The Impact of Governance Structure on Performance of U.S. Performing Arts Centers

Karen S. Fuller
*Florida International University, fullerk@fiu.edu*

Follow this and additional works at: [https://digitalcommons.fiu.edu/etd](https://digitalcommons.fiu.edu/etd)

Part of the Arts Management Commons, Music Commons, Public Administration Commons, Public Affairs Commons, and the Theatre and Performance Studies Commons

**Recommended Citation**

This work is brought to you for free and open access by the University Graduate School at FIU Digital Commons. It has been accepted for inclusion in FIU Electronic Theses and Dissertations by an authorized administrator of FIU Digital Commons. For more information, please contact dcc@fiu.edu.
FLORIDA INTERNATIONAL UNIVERSITY

Miami, Florida

THE IMPACT OF GOVERNANCE STRUCTURE ON PERFORMANCE OF U.S. PERFORMING ARTS CENTERS

A dissertation submitted in partial fulfillment of the requirements for the degree of

DOCTOR OF PHILOSOPHY

in

PUBLIC AFFAIRS

by

Karen Seoane Fuller

2021
To: Dean John F. Stack, Jr.
Steven J. Green School of International and Public Affairs

This dissertation, written by Karen Seoane Fuller, and entitled The Impact of Governance Structure on Performance of U.S. Performing Arts Centers, having been approved in respect to style and intellectual content, is referred to you for judgment.

We have read this dissertation and recommend that it be approved.

_____________________________________________
Milena Neshkova

_____________________________________________
Shaoming Cheng

_____________________________________________
Carol Damian

_____________________________________________
Sukumar Ganapati, Major Professor

Date of Defense: November 10, 2021

The dissertation of Karen Seoane Fuller is approved.

_____________________________________________
Dean John F. Stack, Jr.
Steven J. Green School of International & Public Affairs

_____________________________________________
Andres G. Gil
Vice President for Research and Economic Development
and Dean of the University Graduate School

Florida International University, 2021
© Copyright 2021 by Karen Seoane Fuller

All rights reserved.
DEDICATION

I dedicate this dissertation to my family. To my parents who always pushed me to do better and inspired my thirst for knowledge and creativity. To my children who supported me throughout these many years of my academic adventure. To my husband, I cannot thank you enough for all of your unswerving support and encouragement. Osdany, I dedicate this work to you. You never gave up on me and kept encouraging me to continue. Bradley and Lauren, you are my life and my inspiration, I dedicate this work to you, and I hope that you learned through my journey how perseverance and tenacity are one of the greatest gifts God can grant an individual. Never give up on your dreams!

I would be remiss without thanking my brothers and sisters for their continued support. Eli, thanks for always being there for me through thick and thin. Sergio, you are an inspiration, and I am so proud to call you my brother; your continued guidance and mentorship throughout this scholarly journey is immeasurable.
ACKNOWLEDGMENTS

To my dissertation committee members, Dr. Shaoming Cheng, Dr. Milena Neshkova, and Dr. Carol Damian, thank you for all of your continuous advice, guidance, and support throughout this process. I especially would like to thank my dissertation advisor and major professor, Dr. Sukumar Ganapati, for the guidance, generous mentorship, and continued encouragement you provided me over the years. I am forever grateful for your words of wisdom, belief, and patience through my PhD journey.

The support and encouragement of many individuals allowed me to reach this important next step in my life. Thank you to my FIU family for the friendships throughout the years. Dr. John Stack, thank you for your continued belief in my success.
ABSTRACT OF THE DISSERTATION

THE IMPACT OF GOVERNANCE STRUCTURE ON PERFORMANCE OF U.S. PERFORMING ARTS CENTERS

by

Karen Seoane Fuller

Florida International University, 2021

Miami, Florida

Professor Sukumar Ganapati, Major Professor

This dissertation is an analysis of the governance structures and functioning of performing arts centers (PACs) in the United States. PACs provide important public services to local communities by exposing the public to arts and culture. There are two research objectives in the analysis. The first objective is to delineate the forms of PAC governance structures. The second objective is to assess how these governance structures affect PACs’ functioning. The dissertation contributes to understanding of management of PACs. Overall, the study identified 187 PACs in the country, with at least one PAC in every state.

With respect to the first objective, an inductive typological analysis revealed three types of PAC governance structures: local government, nonprofit, and public–private partnerships. They have distinctive profiles of developmental history, activities, funding, and facilities. Such difference is revealed in the three exemplary cases of the governance structures, respectively: Santa Barbara Center for the Performing Arts, Arts Center Task Force (Mid-Columbia Performing & Visual Arts), and Adrienne Arsht Center for the Performing Arts in Miami.
The second research objective was achieved through a regression analysis of the relationship between governance structure and PACs’ functioning. Other organizational (internal to PACs) and community (external to PACs) factors were used as control variables. The focus was on PACs’ performance in terms of their revenue generation and audience size (i.e., attendance per performance), in order to capture their sustenance and community participation. The findings reveal that PAC governance structure was not significant for the PACs’ functioning for both total program revenue and audience size. However, organizational (e.g., facilities) and community (e.g., college education) factors were significant for the PACs’ functioning. Overall, the study shows that the governance structures are culturally contextual and the PACs’ functioning depends on other organizational and community factors.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: INTRODUCTION .................................................................</td>
<td>1</td>
</tr>
<tr>
<td>PACs: Historical Background and Significance ..................................</td>
<td>2</td>
</tr>
<tr>
<td>Significance of PACs ....................................................................</td>
<td>8</td>
</tr>
<tr>
<td>Governance of PACs ......................................................................</td>
<td>11</td>
</tr>
<tr>
<td>Purpose of the Study ....................................................................</td>
<td>13</td>
</tr>
<tr>
<td>Governance Factors Affecting PACs’ Functioning ................................</td>
<td>16</td>
</tr>
<tr>
<td>Partnerships and Networks .........................................................</td>
<td>18</td>
</tr>
<tr>
<td>Financial Support and Funding ....................................................</td>
<td>23</td>
</tr>
<tr>
<td>Cultural Planning and Community ................................................</td>
<td>24</td>
</tr>
<tr>
<td>Organization of the Dissertation ..................................................</td>
<td>26</td>
</tr>
<tr>
<td>2: LITERATURE REVIEW ..................................................................</td>
<td>28</td>
</tr>
<tr>
<td>PAC Research Themes .................................................................</td>
<td>29</td>
</tr>
<tr>
<td>Cultural Planning and Development With PACs ..................................</td>
<td>29</td>
</tr>
<tr>
<td>PACs as Cultural Institutions .......................................................</td>
<td>38</td>
</tr>
<tr>
<td>Multifaceted Impacts of PACs .......................................................</td>
<td>41</td>
</tr>
<tr>
<td>Research Gaps on PACs ...............................................................</td>
<td>45</td>
</tr>
<tr>
<td>Governance Structure ...............................................................</td>
<td>45</td>
</tr>
<tr>
<td>PACs’ Functioning .....................................................................</td>
<td>49</td>
</tr>
<tr>
<td>Summary ....................................................................................</td>
<td>53</td>
</tr>
<tr>
<td>3: RESEARCH QUESTIONS, DESIGN, AND FRAMEWORK .........................</td>
<td>54</td>
</tr>
<tr>
<td>Research Questions ....................................................................</td>
<td>55</td>
</tr>
<tr>
<td>Research Question 1 and Method ...................................................</td>
<td>55</td>
</tr>
<tr>
<td>Research Question 2 and Method ..................................................</td>
<td>58</td>
</tr>
<tr>
<td>Research Data and Variables .......................................................</td>
<td>61</td>
</tr>
<tr>
<td>Data Sources .............................................................................</td>
<td>61</td>
</tr>
<tr>
<td>Variables ..................................................................................</td>
<td>62</td>
</tr>
<tr>
<td>Theoretical Framework ................................................................</td>
<td>66</td>
</tr>
<tr>
<td>Governance Theory ....................................................................</td>
<td>67</td>
</tr>
<tr>
<td>Creative Placemaking Theory .......................................................</td>
<td>70</td>
</tr>
<tr>
<td>Stakeholder Theory .................................................................</td>
<td>74</td>
</tr>
<tr>
<td>Summary ...................................................................................</td>
<td>76</td>
</tr>
<tr>
<td>4: TYPOLOGY OF PACS ................................................................</td>
<td>78</td>
</tr>
<tr>
<td>Typological Analysis of PACs .......................................................</td>
<td>79</td>
</tr>
<tr>
<td>The Three Types of PACs .............................................................</td>
<td>82</td>
</tr>
<tr>
<td>Developmental History of PACs .....................................................</td>
<td>84</td>
</tr>
<tr>
<td>Governance and Funding Sources .................................................</td>
<td>89</td>
</tr>
<tr>
<td>Activities of PACs ....................................................................</td>
<td>89</td>
</tr>
<tr>
<td>Facility Type ............................................................................</td>
<td>90</td>
</tr>
</tbody>
</table>
Exemplary PACs of Each Typology.................................................................94
Santa Barbara Center for the Performing Arts............................................95
The Arts Center Task Force: Mid-Columbia Performing & Visual Arts Center 100
Adrienne Arsht Center for the Performing Arts ........................................106
Summary.................................................................................................113

5: RESULTS OF PAC PERFORMANCE..........................................................116
Data and Variables..................................................................................117
Results......................................................................................................119
Number of Performances .......................................................................119
Total Program Revenue .........................................................................121
Findings and Discussion ........................................................................123

6: CONCLUSION..........................................................................................126
Summary of Findings................................................................................129
Research Question 1 ..............................................................................129
Research Question 2 ..............................................................................133
Benefits, Limitations, and Opportunities for Future Research ..................135
Theoretical Implications ........................................................................137
Implications for Policy and Practice .......................................................138

REFERENCES............................................................................................141

VITA...........................................................................................................162
LIST OF TABLES

