepreneurial output of many hundreds of Olympia residents. Among musicians throughout the country, Olympia is regarded as a center for strong creativity and as the home of a cadre of diverse, talented musicians, singers, songwriters, producers and other musically inclined individuals of many varieties. Olympia's musical spirit, while nebulous and without a specific intended stylistic direction, has been represented by many popular artists throughout the years, most notably Kurt Cobain, Nirvana, Sleater Kinney, and the Fleetwoods. More importantly than its most famous former inhabitants are the lesser-known musical citizens who have remained in the community and continue to create a positive, if not thriving environment for themselves and for future musicians. It is these people, people who have started record labels, record stores, all-ages venues, organized events and participated in the myriad other functions of creating a musical community, who have the most to gain by this research. When this research is conducted, it may be the evidence the City Council needs in order to move forward with a more progressive policy concerning music in its city limits.

Purpose of the Study

This study was prepared in response to a request by the Olympia Arts Commission for an evaluation of the music industry in the Olympia area. The purpose of our study is to evaluate the economic and non-dollar impacts of the music industry in Olympia and to make suggestions as to how the music industry and the city can support one another to enable a richer and healthier community. In this way, the project is intended to galvanize new policies and initiatives that will more effectively cultivate musical endeavors in the community.

Other Impact Studies of Music Industries

Economic impact studies of other regional music industries have been conducted in major U.S. cities such as Seattle, Chicago, and Nashville. These studies provided useful models for ways to operationalize concepts such as “economic impact” and “music industry.” For example, the Seattle, Chicago, and Nashville studies all used either North American Industry Classification System (NAICS) or Standard Industry Classification (SIC) codes to define the types of businesses to be included in the “music industry” of the area. This study followed a similar approach in classifying Olympia area businesses within the music industry.

Two studies have been conducted on the economic impacts of the music industry in Seattle. The first, which was published in 2004, was the first of its kind in the country and has served as the model for studies in Chicago, Nashville, and elsewhere. The Seattle studies measure total economic impact by compiling labor income data from the Washington State Employment Security Department (ESD). The ESD data was checked for accuracy by comparing it to both the purchased Name Finders list as well as publicly available data published by the U.S. Census Bureau in the County Business Patterns database. To capture the self-employed segment of the music industry, the Seattle studies used a ‘double-blind’ procedure to identify music related occupations listed in the American Community Survey (ACS). The 2008 Seattle study surveyed informants in the industry and in other local organizations for supplemental data (Beyers 2004) (Beyers 2008).

The Chicago study compared the music industries of eleven metropolitan areas by measuring each regional industry’s total employment, payroll, revenue, and sales of recordings. It also considered the availability, affordability, and accessibility of live music, which was measured by numbers of performances, tickets sold, sell-out rates and gross receipts for these shows. The Chicago study also identified the quality, variety, and intensity of the live music scene, which was measured by variables such as the percentage of shows performed by the most critically-acclaimed artists, the size of venues, the range of musical offerings, the number of grassroots performers, and the geographical distribution of clubs (Rothfield 2007).

Methodology

In part, this study employs methods similar to the other economic impact studies of music industries mentioned above. In general, these studies estimate both the direct and indirect economic impact in a particular region by collecting data on revenue, tax revenue, and labor income generated within a defined “music industry.” This data generally constitutes the music industry’s direct economic impact. The indirect impact is typically estimated by inputting the direct economic impact data into a multiplier effect model that includes other economic indicators unique to the region in order to calculate the indirect or “ripple” effect of the industry. (Beyers 2008) (Beyers 2004) (Raines 2006) (Rothfield 2007).

In this study, revenue data was collected from the Washington State Department of Revenue and employment and labor income data from the Employment Security Department. Although the focus of this study is concerned with the music industry within the City of Olympia, we used data sets for all of Thurston County due to the close proximities of the Cities of Lacey and Tumwater and the interconnected nature of the tri-city area. The results of the economic indicator data collection, which comprises Phase I of the study, can be found in the next section.

This study supplements these established techniques for economic impact analyses with community surveys targeted for three audiences: independent/self-employed musicians, businesses or vendors that host music events in the area, and the Olympia public at large. These surveys aim to provide supplemental data on the economic impact of the Olympia area music industry, as well as provide a more qualitative analysis of the intrinsic value of the music industry within the community. In addition, targeted focus groups with music industry “experts” from the community may be used to establish a more comprehensive and substantive picture of the strengths and weaknesses of the music industry in the Olympia area. Community surveys and focus group designs are included in this report. However, the implementation and analysis of the community survey and focus groups make up Phase II of the study, which will be completed by a subsequent group of Evergreen MPA students in the 2010-11 academic year.

Phase I – Economic Indicator Analysis

Defining the Music Industry in Greater Olympia

Music industries, like other arts industries, are in some ways more difficult to define than other types of industries that involve the production or exchange of a good or service that is more tangible than “music.” Music can be considered both a good and a service, as well as many other things, thus making the task of defining a “music industry” somewhat difficult.

While the community surveys and focus groups will use alternative definitions of “music industry,” the economic indicator portion of this study borrows definitions of “music industry” from similar studies conducted in Seattle and Chicago. These studies defined the music industry by developing a list of “sub-industries” related to music using the NAICS industry classification system (Beyers 2008) (Rothfield 2007). The NAICS is a system for categorizing businesses according to type of economic activity and processes of production that is maintained by the US Office of Management and Budget. We synthesized the Chicago and Seattle studies’ lists of six-digit NAICS codes to use as the parameters for the economic indicator component of our study. We used this list (shown in Figure 1) when collecting revenue and employment data from government agencies.

Figure 1. NAICS Sub-Industries Included in Study

Sub-Industry	NAICS Code
Musical Instrument Manufacturing	339992
Musical Instruments and Supplies Stores	451140
Prerecorded Tape, Compact Disc and Record Stores	451220
Record Production	512210
Integrated Record Production/Distribution	512220
Music Publishing	512230
Sound Recording Studios	512240
Other Sound Recording Industries	512290
Radio Networks	515111
Radio Stations	515112
Musical Groups and Artists	711130
Audio and Video Equipment Manufacturing	334310
Prerecorded Compact Disc, Tape and Record Reproducing	334612
Art, Drama and Music Schools	611610
Theater Companies and Dinner Theaters	711110
Promoters of Performing Arts, Sports and Similar Events	711300
Agents and Managers for Artists and Entertainers	711400
Independent Artists, Writers and Performers	711500
Drinking Places (Alcoholic Beverages)	722410

Business Revenue

Music-related businesses in Thurston County earned approximately \$27,662,697 in total revenue in 2008. Revenue data of businesses within the Olympia area music industry was obtained through the Research Division of the Department of Revenue. They provided the data depicted in Figure 2.

