Office of Research & Analysis National Endowment for the Arts July 2015

#### NEA Arts Data Profile #8: Issue Brief #3

# Illustration of Arts & Livability Indicators: Unemployment Rates; Year Householder Moved Into Housing Unit

The NEA Arts & Livability Indicators can help users attain a better understanding of their community on a number of important dimensions. Below are examples of three key indicators (unemployment rates, year householder moved into housing unit, and employment in arts, entertainment, and media occupations), as well as a hypothetical scenario of how these indicators might be applied to creative place-making activities.

#### Hypothetical Scenario: Bluegrass and Traditional Arts Festival

"The annual two-week bluegrass music and traditional arts festival has in the past 10 years led to a reversal of economic fortunes for our rural Appalachian town as well as garnered national media attention. Bluegrass and other traditional music have a long history and heritage in the region, but until recently were not actively embraced as a potential economic driver. Resource extraction has long been the main economic force, but has come to employ fewer and fewer people.

"An enterprising local artist saw the possibility to fill a need, and reached out to our chamber of commerce and planning commission to put on a two-week music festival. What started as a small event now draws musicians and other artists from all over the country, spurring tourism to the area. In addition, due to the success of the festival, others in the community have come to realize the importance of the arts, and now the town has an invigorated local arts and music scene, with several new music venues, community arts spaces, and small storefronts and galleries selling the works of local artists. In addition, the buzz from the festival and the emerging rural cultural district has begun to draw a number of other musicians to the town to live and work."

Although any changes are not necessarily traceable to the Bluegrass and Traditional Arts festival, the festival's organizers and supporters can examine specific indicators to learn whether, over time and within the area of the festival, **unemployment will fall**, **and neighborhood stability will rise**.<sup>1</sup>

The sections below draw on data from the U.S. Census Bureau's American Community Survey and the Bureau of Labor Statistics' Occupational Employment Survey to illustrate these indicators for a sample community: the **Appalachian counties of Kentucky.** 

The Appalachian Regional Commission identifies 54 Kentucky counties in the Appalachian Region (see list at the end of this issue brief).

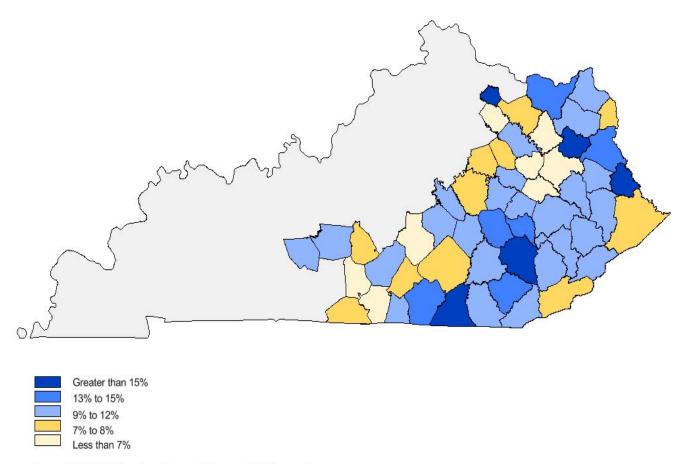
# Indicator E4: Unemployment Rates (see map, p.3)

The unemployment rate is a key indicator of an area's work patterns and availability of workers. Between 2006 and 2010, the unemployment rate for the state of Kentucky was 8.2 percent.<sup>2</sup> Among the state's Appalachian counties, however, unemployment rates varied widely from a high of 23 percent (Clay County—where contractions in the coal industry have contributed to high unemployment) to a low of 4.9 percent (Nicholas County).

In addition to Clay County, for example, unemployment rates were also high (17-18 percent) in Robertson, Elliott, and Martin counties. Alternatively, at 5.3 percent, the unemployment rate for Metcalfe County was nearly as low as that reported for Nicholas County.

For 24 of Kentucky's Appalachian counties, unemployment rates hovered at 9 percent to 12 percent during the 2006-2010 period.

# **Unemployment Rates for Appalachian Counties in Kentucky: 2006-2010**



Source: 2006-2010 American Community Survey, U.S. Census Bureau

Note: For a map of Kentucky counties showing more geographic detail, see the <u>U.S. Census Bureau's reference maps</u>.