<table>
<thead>
<tr>
<th>TABLE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Performance Arts Center (PAC) Partnerships and Networks</td>
<td>19</td>
</tr>
<tr>
<td>2 Types of Cultural Plans for a Community</td>
<td>34</td>
</tr>
<tr>
<td>3 Research Questions and Approaches</td>
<td>61</td>
</tr>
<tr>
<td>4 Variable Operationalization and Data Sources for Research Question 2</td>
<td>65</td>
</tr>
<tr>
<td>5 Summary Statistics for Performance Arts Center (PAC) Governance Typology of Local Government</td>
<td>92</td>
</tr>
<tr>
<td>6 Summary Statistics for Performance Arts Center (PAC) Governance Typology of Public–Private Partnership</td>
<td>93</td>
</tr>
<tr>
<td>7 Summary Statistics for Performance Arts Center (PAC) Typology Nonprofit</td>
<td>94</td>
</tr>
<tr>
<td>8 Data for the Santa Barbara Center for the Performing Arts</td>
<td>100</td>
</tr>
<tr>
<td>9 Data for the Mid-Columbia Performing &amp; Visual Arts Center</td>
<td>106</td>
</tr>
<tr>
<td>10 Data for the Adrienne Arsht Center for the Performing Arts</td>
<td>112</td>
</tr>
<tr>
<td>11 Category Means by Governance Typology</td>
<td>117</td>
</tr>
<tr>
<td>12 Descriptive Statistics for Dependent, Independent, and Control Variables</td>
<td>118</td>
</tr>
<tr>
<td>13 Ordinary Least Squares Regression Results for Number of Performances</td>
<td>120</td>
</tr>
<tr>
<td>14 Ordinary Least Squares Regression Results for Total Program Revenue</td>
<td>122</td>
</tr>
</tbody>
</table>
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>FIGURE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Arts Facility Planning .......................................................... 33</td>
</tr>
<tr>
<td>2</td>
<td>Beverly Arts District Core Values for Cultural District Planning .................. 37</td>
</tr>
<tr>
<td>3</td>
<td>Cultural Planning Process .......................................................... 38</td>
</tr>
<tr>
<td>4</td>
<td>Conceptual Framework ...................................................................... 67</td>
</tr>
<tr>
<td>5</td>
<td>Stages of the Typological Analysis .................................................. 80</td>
</tr>
<tr>
<td>6</td>
<td>Typology of Governance Structure ................................................... 83</td>
</tr>
<tr>
<td>7</td>
<td>Performing Arts Centers Phases of Development: Local Government .............. 86</td>
</tr>
<tr>
<td>8</td>
<td>Performing Arts Center Phases of Development: Nonprofit ........................ 87</td>
</tr>
<tr>
<td>9</td>
<td>Performing Arts Center Phases of Development: Public–Private Partnership .... 88</td>
</tr>
<tr>
<td>10</td>
<td>Granada Theatre, 1997 (Left) and Granada Theatre/Santa Barbara Center for the Performing Arts, 2020 (Right) ........................................ 96</td>
</tr>
<tr>
<td>11</td>
<td>Arts Center Task Force ..................................................................... 101</td>
</tr>
<tr>
<td>12</td>
<td>Mid-Columbia Symphony .................................................................... 103</td>
</tr>
<tr>
<td>13</td>
<td>Space Planning Use for the Adrienne Arsht Center .................................. 109</td>
</tr>
<tr>
<td>14</td>
<td>Community Redevelopment Related to the Adrienne Arsht Center ................. 109</td>
</tr>
<tr>
<td>15</td>
<td>Adrienne Arsht Center for the Performing Arts ......................................... 110</td>
</tr>
<tr>
<td>16</td>
<td>Audience at the Adrienne Arsht Center; the Educational Role of the Center .... 112</td>
</tr>
</tbody>
</table>
CHAPTER 1: INTRODUCTION

Performing arts centers (PACs) are facilities providing a stage for live performances and other cultural and art events. They are multiple-use facilities intended for various performing arts including dance, music, and theater. They are distinguishable from single-use performance facilities that present only one type of performance such as only music or dance. PACs are versatile and need to be flexible to accommodate different types of performances.

As multiple-use facilities, PACs nurture and promote cultural vitality, community growth, and artistic expression and creativity in the cities where they are located (Anderson, 2009; Dewey, 2005; Essig, 2014; Mayo, 2017; O’Neill, 2010; Quarter et al., 2009; Woronkowicz, 2018). They provide artistic and cultural leadership to local artists, the community, and other arts organizations. These facilities are catalysts for regional, national, and international collaborations between artists, artistic venues, and other organizations (Akuno et al., 2017; Boyne et al., 2011; Chait et al., 2011; Loveridge, 2018). PACs provide important public services to local communities in the United States by exposing the public to arts and culture. Although these centers have long been a staple in local cultural life, there is a gap in the literature about how PACs are governed. The governance of PACs affects how they function in terms of their cultural programming activities, their revenues, and their local performances. In this context, this study aimed to analyze the governance structures of PACs and how these structures affect the PACs’ activities.

This dissertation had two interrelated research objectives. First, the study delineated the different forms of PACs’ governance structures. Thus, the first goal was to
develop a typology of governance structures by classifying the PACs. The classification assisted in identifying how these PACs are administered for conducting their activities. There were 187 such PACs identified in this study, and each state has at least one PAC. These PACs vary widely in their administrative structures, depending on the specific local historical institutional contexts in which they have evolved. These governance structures were identified through a secondary analysis of annual reports and their management histories. The study revealed a multiplicity of approaches in the PACs’ governance structures, including public–private partnerships and community partnerships.

The second objective was to examine the functioning of the PACs’ activities. In this respect, the study assessed the relationship between the governance structures and the scope of the PACs’ functioning. The functioning of the PACs encompasses how they deal with cultural programming, including number of performances, total program revenue, grants, and other important aspects of local cultural involvement. This assessment was carried out by examining the PACs’ functional activities.

PACs: Historical Background and Significance

This section provides a brief history of the evolution of the PACs to provide the context and significance of the dissertation research. PACs began in the United States in the 1930s, when Eleanor Roosevelt proposed to create employment for unemployed actors during the Great Depression. In 1935, public service employment programs were established under the Works Progress Administration—an ambitious national works program created by President Franklin Roosevelt to relieve the economic hardship of the
Great Depression. This program employed more than 8.5 million people on 1.4 million projects. Subsequently, the Federal Writers Program, the Federal Theater Project, the Federal Art Project, and the Federal Music Project employed approximately 40,000 artists. Although they were disbanded in 1943, these programs laid the foundations for funding performing arts theaters across the country, eventually leading to the present-day structure of theaters and PACs.

In 1953, the U.S. Commission of Fine Arts provided guidance to President Dwight D. Eisenhower on educational exchange and cultural diplomacy policies (Bu, 1999). President Eisenhower was particularly interested in cultural exchange (Bu, 1999; Loayza, 2013; Richmond, 2010; Rider & Witherspoon, 2018). By 1958, President Eisenhower signed a bill to establish a national cultural center for the performing arts. Two years later, New York Governor Nelson Rockefeller founded the New York State Council on the Arts. In 1964, the John F. Kennedy Center for the Performing Arts, commonly known as the Kennedy Center, was established. Over time, public support for the arts grew alongside governmental involvement in arts funding.

The federal government has historically utilized different approaches to fund the arts. The formal structure for funding the arts and humanities came about in the early 1960s after much political wrangling. On August 20, 1964, the U.S. House of Representatives passed legislation for funding for the National Council on the Arts, passed by a vote of 213 to 135. One year later, on September 15, 1965, Congress established a National Foundation on the Arts and the Humanities as an umbrella organization for the National Endowment for the Arts and the National Endowment for the Humanities.
Some states had established state-level arts organizations long before the federally funded programs. The first state arts agency in the United States was established in Utah in 1899, followed by New York in 1960. According to the National Assembly of State Arts Agencies (2015), the primary purpose of these state arts agencies is to increase public access to the arts and to enable every American to enjoy the cultural, civic, economic, and educational benefits of a blossoming arts sector (Love, 1991; Lowell, 2004; Mankin et al., 2001). State arts agencies support arts activities in various ways, which include (a) grant funding for arts institutions, community groups, and individual artists; (b) training to assist the sustainability of artists and arts organizations; and (c) direct initiatives that foster economic and civic development through the arts. State arts agencies also educate the public and preserve and celebrate unique cultural traditions while advancing arts education and promoting artistic achievement. Using a unique combination of grants and services for artists and arts institutions, state arts agencies distribute grant money to local community groups through federally mandated initiatives. An increasing number of states have recognized that a blossoming creative sector is a powerful economic asset (National Assembly of State Arts Agencies, 2015; National Governors Association, 2018) to the local community. While trying to boost economies, states have realized there are many other intrinsic benefits to the arts.

Two early examples of PACs are the Lincoln Center for the Performing Arts in New York City, which opened in 1962, and the John F. Kennedy Center for the Performing Arts in Washington, DC, which opened in 1971. The Lincoln Center for the Performing Arts began when Lincoln Square was officially designated for urban renewal in 1955. John D. Rockefeller III organized a group of wealthy civic-minded leaders in the
community to construct a cultural complex in New York City’s Lincoln Square. The Lincoln Center’s groundbreaking was in 1959 and the construction was completed by the late 1960s. It houses three performance spaces and one of the most prestigious academic performing arts components, the Juilliard School. The Lincoln Center is one of the largest in PAC history.

The John F. Kennedy Center for the Performing Arts (the Kennedy Center, for short) followed the Lincoln Center, but its vision differed. The center began as a bipartisan legislative order signed by President Dwight D. Eisenhower in 1958 to develop a National Cultural Center, which provided funds for construction of the Kennedy Center. The 1958 act detailed the center’s artistic mandate to present classical and contemporary performances; required an educational mission; and specified the center as an independent, self-sustaining facility. President John F. Kennedy led the effort in fundraising and advocacy of the Natural Cultural Center from 1961. In 1963 after President Kennedy’s assassination, Congress renamed the Natural Cultural Center in honor of the president as the John F. Kennedy Center for the Performing Arts.