Privacy laws prevent government agencies from releasing the names of specific businesses within each six-digit NAICS code, and in instances where there are three or fewer businesses or when one business comprises 80% or more of an industry within a requested geographic area, agencies are prohibited from sharing employment or tax data. In these cases, the Department of Revenue provided aggregated totals of similar six-digit NAICS codes so that the total number of businesses and taxable revenue for all music-related businesses that report such data is included in the totals.

Figure 2. 2008 Taxable Revenue, Thurston County, Washington

Sub-Industry	NAICS Code(s)	Taxpayers	Taxable Revenue
Audio and Video Equipment Manufacturing; Prerecorded Compact Disc, Tape and Record Reproducing	334310; 334612	5	\$206,246
Musical Instrument Manufacturing	339992	7	\$7,773
Musical Instruments and Supplies Stores; Prerecorded Tape, Compact Disc and Record Stores	451140; 451220	52	\$8,331,505
Record Production; Integrated Record Production/Distribution; Music Publishing; Sound Recording Studios; Other Sound Recording Industries	512210; 512220; 512230; 512240; 512290	11	\$13,698
Radio Networks; Radio Stations	515111; 515112	6	\$155,089
Art, Drama and Music Schools	611610	6	\$33,476
Theater Companies and Dinner Theaters	711110	5	\$582,224
Musical Groups and Artists	711130	6	\$43,242
Promoters of Performing Arts, Sports and Similar Events; Agents and Managers for Artists and Entertainers; Independent Artists, Writers and Performers	711310; 711320; 711410; 711510	101	\$1,168,070
Drinking Places (Alcoholic Beverages)	722410	41	\$17,121,374
Total		240	\$27,662,697

Source: Washington State Department of Revenue, Research Division, Created on: April 19, 2010.

Employment

In 2008 there were approximately 489 music-related jobs in the Olympia area, contributing to approximately \$7.4 million in labor income annually. Employment data pertaining to the music industry was obtained from the Labor Market and Economic Analysis division of the Employment Security Department (ESD) based on the specified list of NAICS codes. Figure 3 reports the average annual employment and wage data for 2008 in Thurston County provided by ESD. The data is grouped by similar NAICS industry codes in instances where confidentiality restrictions prevented individual sub-industry reporting.

Figure 3. 2008 Employment and Wage Data, Thurston County, Washington

Sub-Industry	NAICS groupings	Firms	Avg # of Jobs	Total Wages	Avg Annual Wage
Musical Instruments and Supplies Stores;					
Prerecorded Tape, Compact Disc and Record Stores	451140 451220	11	59	\$953,631	\$16,163
Record Production; Integrated Record Production/Distribution;	512210 512220 512230				
Music Publishing; Sound Recording Studios; Other Sound Recording Industries; Radio Networks; Radio Stations	512240 512290 515111 515112	5	80	\$1,856,336	\$23,204
Theater companies and dinner theaters	711110				
Musical groups and artists	711120				
Promoters of Performing Arts, Sports, and Similar Events without Facilities	711130 711300 711400	8	78	\$1,694,318	\$21,722
Independent Artists, Writers, and Performers	711500				
Audio and Video Equipment					
Manufacturing; Prerecorded Compact Disc, Tape and Record Reproducing	334310 334612	*	*	*	*
Musical instrument manufacturing	339992	*	*	*	*
Art, Drama and Music Schools	611610	10	42	\$308,892	\$7,355
Drinking places (Alcoholic beverages)	722410	30	248	\$2,572,581	\$10,373
** Total		64	507	\$7,385,758	\$78,817

Source: Developed from data obtained from the Washington State Employment Security Department, Labor Market and Economic Analysis, Obtained on: May 18, 2010.

Employment Multipliers

The 2002 Washington State Input-Output Model (I-O Model), developed by the Washington State Office of Financial Management, was used to estimate the ripple effects of employment within the music industry in the Olympia area. The I-O Model is a forecasting tool that provides a detailed picture of the interdependencies of the State's major industries that is categorized by NAICS industry sectors. Among other data, the I-O Model reports statewide employment multiplier (jobs per direct job by industry sector (Beyers 2008)).¹ The I-O Model employment multipliers for the NAICS industry sectors included in this study are indicated in Figure 6.

Tax Revenue

In 2008, the music industry in the Olympia area generated approximately \$2,628,551 in local and state taxes. This figure includes approximately \$481,340 in state Business and Occupation (B&O) Tax revenue, \$1,766,693 in state sales tax revenue, and \$380,518 in local sales tax revenue. Revenue generated from property taxes and local B&O taxes was not included in this study due to time limitations. A summary of tax revenue generated within the Olympia music industry is depicted in Figure 4.

The Business and Occupation (B&O) Tax in Washington is determined by fixed, statewide rates based on the types of activities being conducted by the business (e.g. retail, service, or manufacturing). B&O Tax revenue generated from the music industry in the Olympia area was estimated by the DOR for the purposes of this study. State and local sales tax revenue was calculated by applying the state (6.5%) and local (1.4%) sales tax rates to the revenue totals of businesses that were included in the study.

¹ The I-O Model also provides multipliers for total output and total labor income, which if included in this study would yield a significantly larger indirect dollar-value impact of the music industry in the Olympia area. However, due to various limitations, this study only calculates the multiplier effect of music in terms of jobs created per direct job within the industry.

Figure 4. Tax Revenue Generated by Olympia-Area Music Industry

Description	State B&O Tax Revenue	State Sales Tax Revenue	Local Sales Tax Revenue
Computer and Electronic Product Manufacturing	\$23,740	\$13,406	\$2,887
Miscellaneous Manufacturing	\$460	\$505	\$109
Sporting Goods, Hobby, Book, and Music Stores	\$50,960	\$541,548	\$116,641
Motion Picture and Sound Recording Industries	\$780	\$890	\$192
Broadcasting (except Internet)	\$41,610	\$10,081	\$2,171
Educational Services	\$1,770	\$2,176	\$469
Ambulatory Health Care Services	\$142,010	\$9,273	\$1,997
Performing Arts, Spectator Sports, and Related Industries	\$101,340	\$75,925	\$16,353
Food Services and Drinking Places	\$118,670	\$1,112,889	\$239,699
Totals	\$481,340	\$1,766,693	\$380,518

Total Economic Impacts of the Music Industry

The music industry in the Olympia area was responsible for approximately 1,414 jobs in the region in 2008, with 508 jobs directly related to the industry and 907 jobs created as an indirect impact of the music industry. Roughly \$7.4 million was earned in labor income in 2008 from businesses directly involved with the music industry in the Olympia area. Total business revenue generated from the music industry was approximately \$27 million in 2008, and the industry contributed approximately \$2.5 million in annual local and state taxes that year. Figure 6 depicts the total economic impacts of the music industry in the Olympia area.