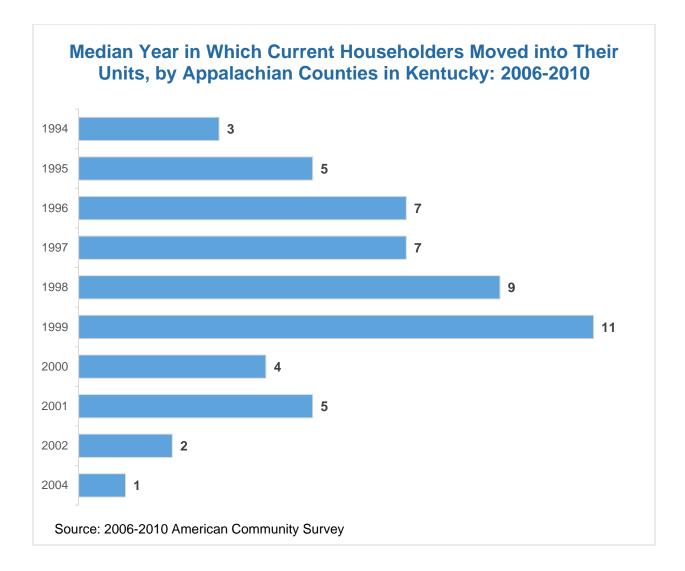
# Indicator C2: Year Householder Moved into Housing Unit (see chart, p.5)

The median year in which county householders moved into their units can help measure a community's stability; it also may indicate displacement.<sup>3</sup> This indicator reports how long residents have lived in their units.

For the state of Kentucky, in 2006-2010, the median year householder moved into unit was 2001.<sup>4</sup> Among Kentucky's Appalachian counties, however, median year was commonly 1999, indicating more neighborhood stability in the Appalachian region. The year 1999 was the median year householder moved into unit for 11 of the region's 54 counties.

Among Kentucky's Appalachian counties, the most stable areas included Elliott, Morgan, Knott, and Leslie—in each of these counties, the median year in which householders moved into their units was 1994 or 1995.

At the other end of this scale were Clark, Montgomery, and Madison counties. For example, as captured by the 2006-2010 American Community Survey, 2004 was the median year for moving into a housing unit in Madison County.



# What Do These Findings Mean for Our Hypothetical?

Among all of the NEA Arts & Livability Indicators, county-level unemployment is one of the most easily grasped. And yet, as with the indicators in general, its relationship to the outcome of a specific creative placemaking project is harder to pinpoint. In the case of the Bluegrass and Traditional Arts Festival, the organizers would now have baseline data about the different rates of unemployment across the Appalachian counties.

This knowledge can be used to set goals and performance targets—for example, a decision to recruit artists and festival workers and volunteers from counties with particularly high unemployment rates. Over time, the organizers also can monitor changes in the rates. Reviewing such data, they may decide to conduct surveys or focus group interviews to understand how festival patrons and neighbors perceive the festival's impact on local employment patterns. The survey or interview data could complement the county-level data in a narrative to prospective funders.

Separately, by understanding the variations (by county) of years in which residents moved into their housing units, the festival organizers can pick individual counties to target through outreach and communications. This strategy assumes that neighborhood stability is a desired outcome of the festival. As with unemployment rates, subsequent changes in the data can be validated through local surveys and interviews, in an attempt to determine the extent to which the festival itself might have played a role.

# Other Indicators that Could Prove Useful

Given the goals articulated by the hypothetical project's planners, other NEA Arts & Livability Indicators that might be worth tracking include:

- Q2: Retail and service establishments per 1,000 population
- AC1: Median earnings of residents employed in arts-and-entertainment-related establishments
- AC3: Relative payroll of arts-and-entertainment-related establishments
- E3: Active business addresses

In addition, the **Local Arts & Livability Indicators Catalogue** (source: Urban Institute), also within the NEA's Arts Data Profile #8, contains several indicators that might be used, depending on the location of the project. The data for these indicators are collected locally. Examples include:

- #38, Percent of Residential Properties That Are Vacant and Abandoned (Baltimore Vital Signs)
- #980, Neighborhood Festivals and Celebrations (Boston Indicators Project)
- #1703, Rating of Hennepin County as Vibrant (Track-It Hennepin)

# Bonus Indicator: Employment in Arts, Entertainment, and Media Occupations (see chart, p. 8)

Data from the Bureau of Labor Statistics' Occupational Employment Survey (OES) were excluded from the arts and livability indicators presented in the 2014 NEA report titled *The Validating Arts and Livability Indicators (VALI) Study*. However, OES data on arts and entertainment employment complement the report's "A" indicators of arts and cultural activity.

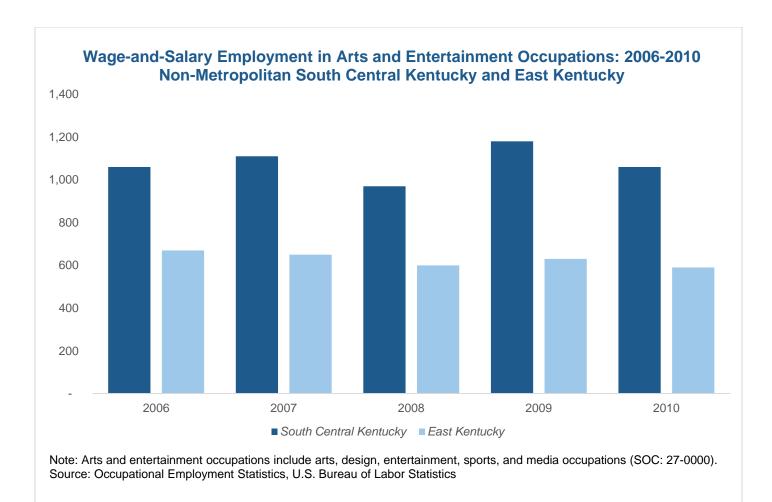
Tracking employment by occupation can help festival organizers gauge economic activity in the festival's vicinity, and it can serve as an additional data source for examining trends in arts and culture and other business activities.