The initial two PACs of the Lincoln Center and the Kennedy Center show the divergent methods of setting up PACs. The Lincoln Center was motivated by the vision of community urban revitalization efforts through the arts. The Kennedy Center was motivated by the federal government to host a leading arts center. The Lincoln Center was the result of public–private partnership with a critical role played by Rockefeller; the Kennedy Center was a governmental effort with top-level presidential support. These two centers formed the genesis for the current concept of PACs (Woronkowicz et al., 2014). The period between the late 1960s and late 1990s was marked by a boom in PAC
construction, which reflected a greater understanding of the benefits and roles held by PACs for the community (Reiss, 1998). As PACs proliferated, they became distinctive from the initial PACs. These PACs do not have the push of influential people like Rockefeller or the same level of high degree of federal government support as the Kennedy Center.

The success of the Lincoln Center and Kennedy Center prompted many other cities to promote arts in their communities since the 1970s. There were various motivations for setting up PACs. PACs offer public services that are educational, culturally enriching, and entertaining, which enables them to contribute to the social well-being and quality of life of those within the community. Arts are an integral part of community building (Markusen, 2006), economic development (Markusen & Schrock, 2006), and social capital (DeFilippis, 2001). The PACs help in bringing vibrant community activities, while improving the social well-being and quality of life for community members. D’Ambrosio (2005), Grodach and Loukaitou-Sideris (2007), and Rosenberg (2005) noted that PACs are instruments for public service delivery to communities. They also serve as mechanisms to revitalize and maintain vitality in communities (D’Ambrosio, 2005). Grodach and Loukaitou-Sideris also noted that municipal governments turn to arts and cultural activities for community revitalization. McLean (2014) argued that PACs can redefine cultural offerings in a community.

In the initial phase of the PACs’ development during the 1970s, the symbolism of creating a cultural icon was more important than the actual arts and cultural activities. The enthusiasm for creating such icons without sound administrative and financial base led to many errors in planning, programming, construction, and funding. Many facilities
were underutilized due to poor planning. Only a few facilities had clearly defined their purpose—via mission statements—and fulfilled the local need for arts within a community (Reiss, 1998). Some PACs were even closed down later on because their operational costs were not sustainable with the revenues they received.

PACs proliferated during the 1990s as they were considered tools of downtown revitalization projects nationwide. Based on the initial lessons from the PACs, leaders of PACs established in the 1990s and 2000s realized that the operational and performance management functions are relevant to the development and sustenance of PACs over time (Bennis & Nanus, 2004; Herzberg et al., 1959; Vroom & Yetton, 1973). The design phase of a PAC has many management functions related to financing and construction (Baumol & Bowen, 1993; Heilbrun & Gray, 2001). The design phase requires distinctive management skills in building community support, establishing a PAC’s need, tailoring the PAC activities to the community’s needs, and funding the project. The management skills required in the design and construction phase may not be the same as those required for the implementation or the operational stages of the PAC. Public relations and marketing aspects are delicate and strategic processes that must be handled correctly to sustain the PAC. The strategy must be appropriate to the community’s needs (Koch et al., 2020; Medhekar, 2014). The strategy also requires adequate proficiency in arts and cultural activities management (Kotler & Scheff, 1997; Peterson & Kern, 1996). A core concern of PAC governance structures has been that many arts organizations are run by arts managers, who know how to handle arts but lack requisite administrative skills in management (Fox, 1979; McDonald & Harrison, 2002).
The historical evolution of PACs shows the differences in the outcomes in their sustenance of PACs. While some have thrived well, others have not. In this context, it is vital to understand the various types of governance mechanisms that help sustain these facilities and how these governance arrangements affect the level of services delivered (Markusen & Gadwa, 2010a). The present study is significant in examining these governance issues so that PACs can be self-sustaining while providing community services. The study is vital for public administrators, city planners, civic leaders, and state agencies during cultural planning as well as operational stages in the establishment of more efficient and effective PACs.

**Significance of PACs**

The existing literature extensively discusses the importance of PACs to the community. An increasing number of states recognize that a blossoming creative sector is a powerful economic asset (National Assembly of State Arts Agencies, 2015; National Governors Association, 2018) to the local community. In their efforts to boost their economies, state policymakers have realized the many intrinsic benefits to the arts. Indeed, the community benefits from building a PAC are multifaceted.

First, a common belief is the importance of attracting internationally renowned artists and cultural enterprises to the community. Artists, cultural institutions, creative platforms, and creative placemaking projects all contribute to the economy of a community. Direct economic activity is generated, but artists and creative individuals permeate creativity and energy into the civic vitality of a community.
Second, a common belief is that arts can serve as a catalyst for business revitalization. Cultural organizations help to establish a vibe of activity that creates direct economic activity to a community; increases the quality of life for residents; and assists certain areas in becoming appealing places to live, work, and visit. PACs bring about urban revitalization that enhances a community’s quality of life by providing artistic gatherings, a sense of community, and an open and accessible cultural scene. PACs provide reasons for community members and local citizens to participate in activities outside of their home and, in turn, could facilitate PAC patrons’ support of local businesses (Bianchini, 1988; Chapple et al., 2010; Markusen & Gadwa, 2010a, 2010b; Seaman, 2006).

Third, a common belief is that PACs are important for catering to community needs. PACs have been able to easily adapt to a community’s unique culture and demographic, in both urban and rural communities. Most PACs try to promote local cultural events that are beneficial to the residents. They highlight the local talent and showcase the creative aspects of the local community. The creative aspects are reflected in various performing arts such as dance, music, theater, and other artistic expressions.

Fourth, PACS are believed to be important for promoting cultural tourism. As defined by Partners in Tourism (Grodach, 2011; Phipps, 2010), cultural tourism is based on the mosaic of places, traditions, art forms, celebrations, and experiences that define this nation and its people, reflecting the diversity and character of the United States. Cultural districts are unique to a community and exemplify its demographics, culture, and character. Cultural districts are multiple-use developments, integrating commercial and residential use, including venues that promote artistic and cultural activities and that can
serve as a destination attraction (Bianchini, 1988; Chapple et al., 2010; Markusen & Gadwa, 2010a, 2010b; Seaman 2006).

Fifth, PACs are believed to be critical for preserving historic preservation. The arts have been a vehicle, or front, for the continual quest of historic preservation. Existing historical theaters are cultural symbols that could be retrofitted into PACs. The preservation is not only for symbolic historical purposes, but also to attract tourists and visitors to the area. Such preservation also plays an important educational role—residents learn about the important elements that were part of the city’s history.

Sixth, PACs are believed to be important for enhancing property values in surrounding communities and districts. The arts bring a vitality and exponential economic effect to the surrounding property values. PACs enhance the quality of life of a community and bring about urban revitalization. They foster new community-owned businesses in the neighborhoods where they are located, increasing foot traffic to those areas. PACs thus have local multiplier effects.

Finally, PACs are believed important for nurturing cultural development and cultural education. Many countries consider art as a medium towards the human spirit. The establishment of a cultural arts facility like a PAC is a focal point for not only celebrating art, but also building a sense of community by bringing together diverse social groups (in terms of culture, race, ethnicity). PACs strategize on specific programming opportunities that incorporate various publics and further define the community (Bianchini, 1988; Chapple et al., 2010; Markusen & Gadwa, 2010a, 2010b; Seaman, 2006).
The role of a PAC is to provide artistic leadership—to serve as a benchmark for other arts organizations (in terms of cultural offerings) and a catalyst for international, national, and regional collaborations with other artists, artistic venues, and organizations in order to create and develop artistic excellence. PACs are expected to cultivate creativity. The growth of a cultural district and how the PAC is governed are important avenues to explore in terms of how governance affects the PAC’s performance.

**Governance of PACs**

The term *governance* is used in a variety of ways in the public administration literature (Rhodes, 1996; Stoker, 1998). Governance refers to the exercise of authority, which goes beyond just the government units. It also refers to service provision by multiple providers, including nonprofit organizations and businesses. As an umbrella term, governance relates to the environments developed for systematic direction and action of the organization (Stoker, 2006). According to Rhodes (1996), there is “a change in the meaning of government, referring to a new process of governing; or a changed constitution of ordered rule; or the new method by which society is governed” (p. 652). Governance is concerned with creating the conditions for guided direction and collective action. Scholars tend to agree that governance refers to the creation, implementation, and management of public services, encompassing all three sectors: the government, nonprofits, and the private sector. In the context of PACs, this study considers governance to be the ways in which PACs are administered or managed. Hence, the term *governance structure* in this study is synonymous with administrative or management
structures. These governance structures imply how the PACs carry out their daily programming activities and become involved with local cultural activities.

How PACs are governed determines their role in different ways. First, governance determines the role of performing arts centers in creative placemaking. By being a catalyst for cultural milieu, a PAC can be instrumental in cultivating potential partners among arts organizations and developing creative communities in surrounding areas. Florida (2002b) referred to artists as members of a creative class. The creative class includes performing or fine artists living in a designated community for the creation, development, and advocacy of the arts.

Second, governance determines the role of PACs in operational assistance. As a leader in the cultural community, the PAC may assist surrounding cultural and arts organizations with cultural and strategic planning help to increase their sustainability. A PAC may host international conferences on artistic programming, cultural planning, creative placemaking, marketing and arts budgeting and finance, artistic excellence, cultural representation, social capital, economic development, urban revitalization, and cultural community commitment (Bianchini, 1988; Chapple et al., 2010; Markusen & Gadwa, 2010a, 2010b; Seaman 2006).