Using the industry sector multipliers from the I-O Model, the indirect or ripple effect of each I-O sector was calculated and added to the direct impact for each industry sector to derive the total impact of revenue and employment from the music industry.

Figure 6. Total Economic Impacts from Phase I of Research

Washington	Total Employment Multiplier	Direct Jobs	Indirect Jobs	Total jobs (direct & indirect) created	Direct Revenue
21. Computer and Electronic Product	N/A	0	N/A	N/A	\$206,246
27. Other Manufacturing	2.034	1	2	3	\$7,773
29. Retail	1.623	59	96	155	\$8,331,505
37. Other Information	3.359	80	269	349	\$168,787
43. Educational Services	1.55	42	65	107	\$33,476
47. Arts, Recreation, & Accommodation	1.479	78	115	193	\$1,793,536
48. Food Services and Drinking Places	1.451	248	360	608	\$17,121,374
TOTALS		508	907	1,415	\$27,662,697

Source: Data derived from Washington State Office of Financial Management's Input-Output Table for Impact Analysis Worksheet (<http://www.ofm.wa.gov/economy/io/2002/io4.pdf>)

Phase II – Community Survey and Focus Groups

(To Be Completed in 2010-11 Academic Year)

Community and Vendor Surveys

Two surveys have been developed to provide qualitative information on the value of music in the Olympia community and to obtain additional economic indicator data that was not covered in Phase I of the study. The general community survey is intended to gather information on participation in the Olympia-area music industry, including information about patrons of music-related events in the city, as well as self-employed musicians. The community survey currently has twelve questions, which are both qualitative and quantitative in scope. The questions range from asking how much time the survey respondent spends in the downtown area, to what type of music they are likely to seek out, to approximate annual income for self-employed musicians. See Appendix A for a sample of the community survey.

The other survey is targeted toward music venue owners, operators, and managers in the Olympia area. The venue questions, like the community questions, are both qualitative and quantitative. The questions in the venue survey were designed

using the Olympia Downtown Theatre District survey as a template. The venue survey questions seek information related to gross revenue, expenses, number of employees, revenue sources other than music, and booking of musical acts. See Appendix B for a sample of the vendor survey.

The method used to collect data is not likely to utilize random probability sampling as it could be cost prohibitive. Rather, the community survey will likely be implemented using a web-based tool such as Survey Monkey and perhaps the random distribution of paper surveys during local events such as Arts Walk or Lake Fair. The venue survey will be distributed individually to each of the venue contacts listed in Appendix D.

Focus Groups

Focus Groups should be used (Krueger and Casey, 2009, p. 19):

- To identify a range of ideas or feelings that people have about something;
- Understanding differences in perspectives between groups or categories of people. This can alleviate major problems when they aren't recognized or understood;
- To pull ideas from a group; a group possesses the capacity to become more than the sum of its parts, to exhibit a synergy that individuals alone cannot;
- To pilot-test ideas, plans, materials, or policies;
- When the researcher needs information to design a large-scale quantitative study. Focus groups provide researchers with valuable insights into conducting complex investigations. What words do people use to talk about this issue? What do they see as the range of options for answering a question?;
- When a researcher needs information to help shed light on quantitative data already collected. Annual measures show employee satisfaction to be decreasing. What do employees attribute these changes to?; and
- When clients or intended audience places high value on capturing the comments or language used by the target audience.

Possible Themes and Questions, Chapter 3 (Krueger & Casey, 2009)

- See Steven Reiss' 16 Motives on p. 51
- See Process for Brainstorming Questions on p. 52
- Single, Multiple, Double-Layer, Broad-Involvement Designs (pp. 25-28)
- Chapter 5 Moderating Skills (Krueger & Casey, 2009)
- Checklist for Focus Group Interviews (Krueger & Casey, 2009, p. 107)

- Use only 12 questions/2 hours, for example:

Opening Questions:

- Tell us your name & _____

Introductory Questions:

- What medium do you use to get information about music in Olympia?

Transition Questions:

- What was your first experience with music in Olympia? What was that first impression?
- How has that experience and your feelings about music in Olympia progressed?

Key Questions:

- How do you perceive music in Olympia now?
- What are its challenges?
- Has it impacted you?

Ending Questions:

- How do envision music in Olympia?
- What's your advice/suggestions for Olympia regarding music?
- What do you think we should know or consider about this subject?

Possible places to hold the group meeting

Timberland Regional Libraries

<http://www.trlib.org/Services/Pages/Services.aspx>

Many Timberland Regional Libraries have one or more meeting rooms that may be reserved by individuals and groups. If you are interested in reserving a room, call the local library to ask about availability and to reserve a time for your meeting.

Meeting Room Use Policy

Location	Capacity
<u>Lacey</u>	160 (80 sitting)
<u>Olympia</u>	43
<u>Tumwater</u>	52
<u>Yelm</u>	36

The Evergreen State College

<http://www.evergreen.edu/conference/meetingfacilities.htm>

Space Reservations

Conference spaces are available year-round though our status as an academic institution makes space availability contingent upon the needs of academic programs. We cannot schedule spaces until after the quarterly academic class schedules have been finalized. The Conference Service staff will schedule meeting facilities that are compatible with the size of your group and the needs of other programs on campus. Occasionally some facilities are not available because of academic scheduling, basic maintenance, or remodeling. We are happy to note your preference for facilities and will schedule them if at all possible. The College reserves the right to change building assignments for lodging, meeting space or recreational facilities.

Scale diagrams are available for our large general session spaces for planning seating and table configurations. Please provide advance notice of the number and type of tables you will need for your program and if any staging is required.

The Library building is home to many of the classroom spaces and multi-purpose rooms available on campus. Classrooms vary in size and can hold anywhere from 20-300 people depending upon your needs.

