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**To: Commission on Enhancing Agency Outcomes**

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As members of the Connecticut Commission on Culture and Tourism and Co-Chairs of its Strategic Planning Committee, we are pleased to contribute to the discussion of efficiency and accountability in state government, and to examine the potential benefits of mergers and/or restructuring in this area. Based on what we have learned so far through the strategic planning process, we feel that a merger within another agency would be costly and counterproductive.

**The Connecticut Commission on Culture and Tourism is already the result of a legislatively mandated merger, and has achieved a high level of efficiency and accountability in the five years since the consolidation. Any further restructuring risks significant loss of federal funding for the arts and historic preservation, and the loss of important contributions to economic vitality and quality of life in the State.**

**Most importantly, a merger would result in no significant cost savings, but would inhibit the ability of the staff to assist constituents in these critical revenue and job producing sectors of the State's economy.**

The Commission is also in the process of preparing a new Strategic Plan, as required by the Legislature, for which the interim report has recently been completed. We have attached portions of the report which speak to the successes of the agency and the extent to which collaboration between the various programs has been achieved and heightened the impact of the Commission. The accountability issue will be addressed later in the strategic planning process, and a 'results-based accountability' model is being piloted.

An independent Commission on Culture and Tourism also benefits from citizen oversight: Commissioners – representing each of the various disciplines and appointed by both legislative and executive authorities -- bring knowledge of their fields and impartial review to the granting process, and provide validation for federal funding of arts and historic preservation.

We urge you to maintain the independence of, and funding for, the Commission on Culture and Tourism.

## History – Connecticut Commission on Culture and Tourism Legislation.

In 2003, the General Assembly, in recognition of culture, history, the arts, and the film and tourism industries as a significant contributor to the vitality, quality of life and economic health of Connecticut, established the Connecticut Commission on Arts, Tourism, Culture, History and Film. It was later renamed the Connecticut Commission on Culture and Tourism.

CCT is an umbrella organization established as a successor to the State Commission on the Arts; the Connecticut Historical Commission; the Office of Tourism; the Connecticut Tourism Council; the Connecticut Film, Video and Media Commission and the Connecticut Film, Video and Media Office. The goal was to integrate the functions of these commissions, as well as to realize cost efficiencies in the administrative structures of these agencies.

The Commission was established for five main purposes:

- (1) Market and promote Connecticut as a destination for leisure and business travelers in cooperation with regional tourism districts.
- (2) Promote the arts.
- (3) Recognize, protect, preserve and promote historic resources.
- (4) Interpret and present Connecticut's history and culture.
- (5) Promote Connecticut as a location in which to conduct filming and to establish and conduct business related to the film and video industries to enhance these industries' economic impact in the state.

Based on its legislative mandate, CCT developed a mission statement in its last strategic plan that defined its role:

*To preserve and promote Connecticut's cultural and tourism assets in order to enhance the quality of life and economic vitality of the State*

## **Commission on Culture and Tourism: Successes to Date\***

Given that CCT was created by legislative mandate less than five years ago, interviewees agreed that the agency has successfully managed the legacy programs it inherited, developed an initial sense of shared goals and brought together four distinct lines of business.

Additionally, the constituents indicated in the online survey that CCT's programs and services are valuable and that the collaboration between the four divisions has been beneficial. This in itself is a major accomplishment. While there is still work to be done, the agency has begun to coalesce into one unit and many lauded this achievement. Constituents find CCT's programs and services to be of notable quality and important to their activities and to the state as a whole. Programs that are indicated as having an especially meaningful impact are:

### Arts

- General Operating Support Grants
- Project Support Grants
- Connecticut Arts Endowment Fund
- Directories of Performing and Teaching Artists
- Local Arts Agency Program
- Peer Advisor Network

### Film

- Digital Media and Motion Picture Tax Credits
- Infrastructure Economic Incentives
- Digital Animation Production Company Economic Incentives

### Historic Preservation and Museums

- Historic Restoration Grants
- General Operating Support Grants
- Historic Structures Rehabilitation Tax Credits
- Survey and Planning Programs
- Local Historic Districts and Property Designations
- State Register of Historic Places

### Tourism

- Tourism Website ([www.CTvisit.com](http://www.CTvisit.com))
- Tourism Campaign (CONNECTicut)
- Welcome Center Program
- CT Vacation Guide
- CT Culture and Special Events Guide
- CT Highway Tourism Map

*\*Excerpted from Environmental Analysis for CCT Strategic Plan by AMS Planning and Research, April 2009 by Ann Sheffer, co-chair, Strategic Plan committee*

## **Economic Impact**

CCT staff gathered and provided statistics articulating the measurable economic impact its programs have had on the state's economy, as highlighted below:

### **Arts**

- \$1 of state funds leverages \$11 in private investment
- 40,000 jobs in Connecticut
- 9,520 arts-related businesses in Connecticut employing 38,000 people
- Based on CCT's 2006 economic impact study, the Arts generates \$3.8 billion in gross state product, \$2.7 billion in household income and \$443 million in local taxes

### **Film**

- 42 productions/\$341 million total expenditures
- Over \$37.8 million to Connecticut vendors by productions receiving Digital Media & Motion Picture Tax Credit
- 2,174 jobs created by 43 productions
- Over \$3.8 million payroll taxes from 43 productions

### **Historic Preservation**

- Each \$1 million on new building construction creates:
  - 36 jobs
  - \$1.2 million in household income
  - \$103,000 in state taxes
  - \$86,000 in local taxes
- \$1 million on historic rehabilitation of existing building creates:
  - 38 jobs
  - \$1.3 million in household income
  - \$110,000 in state taxes
  - \$92,000 in local taxes
- Federal Historic Preservation Tax Credit Program
  - 254 Connecticut projects creating 45 jobs per project
  - Since 2007, seven Connecticut projects generating \$51 million in private investment
- Connecticut Historic Homes Rehabilitation Tax Credit Program (C.G.S.§10-416)
  - Since 2006, \$7 million tax credits issued to 179 projects generating over \$42 million of private investment
- Connecticut Historic Structures Rehabilitation Tax Credit Program (C.G.S.§10-416a)
  - \$5 million tax credits issues, with \$29 million pending, resulting in over \$180 million in private investment

### **Tourism**

- Over 110,000 jobs
- Generates over \$5.4 billion in household income
- Generates over \$7.95 billion in gross state product
- Generates over \$87 million in hotel taxes in 2007-2008
- Connecticut will generate almost \$9 billion in travel and tourism revenues
- Without tourism, Connecticut residents would pay \$1,000 more in taxes a year
- \$1.3 billion in federal, state and local taxes generated by Connecticut Tourism