Third, governance determines the role of PACs in enhancing the visibility of cultural districts and local partners. By establishing a mechanism for cross-promotional opportunities, a PAC may not only contribute to greater attendance but also assist local arts organizations in increasing their demand from the local community. Markusen and Schrock (2006) argued that the work of artists enhances production, design, and marketing of both products and services in other sectors. The innovation of the artists
substitute for imports for regional consumers. At the same time, many artists spend significant amounts of their own income on producing arts-related events or activities for the community.

Fourth, governance determines the role of the PACs in relation to the climate for arts and culture. A PAC is one of the best promoters of a cultural climate. Being a large, general-audience cultural facility, a PAC can enhance other arts organizations by supporting other arts organizations and by generating an interest and cultivation for the arts in citizens. The more opportunities a community is provided to experience the arts, the more the citizens and the community are likely to become advocates for the arts and culture.

Finally, governance determines the role of PACs in vitality. The PAC has the potential to bring forth a cultural vitality and pride, which is beyond the abilities of any other major public–private partnership (Bianchini, 1988; Chapple et al., 2010; Markusen & Gadwa, 2010a, 2010b; Seaman 2006). PACs involve the local schools and community organizations in programming. They reach out to the inner cities for bringing cultural activities to at-risk youth. These benefits are not tangible immediately and become apparent only in the long term.

**Purpose of the Study**

The present study addressed a gap in the research literature on how PAC governance structures impact a PAC. From the onset, the arts have not been on the policy makers’ radar. It took approximately 100 years for the arts to reach political agendas before a consensus for their federal funding was formed in the United States. The
governance of the arts had been in flux for years and also out of public (including academic) scrutiny. In this context, the present study had a two-fold purpose to address (a) governance structures specific to PACs, and (b) the link between governance structure and the functioning of PACs.

The governance theory and new public management theory (Hood, 1995; Osborne & Gaebler, 1992) offer useful insights for the understanding of PACs’ functioning. The governance structure of a PAC as a public enterprise and a cultural facility needs to be balanced with community needs. Even further, it should lead to community empowerment. In accordance with the new public management movement, PACs benefit from entrepreneurial spirit of their managers and should follow market principles. Yet, a PAC should go beyond business values and cater to community values. The combination between entrepreneurial spirit and philanthropic giving within PACs governance and finance as well as competition and collaboration among PACs across the country is what makes this study intriguing and timely.

The dissertation study had two research objectives, aligned with the above two purposes. The first objective of this study was to delineate the universe of governance structures used by PACs and develop a typology of these governance structures. The way PACs manage their activities varies, which in turn affects their performance. Despite the boom of PACs across North America and the wide acknowledgment of their role in community development, there is no systematic classification of the way PACs are managed. Prior, mostly qualitative, studies have focused on specific types of PACs, and an-depth overview of the diverse governing approaches has been lacking. Thus, the first research question of this dissertation is descriptive: What are the forms of governance
structures of PACs? The focus of this dissertation is on the public or nonprofit entities with a public service focus and excludes commercial arenas that present performing arts activities for profit-making purposes.

The second objective is to examine how governance structures affect the functioning of PACs. The PACs undertake various activities. PACs are facilities that provide a stage for live performances, as well as other cultural and arts events. Some scholars (Bianchini, 1988; Markusen, 2014) have recognized these facilities as being a consistent fixture within local cultural life. Cultural programming and all artistic programming decisions for a PAC are directed by the leadership team. The range of cultural offerings depend on the local community characteristics as well. Hence, this study examined several dimensions of cultural programming activities, such as the types of performances, number of performance facilities, the audience size, and total public support. The functioning of the PACs is thus arguably linked to the governance structures. Consequently, the second research question of this dissertation is the following: How does the governance structure influence the functioning of PACs? The scope of the PAC’s functioning is limited to performing arts rather than other forms of artistic expression.

As there are no existing data on the governance structures of PACs, this study included compilation of such data from various sources. The data on PACs were gathered from secondary sources such as reports and the National Endowment for the Arts directory and cross-referenced with the National Performing Arts Presenters Council. The individual data on PACs were collected from PACs’ annual reports. Information about the financial indicators of the PACs was obtained from Internal Revenue Service (IRS)
Forms 990. These forms are mandatory filings by nonprofit 501c3 organizations and give information about annual revenues, expenditures, and governance structures.

**Governance Factors Affecting PACs’ Functioning**

As there is a dearth of literature in the performing and fine arts field on the arts administration and operational management of arts organizations, insights from broader business management strategies related to the administration of cultural organizations are drawn to identify the governance factors that affect the PACs’ functioning. Prior research has emphasized the importance of leadership for the success of performing arts organizations. Scholars indicated that communication is a vital aspect of leadership and that a leader’s creative spirit is the driving force behind the organization’s success. Clear communication and buy-in from the community is warranted (Rentschler & Flachenecker 2015). Understanding the external environment is crucial for the transition of the PAC into the everyday life of citizens within the community. Scholars have underscored the importance of the communication strategy for citizen buy-in (Markusen & Schrock, 2006). Successful administrators are aware and, most importantly, proactive as it relates to their external environments, that is, community, arts organizations, private funders, and public funders (Scheff & Kotler, 1996). In sum, extant research suggests that organizational leadership affects the outcomes in the arts field and thus needs to be considered when assessing PACs’ performance (Markusen & Gadwa, 2010a, 2010b).

A few researchers have focused on operational management and governance (Vroom & Yetton 1973) and the importance of motivational and human resource skills (Alexandru & Casuneanu, 2011; Maslow, 1954). The research has emphasized that an
arts manager must understand how to apply these fundamental skills and techniques into art management (Scheff & Kotler, 1996). The managerial structure and staff supporting daily operations also affect the PAC. They decide on the artistic season and artistic disciplines involved in the programming, which in turn could affect the performance of the PAC. For example, the decision of whether to book a symphony orchestra or jazz band has a direct impact on the type of audience and relative income for the PAC. Contracting an 80-piece symphony orchestra is different from contracting a 30-piece jazz band. The royalties involved for each vary significantly in price structure and have a direct impact on the budget.

Similarly, the choice in theatrical presentations such as straight plays, musicals, comedies, one acts, or full-length plays will impact the production value. The production value is defined as the production components involved in the production such as lighting, sound, costumes, music royalties, company producing the artistic content, and branding. The production value impacts the branding of the PAC in the type of theatrical productions it can present.

Whether the PAC decides to produce, copresent, present, or partner in the performances presented will impact budget, community collaboration, audience demographic, and branding. This brings up many challenges in what scholars have recognized as a weakness and core concern of arts managers, the majority of whom lack formal training in management of public, nonprofit, and private organizations (McDonald & Harrison 2002). There are, thus, several aspects of the governance structure that impact the functioning of PACs. These aspects are explored below.
**Partnerships and Networks**

The approach that PACs use to engage local government may affect management structure, funding, and community partnerships. Collaboration with individuals, the community, local government, and universities affects PACs. Likewise, individual supporters manifest funding and engagement mechanisms in different ways: public–private partnerships, capital campaigns (i.e., fundraising campaigns), donations, and pro bono services such as the PAC board affiliation. Educational institutions in the K-12 setting are a key factor in community engagement, arts awareness, and appreciation. Another key factor is the actual decision-making process for all artistic products presented at the PAC.

Artistic programming decisions include (a) selecting musical and theatrical programming that identifies with the community, (b) providing opportunities for performing arts appreciation and cultural enrichment representing its surrounding communities, and (c) providing a national and international presence that otherwise would not be attainable by such a community. The decisions made by PACs are of a collaborative nature and involve a network of board members, individuals, organizations, and companies, which in turn may determine a community’s involvement and subsequently the success of the PAC.

The networks affiliated with the PACs have significant influence on the success of these centers. As a term, networks are defined broadly in this study as community presenters, private partnerships, public partnerships, resident company organizations, partnering arts organizations, and private and family foundations. Table 1 reveals the partnerships and networks associated with PACs in this study. Table 1 also showcases
partnerships that are discussed in the typological analysis presented in Chapter 4. Each PAC’s governance structure is analyzed and details of that PAC’s partnerships and networks are examined as it relates to cultural planning aspects identified in this study as community resident companies, partnerships, facility infrastructure, and community support.

Table 1

*Performance Arts Center (PAC) Partnerships and Networks*

<table>
<thead>
<tr>
<th>Partner or network</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts administrator</td>
<td>Arts administrators are senior and middle-level managers in an arts organization charged with the business, arts, and administrative functions of the arts organization.</td>
</tr>
<tr>
<td>Community engagement</td>
<td>Community engagement refers to the relationship between the PAC and resident organizations, nonresident organizations, the arts community at large, and the general public.</td>
</tr>
<tr>
<td>Community presenters</td>
<td>These arts organizations not associated financially with a PAC and present performances on their own at a PAC.</td>
</tr>
<tr>
<td>Partnering arts organization</td>
<td>They are arts organizations in a local community that financially and artistically produce their own product (i.e., performances) and gain financially from the product (i.e., engage in a business partnership with a PAC or local presenting organization)</td>
</tr>
<tr>
<td>Nonresident organization</td>
<td>They are arts organizations that are not a financial partner of the PAC in which they present their programming</td>
</tr>
<tr>
<td>Resident organization</td>
<td>They are community performing arts organizations chosen through a community voting process to work as a partner with the PAC where they present their performances.</td>
</tr>
<tr>
<td>PAC</td>
<td>A PAC is a multiple-use facility that provides varied performing and visual arts presentations, facility rental space, and access to the community.</td>
</tr>
</tbody>
</table>

Arts administrators are part of the governance structure of the PAC. These leaders oversee the business, financial, marketing, and artistic matters of the PAC. The arts administrator of a PAC is involved in many ways as the negotiator and mediator of a preexisting, planned, or future partnership with surrounding arts organizations. They are also the leaders in choosing the artistic content presented by the arts organization. Some arts organizations have an artistic administrator/director and an executive administrator/director. The artistic administrator/director strictly works on developing the artistic presentations provided to the community. The executive administrator/director works in tangent with the artistic director in managing all of the business functions of the arts organization. Although the executive administrator/director may provide guidance and suggest programming or presentations that are financially sound, ultimately the artistic administrators/directors decides which programming is presented by the arts organization to the community. Other arts organizations have one employee who has these duties combined in their job responsibilities.