Limitations

It is not the intent of this portfolio to be used in place of a professional economic impact study. Rather, this report provides a framework for exploring the value of music in the Olympia area. The results of the economic indicator analysis (Phase I) offer a conservative dollar-value estimate of the impact of the music industry in Olympia considering the complexities involved with defining the music industry and collecting relevant data. For instance, while the community survey will provide some additional economic data such as wage earnings of self-employed individuals within the music industry and the direct and indirect economic impacts of patron spending in the industry, these figures too will provide a very conservative estimate of the true economic impact. The results of the NAICS-based economic indicator analysis are also incomplete since confidentiality laws and financial and time limitations precluded us from cross-checking the specific businesses included and excluded from the NAICS code lists to ensure all relevant businesses were included.²

² This information is available for purchase through online marketing vendors such as *ReferenceUSA*, a database listing of all firms in a specified region classified by its six-digit SIC.

Yet this conservative estimate, combined with qualitative information on the broader, incalculable impact music has on the community, provides a useful foundation for understanding the multifaceted impact of music in Olympia.

Conclusion

The results of Phase I of this study offer supporting evidence to the preexisting notion that Olympia is home to a vibrant and well-known music industry. The results of the economic indicator analysis suggest that nearly 1,500 jobs in the greater Olympia area are a result of the music industry's presence in the community and that approximately \$2.5 million is generated annually in local and state government tax revenue. In comparison, the most recent Seattle study estimated that the music industry in Seattle has generated 11,500 jobs and roughly \$90 million in annual local and state tax revenue (Beyers 2008).

The results of the surveys and focus groups (Phase II) will provide critical supplemental information to the overall analysis of the impact of the music industry, including information on patron spending on music-related events and income generated by self-employed musicians in the area. The focus group and surveys will also provide valuable insight into key relationships, dynamics, and trends within the industry that will hopefully assist decision makers in future policy and funding decisions pertaining to music in the community. Combined, the results of Phases I & II of this study present a comprehensive perspective of the economic and non-dollar values of the music industry in the greater Olympia area.

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Appendix A – Sample Community Survey

1) How many nights a week do you go downtown and spend money?

1-2, 3-4, 4-5, 6-7

2) If music performance was hypothetically banned in downtown Olympia how many nights a week would you spend money downtown?

1-2, 3-4, 4-5, 6-7

3.) When you attend music-related events in Olympia, how likely are you to spend money on food or beverages in Olympia as well?

a. very likely b. moderately likely c. not likely

4) The city of Olympia has done an excellent job creating a positive community for those who love music.

Strongly agree, agree, neutral, disagree, strongly disagree

5) How would you characterize the relationship between the city of Olympia and musicians living/performing here?

Mutually beneficial, distant, strong, adversarial, other _____

6) What suggestions do you have to improve the relationship between the city and musicians? _____

7) How did you find out about the last musical event you attended?

8) In the last three months, how many times did you attend a music-related event in the Olympia area?

Less than 5; 5-10; 10-15; 15-20; other _____

9) What was the average amount of money you paid to attend each event?

a. \$30+ b. \$30-\$20 c. \$10-\$20 d. \$1-\$10 e. nothing

10) What genre of music are you most likely to seek out?

11) On average, approximately how much money do you spend on food and beverages when attending a music-related event on the same day?

a. \$30+ b. \$30-\$20 c. \$20-\$10 d. \$1-\$10 e. \$0

12) Describe your role in Olympia's music community.

Consumer: Very active, somewhat active, not very active

Performer: Very active, somewhat active, not very active

Appendix B – Sample Vendor Survey

Name of Venue:

For the Year Ending:

Information Contact:

Email:

Total number of live artists/bands for the year:

Total number of live shows for the year:

Total number of paid attendees for the year:

Average price per ticket:

How many artists are outside the county?

Number of full time employees:

Number of part time employees:

Number of volunteers:

Gross revenue from entry fee/ ticket sales:

Gross revenue from all other sources:

Annual expense budget:

Would you say that your expenditures are:

a. local b. mostly local c. somewhat local d. not at all local

What other sources of revenue do you have, besides music?

a. beer/wine b. full liquor license c. non-alcoholic beverages d. food e. merchandise f. other

Annual local personnel costs including benefits:

As a venue owner, would you be willing to join with other music venues in networking to publicize events?

Where are your performers from?

How do you find and book musicians?

What sources do you use to find and book musicians?

Appendix C – Letter to Music Industry Contacts

Hello,

My name is Will Bennett. I am working with a team of fellow students in the Master's of Public Administration program at the Evergreen State College to prepare a research proposal which will be used to determine the economic impact of music on the City of Olympia. We are working at the behest of the City's Arts Council.

It is assumed that the music industry is vital to Olympia's economy. This research hopes to display the full extent of the impact of music on Olympia. My team will not actually be conducting this research. We are providing this proposal to the arts council so that research could begin as soon as this summer -2010.

Our research has two main prongs: an analysis of public records that evaluates tax information for the music industry, and a qualitative research packet which will explain more thoroughly the meaning of the quantitative data. This should illicit information from musical participants in the city.

I am writing to you to request your assistance in this process. The qualitative research will involve an open public survey as well as a series of focus groups. I am compiling a list of contacts who might help us spread the word about the study, and who might possibly help distribute the survey as well secure participants for the focus groups. Your help in these matters would be greatly appreciated.

Finally, we're looking to find as many contacts as possible. We are looking specifically for people who have a large stake in the life of music in the Olympia community. If you know of anyone who may be able to help us or would otherwise like to participate, please feel free to forward this message to them.

If you would like to get involved, please send an email to somethingnoisy@gmail.com

Thanks,

William Bennett

Appendix D – Music Industry Contact List

Note: The music industry/venue contacts listed will be handed off to the next group of students implementing Phase II of the study in the 2010-11 academic year.

**Recent Trends and Economic Impacts of the
Greater Olympia Area Music Industry**

Prepared for:
City of Olympia Arts Commission

January 2014

Riley Moore, Ph.D.
Saint Martin's University

Executive Summary

This report utilized economic input-output modeling to assess employment, income, and output impacts of the music industry at the local (Olympia-Lacey-Tumwater), county (Thurston), regional (Thurston-Pierce-King Counties) and state (Washington) levels. A summary of the totals for each category are illustrated in Table 1 below.

Table. 1. Total Employment, Labor Income and Output Economic Impacts for the Greater Olympia Music Industry.

