

TESTIMONY BY ELLEN DRESSLER MORYL, DIRECTOR

CITY OF CHARLESTON OFFICE OF CULTURAL AFFAIRS

TRAC ACCOMMODATIONS & HOSPITALITY TAX SUB-COMMITTEE HEARING

THURSDAY, OCTOBER 7, 2010 FROM 10AM-12PM

GRESSETTE BUILDING, STATE HOUSE, COLUMBIA

Good morning. My name is Ellen Dressler Moryl and I am the executive director of the City of Charleston Office of Cultural Affairs which produces the annual Piccolo Spoleto Festival in Charleston.

I would like to speak to you today on behalf of South Carolina's non-profit arts groups who enrich and enhance the artistic and cultural life of their cities and communities and also participate in the Piccolo Spoleto Festival each Spring.

As many of you know, Piccolo Spoleto is the official outreach arm of Spoleto Festival USA and is a showcase for excellent local and regional artists and performers presented against the stunning backdrop of Spoleto Festival USA. Spoleto Festival USA is famous for its cultural tourism success story, bringing many thousands of visitors from the U.S. and abroad to the Lowcountry each Spring for its world-class offerings. What many might not know precisely is that Piccolo Spoleto attracts an equal number of cultural tourists to Charleston and together the tremendous economic impact of the two festivals adds up to some stunning statistics: according to a 2007 economic impact survey, Spoleto Festival USA and Piccolo Spoleto spending supported a total of over \$32 million in labor earnings.

It was also reported by USC's Darla Moore School of Business Division of Research that 1,713 full-time jobs existed due to the two festivals and that they generated a combined economic output of over \$85 million. If the two festivals were to disappear, then over \$85 million would also disappear from our state's economy. Cultural tourism is very important to South Carolina's economy and many of South Carolina's arts nonprofits depend on accommodations tax grants to pay for effective marketing programs that bring tourists to our state.

Founded in 1979 by the City of Charleston Office of Cultural Affairs in a partnership with local arts groups, Piccolo Spoleto presents some 800 arts events every year during the 17 day festival in late May and early June. Piccolo showcases some 3,500+ artists and performers. Piccolo's audience numbers between approximately 150,000 to 180,000 people, 47% of which come from the Lowcountry, 13% from elsewhere in South Carolina, 39% from beyond South Carolina and 1% from foreign countries. Almost 100,000 people visit Piccolo's website annually from a wide geographic spectrum representing 52 states and territories as well as 134 countries from around the world.

One of the factors contributing to the success of Piccolo Spoleto stimulating this kind of cultural tourism to the Lowcountry is the fact that we present many different performing groups from throughout the State of South Carolina in our festival lineup. These groups include choirs, dance companies, theatre companies, bands, jazz groups, blues ensembles, student ensembles and the like. In addition, we present visual artists, crafters, poets and writers, filmmakers and so on.

Invariably, these groups bring a lot of people with them who want to see them perform at the festival and enjoy Charleston during the excitement of Spoleto Festival USA and Piccolo Spoleto. They stay in our hotels, eat in Charleston's many wonderful restaurants, go to the beach, play golf and tennis, shop, and add importantly to our tourism-based local economy.

All of these South Carolina artists and arts organizations make the Piccolo Spoleto Festival rich, interesting and varied. And every last one of these groups struggles to raise the money with a mix of grants, corporate sponsorships, individual donations, and earned income. Often, even a small government grant such as those from Accommodations Tax Grant Programs is a huge assist with fundraising because it can leverage other private gifts to make a budget balance. It also adds that "Good Housekeeping" seal of approval that conveys an important credibility factor.

If the ATAX grant opportunities are taken away from these groups that work so hard to raise money to support their activities and their mission, some may not survive this loss of revenue. Others may find greatly reduced sources of funding to pay for their marketing programs. All of this would have a negative effect on the economic benefits brought to all of our communities by thriving local arts programs. Certainly Piccolo Spoleto's program would suffer as well.

We think it is very important that decision making for distribution of Accommodations Tax funds remain at the local level throughout the state. The very survival of South Carolina's local arts is at stake here. They add so much to the quality of life in their respective communities. We need them to continue making their own unique contribution to the exciting, colorful tapestry of the Piccolo Spoleto Festival program every Spring in the Lowcountry.

Thank you for the opportunity to speak to you today.