Community presenters refer to local community arts organizations that present one performance or a sequence of performances not constituting a full series or season of performances. The performances can happen at a PAC or the local arts organization’s facility. If presented at a PAC, the community presenters share no financial business partnership incentive with the PAC other than the revenue generated by the sale of the tickets for their performance. Public–private partnership in this study refers to an affiliation with a corporation, foundation, or philanthropic individual in terms of a donation or gift that entitles the donor to certain benefits such as naming rights to a performance or an entire season, complimentary tickets, or additional benefits such as
VIP receptions. Public–private partnerships are identified as business relationships with public entities that determine the governance, structure, and management of the PAC. Resident company organizations constitute local and regional arts organizations that have their own identity, brand, and audience that partner with the PAC in presenting a season of performances with business partnership incentives such as marketing, capital resources, and priority booking of the facility ahead of community presenters as well as discounted rental rates.

Partnering arts organizations receive financial resources from the PAC in exchange for a product. The partnering arts organization can either present performances as a copresenter or sole presenter. The partnering arts organization that presents performances as a copresenter with the PAC engages in a financial partnership with the PAC. The partnering arts organization that presents performances as solely a presenter takes all of the financial and artistic risks involved in the performance. The PACs in this study reflect both relationships—resident companies and partnering arts organizations—with local arts organizations in their community.

When PACs associate with partnering arts organizations, they are identified as resident organizations. The arts organizations that present performances at a PAC but do not associate themselves with the PAC are called nonresident organizations. The resident organizations share specific expenses and revenues. The decision as to which arts organizations become the PACs partnering arts organizations is left up to the board members in the cultural planning phase of the PAC prior to the facility being built. There could also be opportunities after the built phase to partner with arts organizations as resident organizations, but partnerships are usually completed in the cultural planning
phase of the PAC. The rationale behind the arts organization being identified at the cultural planning phase of the PAC is that aspects of any local funding for the partnering arts organization are then diverted to the PAC, and subsequently with the partnership a rent abatement and copresenting of performances are guaranteed from the PAC to the partnering arts organization.

Finally, private and family foundations are defined as partners due to their financial commitment to the PAC; these partners are mostly involved with naming rights, funding projects, operational expenses, and community performances. The private or family foundation provides a significant donation that can be placed in an endowment for the continued use of its funding by annual residuals of the original donated amount. An endowment as defined by this study is a donation of significant nature that the original donation can be placed in an account where the original donated amount (the corpus) is not expensed, but rather the annual residuals generated by the corpus is expensed on an annual basis. This funding source provides a sustainable environment because once the donated amount is placed in an endowment account, the account lives on in perpetuity providing a more sustainable financial future.

PACs have different networks and partnering organizations based on their governance structure. A PAC with local government governance structure tends to engage with community presenters, resident companies, local partnerships, and other partnering arts organizations. A PAC with a nonprofit governance structure tends to engage community presenters and partnered with other arts organizations. Finally, a PAC with a public–private governance structure tends to engage in all: community presenters, private partnerships, public partnerships, resident companies, partnering arts
organizations, and private and family foundation partnerships. The different networks and partnerships created within each PAC governance structure have a direct association to the leadership of that PAC. The leadership of the PAC determines the partnerships, which in turn is associated with the types of artistic products that are to be provided to the community.

**Financial Support and Funding**

Many factors must be considered, and various strategies must be implemented, to build and operate a PAC with state, regional, and local funds. PACs with local government governance structures receive financial support from the local government; the state government; and the local partners in the community, such as community presenters, partnering arts organizations, and local community organizations and businesses. Nonprofits tend to garner local cultural funding; state cultural funding; and private individual, community, and foundation support. A percentage of construction funding for PACs with public–private governance structures comes from otherwise local arts organizations funding that was redirected to the PAC to serve a larger community need. The partners within PACs with public–private governance structure need to work together and develop a mechanism that fits both the local arts organization, and the PAC. Local arts organizations are provided a partnership agreement with PACs that have public–private governance structures. Funding for these PACs is provided for copresentation of performances, rent abatement, or rent reduction for the local arts partners involved in the PAC. This allows the opportunity for further enhancement of the cultural product while providing enhanced engagement in terms of community outreach.
The allocation and appropriation of funding is an important step in the development and governance of PACs. The operation of a PAC and management of its funds are important aspects of the governance structure as well. The artistic administrator of an arts organization must understand the financial constraints of limited state funding sources, identify external funding sources, and generate grant funding proposals. To compete for national funding, the arts administrator must develop and provide innovative programming—thereby elevating the national profile of the arts organization and promoting the PAC as a cultural and distinct destination for artistic excellence.

Cultural Planning and Community

PACs require cultural planning (Markusen, 2010, 2012) as a strategic element for economic and community development (Markusen & Gadwa, 2010a). In a creative city, a PAC can fully embed the community as one of its stakeholders. Scholars (e.g., Nussbaum, 2001) have written about the powerful roles the arts can play in a community and its importance to attend to cultural sensitivities in a community. However, very few communities have been able to understand the role and strategies needed to build a sustainable creative community. Understanding the economic impact and cultural investment (Americans for the Arts, 2019) of new spending dollars generated in a community as a result of a cultural arts community would assist in defining the role of cultural planners with other strategic community development or community redevelopment projects. The argument for the arts communities and large arts development projects in the 21st century stems from the rationale in the 1960s as redevelopment strategies for urban and rural redevelopment. The Lincoln Center combined government funding from urban renewal with cultural funding. The facility
was built with the idea to expand the cultural offerings in the community and revitalize a 15-block area along with its surrounding neighborhood. Today, the Lincoln Center sits as one of the most successful PACs in the country with thousands of performances a year spread across four major buildings in New York City.

One way to introduce the arts and culture in a community is through a planning process, while another way is to invest in the sustainability of existing cultural facilities. The vision is created by the community as cultural planning and implementation involves the cultural facility reflecting the community that it serves to promote and engage the community with that facility and expose the cultural heritage and traditions of the surrounding neighborhoods.

Many communities are engaged in the cultural planning process of a PAC and its surrounding cultural community. Whereas some cultural planners focus on the needs of artists, others focus on arts organizations and audiences. However, when cultural planners address a broader community issue, then the role of culture in that community in a broad spectrum is being observed. Cultural planning and its success rely on the ability to address the needs and desires of a community (Americans for the Arts, n.d.) from the planning process, implementation, cultural programming, and development process.

Cultural planning involves a strategic vision for the creation of arts assets in a community that should involve its community stakeholders such as community members, local residents, local artists, local arts organizations, and local businesses. The vision and strategy include addressing topics such as artistic programming, creative community opportunities, cultural economic development, cultural facilities, and community engagement. The planning process allows for community leaders to leverage existing
cultural resources and strengthen the overall cultural and artistic offerings of the overall community, hence serving a wider audience and being able to increase that community’s cultural offerings. The cultural planning is an important aspect of this study.

**Organization of the Dissertation**

This dissertation is organized as follows. Chapter 2 provides a literature review of PACs including development of PACs and the impact of PACs. Four main bodies of literature used in this study are discussed: development and planning of PACs, PACs as cultural institutions, impact of PACs, and operations and leadership of PACs. The significance of PACs in the community is elaborated upon, including cultural planning within the community. PACs are investigated as cultural and artistic leaders and catalysts in the community. The research gap in the existing literature is identified.

Chapter 3 presents the research questions, methodology, and conceptual framework. The variables are described in detail, including dependent, independent, and control variables. The conceptual framework of the study is outlined, including cultural planning and creative placemaking. The theoretical foundations of stakeholder theory and governance theory are presented as well.

Chapter 4 outlines and defines governance structure typologies in relation to PACs, answering Research Question 1. The methodology used to determine the typologies is described. Three cases of PACs are presented exemplifying each type.

Chapter 5 details the results for Research Question 2, including operational variables, estimation routines, and analysis. The chapter presents the analytical results. The study’s limitations are acknowledged as well.
Chapter 6 concludes the dissertation. It summarizes the findings. The overall benefits of the study as well as limitations are described. The chapter concludes with implications for policy and practice and opportunities for future research.
CHAPTER 2: LITERATURE REVIEW

This chapter provides a review of the literature on PACs. The review is designed to meet two interrelated objectives. The first is to identify research themes in the PAC literature. The research themes highlight the range of important dimensions of the PACs that have been addressed in the present literature. The second objective is to identify the gaps in the extant literature. The insights produced from identifying the research themes aid in highlighting gaps in the literature. The chapter thus provides the setting for the study’s research questions on PACs.

The current research literature on PACs can be categorized into three streams of research. The first stream is cultural development and planning, where PACs are central to the cultural and artistic activities. The cultural planning of a community involves many individuals and factors within the community such as space, planning, placemaking, and use. The planning of a community’s cultural components and the ability to involve partners impact the development and governance of the PAC. The second stream is PACs as cultural institutions. As cultural institutions, PACs act as cultural catalysts that boost arts and cultural activities within the community. The third stream is the multifaceted impacts of PACs. A thriving creative sector is a powerful economic asset to the local community. The PACs serve as catalysts for business revitalization by acting as local economic multipliers. The PACs also have physical and social impacts on the community.

Although there is some emphasis on operational management of PACs, very little research has been done on their governance structures. The governance structure of a PAC determines its role in several ways, including cultural planning and creative
placemaking, operations of the PAC, and visibility of cultural districts and partners. Hence, the governance structures are important to consider for PACs to be viable and successful. The second part of the chapter highlights this important research gap, dwelling on governance related factors including leadership.