The OES program collects data on wage and salary workers in nonfarm business establishments. The BLS reports OES statistics for the U.S., states, metropolitan areas, and, beginning in 2006, nonmetropolitan areas by state.<sup>5</sup>

Many of Kentucky's Appalachian counties fall within the state's South Central Kentucky and East Kentucky nonmetropolitan areas (see list at the end of this issue brief). This section examines wage and salary employment in those nonmetropolitan areas for workers employed in the major occupation group comprising arts, design, entertainment, sports, and media occupations.<sup>6</sup>

In South Central Kentucky, which includes Adair, Casey, Laurel, and Russell counties (among other Kentucky Appalachian counties), wage-and-salary arts and entertainment employment was 1,060 in 2010. That count was unchanged from 2006, but down slightly from the 1,180 arts and entertainment workers employed in 2009.

In Eastern Kentucky, a nonmetropolitan area encompassing the Appalachian counties of Clay, Elliott, and Leslie (to name just a few), 2010 wage-and-salary employment in the broad arts and entertainment occupation group was 590. That count generally fell throughout the 2006-2010 time period. For example, in 2006, 670 wage-and-salary workers were employed in arts and entertainment occupations; in 2008, the count was 600.<sup>7</sup>



# Appalachian Counties in Kentucky

Adair, Bath, Bell, Boyd, Breathitt, Carter, Casey, Clark, Clay, Clinton, Cumberland, Edmonson, Elliott, Estill, Fleming, Floyd, Garrard, Green, Greenup, Harlan, Hart, Jackson, Johnson, Knott, Knox, Laurel, Lawrence, Lee, Leslie, Letcher, Lewis, Lincoln, McCreary, Madison, Magoffin, Martin, Menifee, Metcalfe, Monroe, Montgomery, Morgan, Nicholas, Owsley, Perry, Pike, Powell, Pulaski, Robertson, Rockcastle, Rowan, Russell, Wayne, Whitley, and Wolfe.

#### East Kentucky Nonmetropolitan Area Counties

Bell, Breathitt, Carter, Clay, Elliott, Floyd, Harlan, Jackson, Johnson, Knott, Lawrence, Lee, Leslie, Letcher, Magoffin, Martin, Morgan, Owsley, Perry, Pike, and Wolfe.

#### South Central Nonmetropolitan Area Counties

Adair, Allen, Barren, Butler, Casey, Clinton, Cumberland, Green, Hart, Knox, Laurel, Logan, McCreary, Marion, Metcalfe, Monroe, Pulaski, Russell, Simpson, Taylor, Wayne, and Whitley.

#### Endnotes

<sup>1</sup> These expectations assume that other factors—those unrelated to the Bluegrass and Traditional Arts Festival, but which may affect the local economy and housing—are held constant.

<sup>2</sup> The 2006-2010 American Community Survey covered the period of the severe U.S. economic recession of 2007-2009, and its lagged effects on unemployment.

<sup>3</sup> In this analysis, housing units include both owned and rented units.

<sup>4</sup> One person in each household is designated as the householder. In most cases, this is the person or one of the people, in whose name the home is owned or being rented, and who is listed on line one of the survey questionnaire. If there is no such person in the household, any adult household member 15 years old and over could be designed as the household.

<sup>5</sup> Nonmetropolitan refers to counties outside of metropolitan areas, which, in turn, are core urban areas of 50,000 or more population, and the adjacent counties displaying high levels of economic and social integration to that core.

<sup>6</sup> Within the South Central Kentucky and East Kentucky nonmetropolitan areas, workers employed in detailed arts and entertainment occupations are few in number. Consequently, this issue brief examines the broad major occupation group: arts, design, entertainment, sports, and media occupations, major group 27-0000, which includes various artists and designers, but also sports occupations such as coaches and umpires, and media occupations such as reporters, editors, and public relations specialists. For more information on occupation codes, see the Standard Occupation Classification System, available from the U.S. Bureau of Labor Statistics.

<sup>7</sup> While this analysis focuses on 2010, the most recent OES statistics are for 2014. In that year, wage and salary employment in the broad arts and entertainment occupation group fell to 840 and 470 in South Central Kentucky and Eastern Kentucky, respectively.