	Employment (#)	Labor Income (\$M)	Output (\$M)
Local	692	\$17.8	\$88.3
County	715	\$18.1	\$89.6
Region	873	\$35.7	\$126.4
State	922	\$40.1	\$135.3

As the table illustrates, as the spatial scope is widened, employment, labor income and output impacts increase due to increasing indirect and induced impacts. Impacts for Greater Olympia (local) were 692 jobs, generating \$17.8 million in labor income which results in an economic output of \$88.3 million for the local economy.

Introduction and Background

The City of Olympia Arts Commission, under the tutelage of commission member Michael Olson,¹ reached out to The Evergreen State College (TESC) to conduct an economic impact study of the Greater Olympia music industry. TESC graduate students conducted the analysis and submitted their report² to the Olympia Arts Commission in June 2010.

Their report indicated that the results presented represented just phase one of what they envisioned as a two phase project. Phase one provided an economic indicator analysis utilizing public secondary data³ along with the 2002 Washington State Input-

¹ Michael Olson is a well know regional musician and member of the Olympia Arts Commission who has been a strong advocate for the performance arts.

² *Impacts of the Music Industry in Greater Olympia: Estimating the Economic and Non-Dollar Values Music Brings to Our Community*. The study was conducted by William Bennett, Becca Kenna-Schenk, Abbey LaBarre, and Rose Sampson who were all students in the TESC Masters of Public Administration program at the time.

³ Washington State Department of Revenue and the Labor Market and Economic Analysis Division of the Washington State Employment Security Department (ESD).

Output model⁴ to derive their conclusions. The authors indicated that in order to obtain a more accurate assessment of the industry, primary data would need to be collected via surveys and focus groups to best capture the unique characteristics of the music industry. Phase two was to be conducted later by another group of TESC students. When that second group did not pursue the recommendations, it was suggested that an offer should be extended to this author at Saint Martin's University.

Initial discussions on conducting phase two began during 2012. Over a year of emails and numerous meetings ensued between Michael Olsen and the author on following up on TESC recommendations. After much discussion on methods, the restraint of lack of funds to conduct surveys of sufficient breadth and statistical accuracy forced a reassessment of approach. Even students volunteering their time would not negate the need for some funding to cover overhead, printing, operational expenses and other costs associated with such an endeavor. In the interim, it was deemed that IMPLAN⁵, a widely accepted proprietary economic input-output modeling software program (with the ability to assess impacts down to the zip code level) could be utilized to provide a more localized and customized assessment of the industry in the absence of focus groups and surveys.

The results of this report were presented to the Olympia Arts Commission on October 10, 2013. Economic impacts were assessed at the local (Olympia-Lacey-Tumwater), county (Thurston County), regional (Thurston, Pierce, and King), and state (Washington) levels. This report provides a more comprehensive narrative of that presentation along with the details on the methods and assumptions utilized.

Literature Review

Attempting to assess the economic impact of the music industry for a particular spatial scope is not a new concept and many studies have been conducted in other locations. Others studies have been conducted within the Puget Sound region. The City of Seattle reached out to the University of Washington⁶ twice (in 2004 and 2008) to assess the economic impact the Seattle music scene. Both of the studies were survey based and received funding. The 2008 University of Washington study incorporated a mapping of

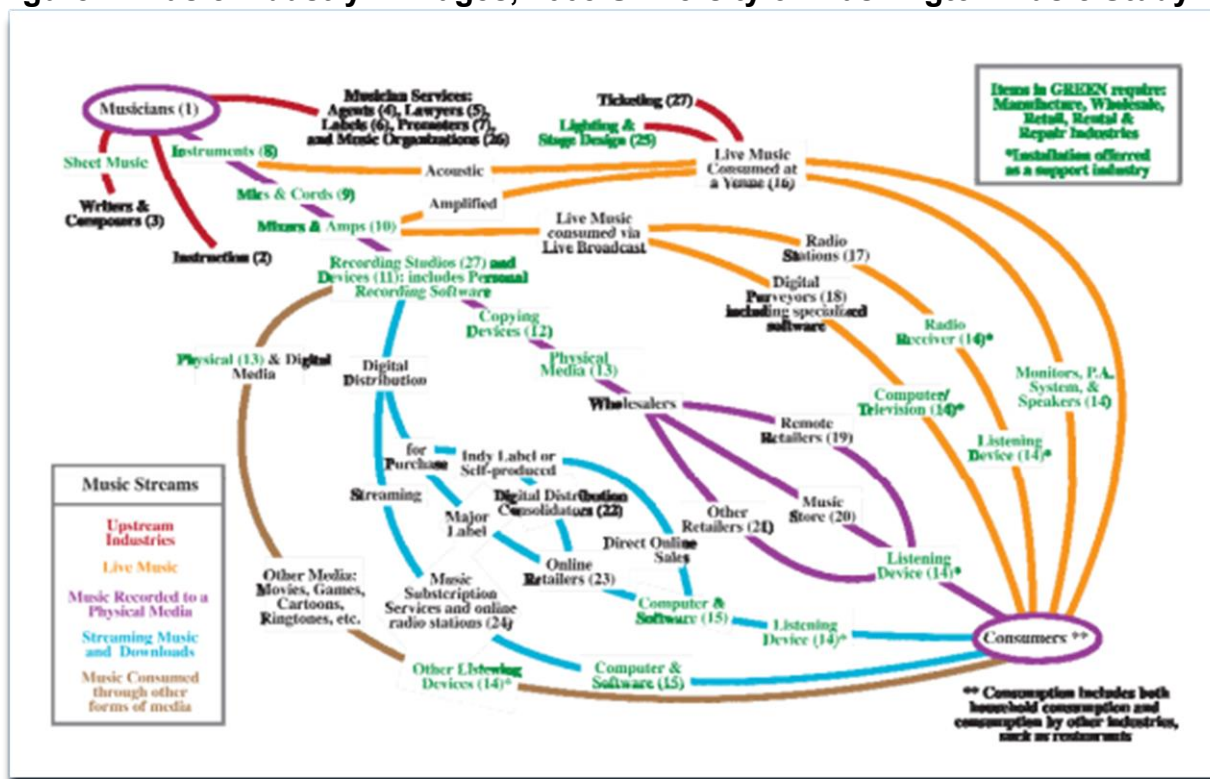
⁴ An economic model for Washington State originally developed in the 1960s by UW researchers has become the workhorse for economic forecasting studies in the region. The model is constructed by surveying all of the industrial sectors in the state about their total sales and purchases

⁵ Other similar models to IMPLAN: RIMS II, Computable General Equilibrium (CGE), and REMI models.