**PAC Research Themes**

To undertake the literature review, I did a systematic literature search of articles from 1998 and 2018. The systematic search included search terms relevant to PACs, such as “performing arts centers,” “theaters,” “symphony halls,” and “playhouse.” The search engines used included Academic One, JSTOR, ProQuest, SAGE Online, and Wiley. The search yielded 236 papers published during the period. After removing duplicates and articles that were not directly relevant to PACS, there were 87 articles. These 87 articles were primarily used for identifying the research themes in the extant literature. Relevant subsequent articles published after 2018 are also included in the review. The research themes were identified inductively by sorting articles of common research topics together. The sorting provided three key research themes: (a) cultural planning and development with PACs, (b) PACs as cultural institutions, and (c) multifaceted impacts of PACs on communities. These themes are explained below.

**Cultural Planning and Development With PACs**

The first stream of research literature has investigated the cultural planning and development and of a PAC. Cultural planning has been in the United States since the late 19th century and early part of the 20th century with beginnings of art practice in communities via the practice of public art displays and public sector creativities. The
practice was first seen in the art in public places medium, with civic buildings and civic engagement like sculptures and fountains. Albeit displays of beautifully landscaped architecture, many of these came by commissioning artists to create the artwork for the benefit of the public. The “City Beautiful” movement of 1893 had the intent of producing beautiful and magnificent cities, creating commission opportunities. Charles Mulford Robinson, an urban planner, in 1903 published a book entitled Modern Civic Art, where he coined the term civic art for the benefit and enjoyment of the civic public and not for arts own sake.

Cultural planning defines a community’s cultural landscape and the creative arts sector. The planning of a community involves many individuals and factors within the community such as space, planning, and use. Cultural planning (Americans for the Arts, n.d.) is a public process that involves community representatives in expressing, exploring, and undertaking the planning of a cultural intervention in a community. The support for planning these projects depend on the cities’ social, intellectual, and cultural relationships embedded in the community (Richards & Duif, 2019). The ability to involve partners impacts the development and governance of the cultural facility. The cultural plan can be initiated by a civic employee working in the local governments planning and zoning department, a local arts organization, an outside community member, or even someone from the private sector. In whatever way the plan is initiated and executed, it should eventually involve the local leaders, local arts organizations, stakeholders, and local community members. The funding of these cultural plans in a community is usually supported by business improvement constituencies or state or local municipalities.
Since the early 1980s in Europe and early 1990s in the United States, states, cities, and local communities have carved their community agendas into bringing forth cultural planning (Markusen, 2010, 2012) as a strategic element for economic and community development (Markusen & Gadwa, 2010a). By the 20th century, communities had engaged in neighborhood and downtown revitalization projects, developing cultural districts, providing funding for local artists, and designing new ways to fund artistic endeavors in their communities. A PAC impacts its surrounding community in terms of property values, educational levels, community participation, and the like. Property values (Fagotto & Fung, 2006) can increase, and significant new economic activity (Gadwa, 2009) can be infused due to the new cultural intervention of a local arts group or PAC. Regional planning studies revealed that people with higher education levels are more engaged in the arts (Schuster, 2002).

Cultural placemaking and planning involve the emotional connections that naturally arise between individuals, communities, and specific locations within that same or neighboring community (Shrivastava et al., 2012). Creative placemaking is the conscious role of a community to develop a creative community of artists and designers for the cultural vitality of a subsector of the community (Gadwa Nicodemus, 2013; Guo, 2015; Markusen, 2010; Redaelli, 2016; Stern, 2014). In planning a creative sector or community, cultural leaders can push forward their agenda for diversity and neighborhood resources (Markusen, 2006). The planning of a cultural component in a community needs to be holistic that integrates performing arts facilities and the artists’ living spaces (Markusen, 2006). Such planning for a creative community is related to the
concept of creative placemaking (Markusen & Gadwa, 2010b), which has economic, physical and social impacts locally.

Cultural planning is an important part of the PAC development process. PACs can be instrumental in cultivating potential partnerships among arts organizations and developing creative communities in surrounding areas. The cultural offerings of the PACs (e.g., whether to offer a symphony orchestra or a dance theater) are shaped by the community. These offerings within a community contribute to the makeup of a civil society (Ramnarine, 2011). Cultural plans include PACs’ facilities assessments and how they fit in community, regional cultural plans and city, town, neighborhood, and district plans. A typical arts facility planning guide for PACs is shown in Figure 1 (Evans, 2002; Evans & Shaw, 1992). The development of an arts and cultural facility must take into account the existing resources and centers in the area as well as the potential for arts to flourish within that community. An effective cultural assets area mapping such as conducted by arts and planning organizations, cultural affairs councils of individual counties, and private organizations is crucial to the creative planning process. The cultural planning process for a PAC is thus an important aspect of PAC performance.
Table 2 presents definitions of seven types of cultural plans (Arts & Planning Toolkit, 2021) for a community. A comprehensive cultural plan is defined by aligning the goals with a defined community need or opportunity. Many cultural plans exist nationwide, from regional—Minnesota, Ohio, and Indiana—to local—Kansas City, Dallas, Texas, Chicago, and Arlington. A regional plan defines a community’s existing
impact of the arts. The economic impact of artist contributions to a community, their needs as artists, and the public opinion about public participation about the arts are generally part of the regional plan. A local or city cultural plan generally focuses on a specific city’s cultural needs, proposals for planning culturally within the city, recommendations for a cultural initiative, and most importantly a proposed implementation strategy.

Table 2

Types of Cultural Plans for a Community

<table>
<thead>
<tr>
<th>Cultural plan</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comprehensive cultural plan</td>
<td>Defines a framework for a broad set of goals and strategies that may align with other community needs.</td>
</tr>
<tr>
<td>Discipline-focused cultural plan</td>
<td>Defines a set of goals focused on a specific arts sector (i.e., visual arts, music, dance, theater, etc.).</td>
</tr>
<tr>
<td>Cultural asset mapping</td>
<td>A list of a community artistic and cultural resources.</td>
</tr>
<tr>
<td>Specialized arts or cultural assessment</td>
<td>A community’s assessment of their cultural tourism potential based on a specific focus (i.e., marketing study, cultural economic impact assessment, feasibility study for the arts organization in the community, etc.).</td>
</tr>
<tr>
<td>Specialized arts and culture issue plan or study</td>
<td>Defines goals and strategies of a community specifically concerning a specific issue (i.e., audience development, audience participation, arts facility assessment, etc.).</td>
</tr>
<tr>
<td>Cultural district plan</td>
<td>Defines a set of goals and strategies that concern a specific geographic area in a community (i.e., arts districts, neighborhoods, etc.).</td>
</tr>
<tr>
<td>Arts and culture component of a municipal or regional plan</td>
<td>Defines a broad comprehensive plan for the inclusion of arts and culture in a community (i.e., arts and culture master plan for a community, etc.).</td>
</tr>
</tbody>
</table>

The discipline-focused plan concentrates the strategy specifically in one artistic medium, focusing on the impact of art in public places, assessing the inventory of current art in public places projects, and providing recommendations for future opportunities. A cultural asset mapping plan lays the groundwork for an inventory of all artistic and cultural assets in a community. This mapping plan relies on qualitative as well as quantitative online mapping approaches on a community’s cultural assets. In South Los Angeles County, Project Willowbrook was an artist-led neighborhood planning process. In Brattleboro, Vermont, there was an asset mapping plan with a cultural cartography to illustrate the community’s creative energy and cultural ecology.

A specialized assessment plan defines a strategy with a specific focus in mind such as a market study on cultural tourism, economic impact of the arts, or an impact assessment of how the arts has impacted or may impact the community (i.e., audience surveys, handbook for presenters, leveraging cultural assets with economic development). A specialized issue plan focuses on one of those issues, such as audience participation.

The Cape Cod Commission (2009) developed a specialized arts and cultural assessment plan that included a practical guide for municipal investment in Cape Cod. The document included arts importance in the community, a step-by-step guide in creating a strategic plan for a cultural initiative that included suggestions on effective partnerships, how to measure the arts impact in the community, existing cultural programs and events, effective marketing initiatives, and suggested long-term budget plans for arts and culture implementation support. The Cape Cod Commission (2019) updated the plan in 2019. The Berkeley California Commission (2003) developed a plan that informed the baseline condition of arts and culture in Berkeley at the time of the study, an analysis of economic
and audience impacts, a mapping and database of current arts organizations, recommended goals, and strategies for a cultural plan.

A cultural district plan is defined by focusing on a specific geographic location within a community (e.g., Beverly Arts District in Massachusetts or the Wynwood Arts District in Miami, Florida) and providing a plan for its artistic and cultural enrichment. A cultural district is an area in a community that recognizes the arts as an integral aspect of a community member’s life and integrates the arts within the community. The Metropolitan Area Planning Council (2018) provided key findings for the Beverly Arts District that emerged from their study: (a) pillars of success and (b) principles to guide how success can be achieved. Figure 2 provides insight on the pillars and principles. The core pillars for success were sustainability, distinctiveness, and growth, and the core principles found in the cultural district plan for that specific community were collaboration, inclusion, and creativity (Metropolitan Area Planning Council, 2018).

Cultural planning pillars are measured in this study in terms of number of years of the PAC. Cultural district plans assist a community in identifying qualifying factors for the planning, implementation, and success of a thriving arts and cultural community. Lastly, the arts and culture component of a master plan includes the arts and culture as part of a much broader community master building or development plan. The Town of Duxbury Massachusetts (2019) developed a master plan that included existing cultural assets, historic preservation, and cultural organizations.
The cultural planning process takes time and requires a leadership team to inform the plans development process, outreach, and education to the community. Figure 3 shows the cultural planning process. Once leadership has been determined, the next step involves a thorough assessment and inventory of the community’s assets including a SWOT (strengths, weakness, opportunities, and threats) analysis of the arts and culture in that community. This step in the process involves an asset mapping component involving both qualitative and quantitative studies mapping areas within a city, town, or district that provides locating all cultural and artistic offerings in a given area and providing a brief history about their existence as well as the current demand for the arts in that community. The final stage includes implementation of a vision and action plan for the community.
**PACs as Cultural Institutions**

The second body of literature focuses on the PACs as cultural institutions in a community. Across the United States, city policy makers have discovered the importance and vital role a PAC plays as a cultural institution in a community and particularly urban areas of a community. The opportunities to keep the community enriched and engaged in cultural expression and provide an outlet for cultural expression from different cultures can materialize in different ways, including dynamic partnerships, arts advocacy, professional development, cultural community benefits, and public–private partnerships—all opportunities created by the cultural institution in the community.

Strom (2002) found a significant increase of PACs as cultural institutions across the United States. Over 71 major PACs were built between 1985 and 2002. These PACs were not in the typical cultural centers or cultural clusters of the United States such as that in New York City. With this exponential growth of PACs, the previous concepts that
arts and culture were for the elitist were disbanded as PACs started being built in urban areas and constructed and developed as part of the economic vitality of the existing community (Markusen, 2014; Markusen & Gadwa Nicodemus, 2014). PACs were a direct reflection and representation of the existing community. This resulted in dynamic partnerships with the community and existing cultural and arts organization and business leaders in the community.

As cultural institutions, PACs can create true collaborations with community partners. Whether interdepartmental, interagency, or external, positive outcomes can bring forth additional funding—allowing for sustainability of all partners involved. Collaborators for local arts districts could include state agencies and state cultural districts such as the department of economic development, department of tourism, division of cultural affairs council, historic preservation, and small business office, all at the state arts agencies level.

As a cultural institution, the role of a PAC is to provide artistic leadership and be a benchmark for other arts organizations in terms of cultural offerings; the PAC is a catalyst for international, national, and regional collaborations between artists, artistic venues, and other organizations. PACs provide a platform in which art can be assessed, critiqued, and advanced. PACs are venues where artistic norms can be challenged to cultivate artistic excellence within the community and beyond. PACs should cultivate a cultural district by providing opportunities for discussion and collaboration on the PAC as a cultural institution and the possibilities this cultural institution can afford the community in terms of placemaking, enhancing the visibility of the community, and promoting the positive attributes of a cultural economy.
As a cultural catalyst within its community, a PAC is responsible for cultivating the surrounding arts organizations’ activities to create potential partners in presenting and exhibiting the arts. Cultivating a cultural district can be an effective way of creating social capital in communities for them to be more sustainable (Grodach & Loukaitou-Sideris, 2007). As the leader of the local cultural community, the PAC may assist surrounding cultural and arts organizations with cultural and strategic planning efforts to increase their sustainability. A PAC should be the catalyst for providing professional development opportunities to nearby smaller arts organizations. Professional development may focus on artistic programming, cultural planning, creative placemaking, marketing and the arts, budget and finance, artistic excellence, cultural representation, social capital, economic development, and urban revitalization (Feder & Katz-Gerro, 2015). By establishing a mechanism for cross-promotional opportunities, a PAC leader may contribute to increasing audience attendance at the PAC and at local arts organizations—potentially creating a cycle of increasing demand from the local community (Feder & Katz-Gerro, 2015).

The PAC is a primary influence on the local community’s cultural climate (Bianchini, 1993; Flemington, 2018; Graves, 2010; Redaelli, 2019; Sacco, 2012; Southcott & Joseph, 2013; Strom, 2002). As a large, general-audience cultural facility, a PAC can support other arts organizations by generating interest in the arts among residents. The more opportunities a community is provided to experience the arts, the more the residents and community are likely to become advocates for the arts and culture (Denzin & Lincoln, 2005). The climate for the arts is stimulated by developing a cultural atmosphere in which cultural sophistication, appreciation, and advocacy are driven by the
artistic products presented by the primary arts organization in the community: the PAC. The PAC provides an opportunity to bring forth a cultural vitality, pride, and ethnically diverse presentations that may be nonexistent in any other major public–private partnership (Chambers et al., 2013).

PACs are cultural institutions that should engage the community in artistic expression and cultural diversity (Markusen, 2006). The PAC should be a place where the cultural ethnicities of the surrounding community are celebrated. The challenge becomes how to engage the surrounding community. Pinder (2005) stated that specialists and social experts examined and analyzed approaches on how to engage with residents of urban areas. These specialists analyzed urban communities developed into a creative city (Carta, 2007; Cohendet et al., 2010; Comunian, 2011; Landry, 2012; Pratt, 2011; Scott, 2014). The creative city is a transformative move from the current and regular methods for urbanization—materials and industry, science, and technology—to one that incorporates creativity and innovation (Landry, 2012; McCann, 2007). An increasing number of state policy makers have recognized that a blossoming creative sector is a powerful economic asset to the local community (Alexander, 2007; Geursen & Rentschler, 2003; Sacco et al., 2009; Stevenson et al., 2010; Turbide et al., 2008).

**Multifaceted Impacts of PACs**

The third body of literature reveals the multifaceted impact of PACs in a community. The literature has revealed that a blossoming creative sector is a powerful economic asset to the local community (Chang, 2010; Koppenjan & Enserink, 2009; Makhubu, 2019; Redaelli, 2011; Vecco & Srakar, 2020). Actively trying to boost their economies, state policy makers have realized the many intrinsic benefits to the arts.
Indeed, the community benefits from building PACs are multifaceted. First, PACs attract internationally known artists and cultural enterprises to the community, and these artists, cultural institutions, creative platforms, and creative placemaking projects all contribute to the economy of a community. In addition to the direct economic activity that is generated, artists and creative individuals often infuse civic vitality into the community.

Second, the arts can serve as a catalyst for business revitalization (Chapple et al., 2010; Grodach & Loukaitou-Sideris, 2007). Cultural organizations help create direct economic activity in a community and improve quality of life for residents, while increasing the appeal of certain areas as places to live, work, and visit. PACs stimulate urban revitalization that enhances a community’s quality of life by providing a space for artistic gatherings, a sense of community, and an open and accessible cultural scene. PACs provide reasons for community members and local citizens to participate in activities outside of their home, and in turn, facilitate PAC patrons’ support of local businesses (Bianchini, 1988; Chapple et al., 2010; Markusen & Gadwa, 2010a, 2010b; Seaman, 2006). Third, PACs cater to community needs (Chatterton, 2000; Fagotto & Fung, 2006; Isserman & Markusen, 2013; Jeannotte & Duxbury, 2015; Johnston et al., 2011; Kernaghan, 2003; Kushner, 2011; Markusen, 2010). PACs adapt to a community’s unique culture and demographic composition—in both urban and rural communities.

Fourth, PACs promote cultural tourism. As defined by Partners in Tourism (Grodach, 2011; Phipps, 2010), cultural tourism is travel for the purpose of appreciating the physical places, traditions, art forms, celebrations, and experiences that define the United States and its people, reflecting the diversity and character of the nation. Cultural districts, which often emerge in areas surrounding PACs, are unique to a community and
reflect the community’s demographic composition, culture, and characteristics. Cultural
districts are multiuse neighborhoods, integrating commercial and residential use,
including venues that promote artistic and cultural activities and can serve as a
destination attraction (Bianchini, 1988; Chapple et al., 2010; Markusen & Gadwa, 2010a;
Seaman, 2006).

Fifth, PACs are critical for preserving historic buildings. The arts have been a
vehicle for historic preservation (Hatfield, 2018; Hodder, 1999; Mason, 2004; Reichl,
1997; Ryberg-Webster & Kinahan, 2014). Sixth, PACs enhance property values in
surrounding communities and districts (Bryson et al., 2014; Foote, 2005; Zheng, 2011).
PACs enhance the quality of life of a community and bring about urban revitalization.

Finally, PACs nurture cultural development and cultural education (Chatterton,
2000; Markusen, 2010; Markusen & Gadwa, 2010a). The establishment of a PAC is a
focal point for not only celebrating art, but also building a sense of community by
bringing together diverse social groups (in terms of culture, race, ethnicity). PACs
strategize to develop specific programming that incorporates diverse social groups
(Bianchini, 1988; Chapple et al., 2010; Markusen & Gadwa, 2010a). While trying to
boost their economies, states have discovered other intrinsic benefits to the arts. The
outcomes of a physical building such as a PAC have many benefits to the community.
Artists, cultural institutions, and creative platforms for presentations all contribute to the
economy of a community. In addition to the direct economic activity generated, artists
and creative individuals often infuse civic vitality into the community (Denzin &
Lincoln, 2005).
Cultural organizations help create direct economic activity in a community and improve quality of life for residents, while increasing the appeal of certain areas as places to live, work, and visit. A PAC helps to develop a community’s cultural district, and PAC patrons contribute to businesses within this cultural district and to the community as a whole; PAC patrons support shops, dining establishments, and nightlife entertainment facilities, along with other commercial and nonprofit entities (Grodach & Loukaitou-Sideris, 2007). PACs aim to serve their surrounding communities. They are tailored to address the community’s unique culture and demographic, and they adapt to ensure that PAC services meet the evolving needs of the community (Grodach & Loukaitou-Sideris, 2007), while attracting a vibrant tourist market.

Cultural districts represent a marketing opportunity to attract tourists to a city. Cultural districts are unique to each community and exemplify the demographic composition, culture, and vitality of a city. Cultural districts allow for more artistic and cultural facilities in the area—expanding the options for tourists. The concentration of cultural offerings in a cultural district may attract more tourists, and these offerings represent opportunities to infuse tourist dollars into the community—enhancing the local economy and generating tax revenue (Rosenthal, 2007). The arts also serve as a vehicle for historical preservation of buildings and other landmarks within a city (Markusen & Schrock, 2006). The arts bring vitality and positive economic effects to surrounding property values that include, for the majority of the construction of PACs, improvement bonds to improve neighboring public spaces such as parks (Markusen & Schrock, 2006).