⁶ Both studies were led by Dr. William B. Beyers, one of the original developers of the Washington State Input-Output model. While now retired, he continues to serve in an advisory capacity for the Washington Input-Output model as a University of Washington professor emeritus.

the music industry included in Figure 1 below. It illustrates the complexity of the linkages among the various components.

Figure 1. Music Industry Linkages, 2008 University of Washington Music Study.



Other cities that have conducted studies in recent years have been Atlanta, Nashville and Chicago. The Chicago study was quite large in scope but was not an actual economic impact study, but rather a multi-dimensional assessment of the volume of music activities in Chicago, compared to a sample of other locations.

Both Atlanta and Nashville conducted actual impact studies utilizing input-output modelling software. It should be noted that the Nashville study calculated its economic impacts through the use of multipliers derived from a Regional Economic Multipliers, Inc. (REMI) model.

These are only a few of the studies that have been conducted. They are mentioned here to illustrate that there is already a precedence for this type of analysis and no standardized approach to assess the impacts of the music industry.

Methods and Assumptions

One of the most critical components of the study is defining the music industry. In order to enable comparisons between this study and the TESC study, the same North American Industrial Classification System (NAICS) groupings were used as illustrated below in Table 2.

Table 2. NAICS Codes Utilized in Analysis.

NAICS Code	Industry Classification
339992	Musical Instrument Manufacturing
451140	Musical Instruments and Supplies Stores
451220	Prerecorded Tape, Compact Disc and Record Stores
512210	Record Production
512220	Integrated Record Production/Distribution
512230	Music Publishing
512240	Sound Recording Studios
512290	Other Sound Recording Industries
515111	Radio Networks
515112	Radio Stations
711130	Musical Groups and Artists
334310	Audio and Video Equipment Manufacturing
334612	Prerecorded Compact Disc, Tape and Record Reproducing
611610	Art, Drama and Music Schools
711110	Theater Companies and Dinner Theaters
711300	Promoters of Performing Arts, Sports and Similar Events
711400	Agents and Managers for Artists and Entertainers
711500	Independent Artists, Writers and Performers
722410	Drinking Places (Alcoholic Beverages)

Direct employment estimates for each of the NAICS categories were derived from Washington State's Labor Market and Economic Analysis (LMEA) division of the Employment Security Department. The NAICS groupings, along with the corresponding job counts, were then converted to the IMPLAN coding scheme to enable the economic impacts to be assessed. It should be noted that the IMPLAN codes are more aggregated than NAICS but less so than the Washington Input-Output model.⁷ Thus in

⁷ NAICS has approximately 1,700 industry categories. IMPLAN and the Washington State Input-Output Model have 427 and 52 industry categories, respectively.

the absence of a survey, IMPLAN offers more categories. Further, like the TESC study, no attempt was made to include the economic impacts associated with consumer expenditures such as spending by patrons attending music events.

It is important to note that input-output models estimate inter-industry production relationships, modeling inputs required from each industry to produce the outputs of any given industry. The IMPLAN model is a regional economic impact model created specifically for the area analyzed. In addition to traditional input-output tables, which detail purchases by each business sector from every other business sector, IMPLAN contains a social accounting matrix which details non market transactions such as (governmental) transfer payments and taxes. The multipliers capture the secondary effects of regional expenditures. Thus it is a type of expenditure model. This is because IMPLAN is based on data regarding expenditures made by businesses in terms of employment, purchases made from other businesses, and other expenditures.

To avoid confusion about the terminology used in this report, a few terms are defined. In input-output analysis, the terms “direct impacts”, “indirect impacts” and “induced impacts” are used by economists. Direct employment impacts in the context of an input-output methodology refer to jobs created at a business site by revenues. An example of a business site is a commercial building with various commercial tenants, such as a music store; direct employment impacts would refer to the employees of the music store and other tenants. Indirect employment impacts refer to jobs created off-site by a multiplier effect resulting from the creation of new direct employment impacts at the business site. Indirect employment impacts include employees of the producers of materials, equipment, and services that are used by commercial tenants at the business site. Induced employment impacts refer to employees of companies that benefit from expenditures resulting from the income of direct and indirect employment impacts.

Indirect and induced impacts constitute the “multiplier impacts” of direct employment impacts. Total impacts are the sum of direct, indirect, and induced impacts. Multipliers are measures of the degree of job creation associated with direct employment impacts in a particular industry. Multipliers can be derived from an input-output analysis by dividing projected total employment impact by the direct employment or revenue impact, resulting in two different types of multipliers (total employment impact divided by direct employment impact, or total employment impact divided by direct revenues). In the rest of this report, the input-output terminology will be used to describe impacts.

Results, Conclusions and Areas for Further Research

Table 3 below provides a concise overview of the results. The table provides more detail on direct, indirect and induced impacts along with the totals for employment, labor income and economic output.

Table. 3. Employment, Labor Income and Output Economic Impacts for the Greater Olympia Music Industry.

	Employment (#)				Labor Income (\$M)				Output (\$M)			
	Direct	Indirect	Induced	Total	Direct	Indirect	Induced	Total	Direct	Indirect	Induced	Total
Local	507	115	70	692	\$11.2	3.9	2.7	\$17.8	\$65.8	14.4	8.1	\$88.3
County	507	135	73	715	\$11.2	4.1	2.8	\$18.1	\$65.8	15.4	8.4	\$89.6
Region	507	205	161	873	\$16.6	10.8	8.3	\$35.7	\$71.1	32.9	22.4	\$126.4
State	507	219	196	922	\$20.0	11.0	9.1	\$40.1	\$72.7	34.7	27.9	\$135.3

It should be noted that these results incorporate 2010 IMPLAN multipliers which were the latest available to the author at the time the analysis was performed. They more accurately reflect the impacts of the 2008 U.S. economic recession on the local and regional economy. It should be noted that the TESC study utilized the 2002 Washington Input-Output model and reports the impacts that the Washington State level only.

Overall this study represents a more comprehensive assessment of the music industry in a more local customized analysis and provides a sensitively analysis as to how impacts change as the spatial scope is widened. As pointed out earlier, in the absence of a survey, a good deal of aggregation was done in an industry that is very dynamic and cuts across many different categories.

As mentioned earlier, primary data collection through focus groups and market surveys would be needed next to obtain the most accurate and timely picture of the Greater Olympia music industry in terms of employment, revenues and consumer expenditures. However this comes with the need for funding to cover all the costs with such an endeavor. This comes at a time of limited public funding particularly for the performing arts. However, it is hoped that this study serves as an interim solution by providing more customized and detailed assessment of the economic impacts this very vital industry has on Greater Olympia.

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Bennett, W., B. Kenna-Schenk, A. LaBarre, and R. Sampson (2010). *Impacts of the Music Industry in Greater Olympia: Estimating the Economic and Non-Dollar Values Music Brings to Our Community*. Olympia Arts Commission

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City of Olympia

City Hall
601 4th Avenue E.
Olympia, WA 98501
360-753-8447

General Government Committee

Review of Music Out Loud Concept

Agenda Date: 5/20/2014

Agenda Number: 4.D

File Number: 14-0482

File Type: recommendation

Version: 1

Status: In Committee

..Title

Review of Music Out Loud Concept

..Recommended Action

Arts Commission Recommendation:

Recommend for approval the *Music Out Loud* concept and associated policies.

City Manager Recommendation:

Receive a report on the *Music Out Loud* concept to date.

..Report

Issue:

Should the Music Out Loud concept and policies be approved and a work plan developed?

Staff Contact:

Stephanie Johnson, Arts & Events Program Manager, Parks, Arts & Recreation,
360.709.2678

Presenter(s):

Trent Hart, Chair, Olympia Arts Commission
Danielle Westbrook, Olympia Arts Commission
Michael Olson, Olympia Arts Commission

Background and Analysis:

Commissioners will provide an oral report of the proposal and recommendations at the General Government Committee meeting.

Since their meeting with General Government on February 11, members of the Arts Commission have communicated with property owners adjacent to some of the proposed sites. Response from adjacent property owners has been generally positive. Members have also reviewed a list of questions from Executive staff which are listed below.

As requested by General Government Committee, commissioners are evaluating intention of the event component, ambient music or destination performance, and considering associated safety and egress issues.

Commissioners have also tentatively identified the following list of honoree selection

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criteria:

- Was born or has lived (10+ years), and has had a significant connection with the Olympia area.
- Pivotal in the musical growth of the Olympia community.
- Accessible to the public
- Contributed to vitality of Olympia's music scene.
- History of musical achievement.
- Respected by peers.
- Has made a significant contribution to music.
- Honored by local musicians and aficionados for his/her contribution to the community.
- With his or her passing, left a lasting legacy that will forever be remembered.

Executive Office Questions and Comments:

Staff shared the following questions and concerns with Arts Commission representatives in advance of tonight's meeting so that commission members would be aware of the issues and have had an opportunity discuss and/or reflect on them:

- Clearly define the purpose of the Music Out Loud proposal, and any associated site and honoree selection criteria and process.
- Any honoree selection process should be open for public suggestions, with final approval by the City Council - similar to the City's parks and facilities naming process.
- Is this a one-time effort, or ongoing? If ongoing, how frequently? What is the ultimate vision?
- Is only one musician honored per space, or several, or a musical genre per space?
- What is the rationale for any proposed change in use for the Municipal Art Fund, such as payment for one-time performances? The Art Fund was established to provide a way to purchase and place public art into City ownership.
- Can spontaneous or planned performances safely occur on the spaces? What are implications for pedestrian access/use of the sidewalk, nearby businesses/residents, adjacent parking and street vehicle use.
- If Council moves forward with the project, it will become a work effort for

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someone on City staff, most likely the City's Arts & Events Manager or someone hired by her on contract. Design/construction of a commemorative space and potential programming have implications for staff time and City financial resources, especially in a year where a primary focus is success of the Artesian Commons space, which is currently underfunded.

- Consider separating the components into a pilot design/construction project for one space (so we can learn what it takes and how it is received/used); and potential consideration of space programming in some future year.
- Do not include the current City logo in the design as logos change over time.
- If there is interest by Council in using the Municipal Art Fund for programming, should the programming instead be at the Artesian Commons?

Neighborhood/Community Interests (if known):

Commissioners will continue to communicate with downtown business and property owners as they move through the process.

Options:

1. Recommend the Arts Commission's proposal(s) to the full Council for approval.
2. Do not move forward with the proposal(s) at this time.
3. Recommend a pilot project to design and install one space with no programming. Assess process, staff time and cost, and outcomes after installation.
4. Recommend a pilot project at the Artesian Commons or use the money for a mural at the Commons that honors Olympia musicians and/or music scene.

Financial Impact:

Projected costs for Public Art in the sidewalks honoring past musicians.

Site Demolition	\$ 800
Artist Allowance	\$1,000
Concrete	\$3,500
Cast Bronze Letters	\$1,000
Adjacent Concrete Replacement	\$ 500
Contingency 10%	<u>\$ 680</u>
Sub-Total	\$7,480 per site, from the Municipal Art Fund

Projected costs for music programming.

Musician fees:

\$600 per site x 3 sites x 3 months \$5,400

Staffing:

45 hours at Lead Recreation Specialist Classification \$ 883

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Possible street closure fee: \$50 x 2	<u>\$ 100</u>
Annual Cost	\$6,383

City of Olympia

City Hall
601 4th Avenue E.
Olympia, WA 98501
360-753-8447

General Government Committee

ORAL REPORT: 2014 Legislative Session and Olympia Priorities

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ORAL REPORT: 2014 Legislative Session and Olympia Priorities

..Recommended Action

City Manager Recommendation:

Discuss 2014 legislative recap.

..Report

Presenter(s):

Steve Hall, City Manager

Jay Burney, Assistant City Manager

Cathie Butler, Communications Manager

Rich Hoey, Director, Public Works

Paul Simmons, Director, Parks Arts & Recreation

Background and Analysis:

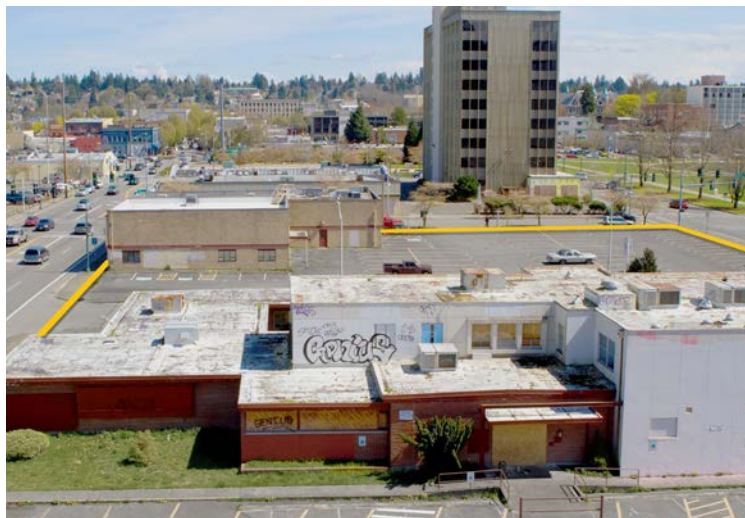
2014 was a disappointing legislative year for cities; although Olympia's local legislative delegation was receptive and sympathetic to many of our concerns and issues.

Attached is the flyer of Olympia's 2014 legislative priorities and the Association of Washington Cities' recap.



Olympia's 2014 Legislative Agenda

Isthmus Properties



The two parcels at 505 and 529 Fourth Avenue West on Olympia's Isthmus waterfront are now in public ownership. The next step is the 'down and green' portion of Phase 1 - demolition and initial development.

Transportation Funding



Investing in Olympia's aging streets and sidewalks ensures our largest and most important assets are safe and inviting for all modes of travel. Currently, Olympia has a \$46 million backlog of needed street repairs.

Other Issues of Interest

Revenue Options

Restore local liquor revenue sharing to historic revenue sharing formulas. **

Share new Marijuana Tax revenues with local government for education, prevention and law enforcement. **

Restore funding to critical infrastructure programs such as the Public Works Trust Fund. Access to low-interest financing is critical for municipalities that are challenged with rehab and replacement of aging infrastructure and with meeting new regulatory requirements. **

Retain existing State-shared City revenues.

Maintain the \$65 million funding level for Washington Wildlife (WWRP) and Recreation Program in the 2014 Supplemental Capital Budget.

Provide funding assistance for local municipalities to develop electric vehicle charging infrastructure for fleet, employee, and public charging in an effort to support and encourage EV use.

Remove the 1% annual lid on property tax increases.

Provide a sustainable funding source to help local governments meet stormwater regulations.

Legislative Issues

Amend medical care for felony offenders (RCW 70.40.130) to clarify that medical care for felony offenders is the responsibility of the agency housing offenders, not the arresting agency. Olympia police may arrest someone on a felony charge or warrant; however, the County is responsible for housing felony offenders.

Provide tougher penalties for assault of code enforcement officers. Amend RCW 9A.36.031 to include assault of a code enforcement officer while performing their duties as third degree (felony) offense.

Exempt municipal athletic programs and leagues from the Amusement and Recreation Services sales tax.

Continue the Main Street business tax credit program.

**These requests are also top priorities of the Association of Washington Cities.

Councilmembers:

- Stephen H. Buxbaum, Mayor
- Jim Cooper
- Julie Hankins
- Nathaniel Jones
- Steve Langer
- Jeannine Roe
- Cheryl Selby

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Legislative Advocacy

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2014 session was short and disappointing for cities, 2015 challenges loom large

Legislators accomplished their goal of finishing on time with only slight modifications needed to the \$33.5 billion biennial operating budget adopted last year. Beyond that, some were proud of the fact that no new revenues or tax loophole closings were needed, while others bemoaned the fact that “holding the line” also meant agreement couldn’t be reached on a transportation funding package, a supplemental capital project list, or other issues of interest to one or another block of legislators or the Governor.

Little was accomplished that helps, or hurts, cities and towns.

AWC members and staff advocated for:

- An incremental return of the city share of liquor profits that were capped in 2012;
- Restoration of critical Public Works Assistance Account funding that was redirected to state general fund expenditures;
- Passage of a transportation package that would provide needed state and local resources; and
- Reconciling differences between access to medical and recreational marijuana, and a sharing of these new tax proceeds with cities and counties.

All but our liquor revenue priorities were considered, but none were addressed. Reasons vary, and ultimately, legislative leaders concluded that any available non-transportation revenue needed to pay for state, not city, programs and services - at least until they figure out in 2015 how to pay for the State Supreme Court ordered K-12 funding responsibilities (McCleary). On the issue of transportation funding, most legislators understand state needs and several acknowledge local needs. What they couldn’t agree upon was the appropriate balance of new revenues and reforms on how project dollars are spent.

We were more successful in convincing legislators that several bills harmful to cities shouldn’t move forward, and in some cases we were able to help modify bad ideas to ones less harmful.

When legislators return in January 2015, they will have to confront a number of fiscal and political challenges that will directly impact city revenues and responsibilities. It would be prudent to consider these when developing city budgets that rely on state funding, or when deciding which of your local legislators deserve your attention or support. Here are some keys things to remember as we look ahead to what happens next:

- All 98 House members, and half of the 49 Senators are up for election in November, and the Governor will be halfway through his term.



Legislative issues

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- Conventional wisdom assumes that the House Democrats will maintain their majority and the Senate is likely to remain under the control of the Majority Coalition (which currently consists of 24 Republicans and 2 Democrats). This assumption was shaken up with the recent surprise announcement by Coalition Leader Sen. Rodney Tom (D-Medina) that he will not seek re-election.
- Whoever is in charge, they have to write and pass a two-year operating budget and the Governor must agree. He gets to release his ideas first in December, and AWC along with most other Olympia interests, will be working to have influence on what's in it as he and his staff prepare their budget.
- Among the known issues needing to be addressed, none looms larger than responding to the Court's order in what's known as the McCleary case. It requires the legislature to address the state's fundamental responsibility to fully fund K-12 education to meet legislatively approved standards for among other things, class size. It will take multiple billions more than is currently allocated to do this on an ongoing basis. To agree on what's needed and find the funding to do it will be a major challenge.

State revenues are slowing growing, but not enough to meet the State Supreme Court's order and maintain other state-funded programs at current levels. We've witnessed the inability or unwillingness of legislators to expand their revenue base either by enacting new sources or closing tax breaks to increase revenues. Program cuts and efficiencies have been achieved, but not enough in the eyes of some. Instead, state budget gaps have been filled by unprecedented raids or swipes on revenues that have been historically used by cities to help build infrastructure and support critical general fund services in communities of all sizes and shapes across the state.

Even as the state continues to grow (mostly in cities), what cities need may fall on deaf ears unless we all work over the next months to educate the Governor, community leaders and local legislators/candidates on the critical needs for infrastructure, public safety and other fundamental needs in our communities. We will be competing for attention and funding, and must reach out to business, education and civic leaders to find ways to address their needs as well as ours.

In the coming weeks and months, be on the lookout for AWC initiatives on how you can help meet these challenges.

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