The establishment of a large cultural arts facility provides a central point for a community’s celebration of art and a forum for residents to express and strengthen the
community’s individuality and social, cultural, and ethnic diversity. PACs strategize to present specific programming opportunities that incorporate and enrich the community (Markusen & Gadwa, 2010a). The impact of PACs in a community is important to this study as it pertains to number of performances and total community or public support, as measured in this study.

Research Gaps on PACs

The aim of this section is to outline the research gaps in PACs in the United States. The three research streams described above provide insights into the major aspects of the PACs that require further investigation. First, the governance structure of PACs has hardly been considered in the present literature. The governance of a PAC refers to the organizational management structure and the leadership in the organization. Second, there is a considerable gap in identifying the factors that affect PAC functioning. PACs are multiple-function facilities that vary from community to community. In particular, the role of the governance structure in affecting the PACs functioning has been given very little attention.

Governance Structure

It is important to consider the governance structure because it determines the PACs’ role in important ways. First, governance determines the role of PACs in creative placemaking (Frenette, 2017; Redaelli, 2016). As a leader in the cultural community, a PAC may assist surrounding cultural and arts organizations with cultural and strategic planning, which can enhance the sustainability strategies of these organizations. A PAC may host conferences, panel discussions, or events on artistic programming, cultural
planning, artistic community development, marketing and arts budgeting and finance, artistic excellence, cultural representation, social capital, economic development, urban revitalization, and community engagement (Bianchini, 1988; Chapple et al., 2010; Markusen, 2006, 2014; Markusen & Gadwa, 2010a, 2010b; Markusen & Schrock, 2006).

Second, governance determines the role of PACs in promoting the visibility of cultural districts and local partners. By establishing a mechanism for cross-promotional opportunities, a PAC not only may contribute to greater attendance, but also may help local arts organizations to increase their demand from the local community. Governance determines the role of PACs in relation to the direction that the arts and culture will have in that community.

Although there are many dimensions of governance structure, leadership and funding are two central ones. With respect to leadership, researchers have noted that communication is a key aspect of leadership and that a leader’s creative leadership (Rentschler & Flachenecker, 2015) drives organizational success. In the beginning phase of PAC design, communication and buy-in from the community at large must be developed. This is a crucial step that must be communicated to the community at large (Colbert, 2003) for community support. The PAC leader must understand and proactively consider the factors associated with each PAC development phase as it transitions from design to construction to program implementation—so that the PAC can optimally integrate into the community. Managers are successful if they understand and proactively engage the community, neighboring arts organizations, private funders, public funders, and collaborators (Scheff & Kotler, 1996).
In terms of leadership, the administrative team must strategically develop public relations and marketing plans to introduce the new PAC to maximize the benefits of the public-private partnership. The strategy must be integrated into the marketability of public service delivery. The manager must understand the fundamental marketing skills and techniques to use in an artistic public service delivery (Scheff & Kotler, 1996). In the design phase of a PAC, economic and financial plans must be reviewed, and managers must understand that budgets developed in the construction phase may change when the PAC reaches the implementation stage of its operational budget (McDonald & Harrison, 2002). This brings up challenges—recognized by scholars as a weakness and core concern: although arts organizations are often led by arts managers, most lack formal training and academic pedagogy in business management or nonprofit administration.

Funding is another central dimension of governance. Some federal funds are available for arts and culture. The National Endowment for the Arts, a federally funded program, is the significant direct contributor to the arts across the United States. It funds research, fellowships, and direct creation of arts. This direct support of visual art is estimated to have produced over 108,000 paintings, 18,000 pieces of sculpture, 2,500 murals, and over 200,000 fine prints, almost all for the benefit of public display. Additionally, the Art in Architecture Program, developed in 1963, allocates 0.5% of construction cost for art projects in support of American artists and encourages public awareness of the arts. Such federal funding is not adequate for setting up PACs across different municipalities.

Local governmental support of arts and culture is often a function of the broader cultural policy. Feder and Katz-Gerro’s (2015) research on arts facilities in the context of
Israel provides interesting insights into the cultural hierarchy of funding in this context. They found significant funding differences among organizations representing theaters, orchestras, or dance, historically. They found that theaters are at the top of the funding hierarchy, orchestras are in the middle, and dance companies receive the least funding. Significant differences in funding exist between organizations with different ethnic or national orientations such that the social hierarchy. Feder and Katz-Gerro concluded that the patterns of local government funding for PACs represent governmental priorities driven by cultural policy.

In the United States, there is direct support of the government from percent-for-art ordinances. These local ordinances stem from the community’s demand that government play a supportive role for the arts. The percent-for-art ordinance provides policy that applies to any municipal capital improvement project where a percentage of the total construction cost is set aside and earmarked for public art. This policy exists to enhance support of public art in the architecture of public buildings to acquire high-quality art for the benefit of the public, which eventually raises the level of culture while providing support for art and individual artists. This type of percentage ordinance dates back to the 1930s in Finland when a Finnish Parliament building was being constructed. The United States developed this policy in the U.S. Department of Treasury Section of Painting and Sculpture between 1934 and 1943, and Philadelphia was the first to adopt the ordinance in 1959. The objective was to “secure art of the best quality for the embellishment of public buildings” to stimulate the development of art and culture (O’Connor, 1973). The concept of percent-for-art laws originated in the New Deal programs such as the Works
Progress Administration’s Federal Act, which was one of the most extensive and effective art programs in the history of the United States.

Additional government support for the arts is through indirect support in tax policy decisions. For instance, a private individual may be given a tax deduction for a charitable contribution of artwork given to a public institution. Moreover, tax-exempt status for theaters, music organizations, museums, and other cultural institutions assists the organization by providing a generous amount of indirect support in terms of tax exemptions and deductions. The funding mechanisms and legislative support are important in determining the cultural planning process that takes place for PACs across the nation.

**PACs’ Functioning**

The second large gap in the research literature is on the factors that affect the functioning of PACs. Whereas the benefits of PACs are indeed important and have been highlighted in the literature, the differences in the functioning of PACs also need to be understood for how they serve local communities. The programmatic activities such as theater, dance, and music offered by the PACs could differ based on the context. Understanding the contextual external environment (e.g., variables outside of the PAC’s immediate control, such as audience subjectivity to programming) is crucial for the PACs’ programming activities. A central aspect of the PACs’ functioning is the audience they attract to their performances. The functioning thus can be conceived as audience size and revenue generated as a result. The audience attraction provides the degree to which the PACs provide functional programs that are suitable to the local context.
The governance structure itself could arguably be an important factor in the functioning of the PACs. Successful administrators identify and proactively engage their external environments (i.e., community, arts organizations, private funders, and public funders; Scheff & Kotler, 1996). Leadership must be considered when assessing PACs’ functioning (Markusen & Gadwa, 2010a). The arts administrator must understand their role as a cultural leader and catalyst for the development of the arts for the entire community in advancing the cultural agenda of the PAC while driving arts development and arts policy in the community and state. PAC arts leaders and arts administrators must engage in professional development and promote mechanisms locally for other arts agencies in the community to equip local artistic leaders with the tools necessary to increase potential for success among artists, artistic administrators, and arts organizations. Such engagement is critical for attracting a good-sized audience from the local community and to raise revenues. Of course, tourists from other locations also may be attracted because of the programming.

A successful and sustainable cultural community, creative economy, and artistic community is dependent on support from stakeholders and local community. The PAC artistic leader, as a manager and operational leader, must communicate with the community and effectively convey that the arts are an economic and social capital benefit for the entire community. Cultural facilities of all sizes rely on the financial support of public and private funding. Support for these artistic endeavors is needed from city officials, artistic leaders, government agencies, city council members and members of the community.
Arts management is another aspect of governance that affects the functioning of PACs (Alexandru & Casuneanu, 2011; Maslow, 1954). It applies administration principles and processes to the art world. It includes running the daily functional operations of PACs. Arts management’s purpose is to reconcile both disciplines of management and the creativity of arts, which may have opposing objectives. Management is concerned with the practical aspects of running the PAC: rational management of resources, keeping expenditure within a budget, and pursuing efficiency. Arts and cultural activities are means of expression, which carry a set of visions and emotions and are not concerned with profit. The arts manager must understand how to apply fundamental skills and techniques to the field of arts management involving managerial leadership positions in arts organizations (Scheff & Kotler, 1996).

The managerial structure and staff supporting the daily operations also affect the PAC (Brown & Iverson, 2004; Markusen, 2010). The literature suggests that both artistic leadership (e.g., stage director, music director) and organizational leadership (e.g., general manager, vice president) will affect the performance of the PAC. Decisions regarding the content of the artistic season and artistic disciplines involved in these programming functions affect PAC performance. For example, deciding whether to include a symphony orchestra or jazz band on the performance schedule directly impacts the PAC income. Contracting an 80-piece symphony orchestra has different financial and logistical implications than contracting a 30-piece jazz band.

Similarly, the selection of theatrical presentations—such as dramas, musicals, comedies, and one-act or full-length plays—impacts the production value of the performance. Production value is defined as the production’s components (e.g., lighting,
sound, costumes, music royalties, company producing the artistic content, and marketing). Greater investment of resources into a production generally produces higher production values. For example, a PAC with three performance facilities will be more likely to have a greater investment of resources in their performances. The varying performance requirements affect the performance outcomes of the PAC.

PAC decisions to produce, copresent, present, or partner in the performances presented throughout the year are also related to budget, community collaboration, audience demographic composition, and branding. As mentioned above, artistic leadership and organizational leadership directly impact the choice of performances. Therefore, artistic programming choices have a direct effect on the functional and operational aspects of PAC performance (Castaner & Campos, 2002; Turrini et al., 2008). These realities highlight a challenge that PACs must face—scholars have recognized that arts administrators typically lack formal training in management of public, nonprofit, or private organizations (McDonald & Harrison, 2002). This is important to this study as PAC governance structure determines the artistic leaders, who, in turn, have a direct impact on the functioning of PACs.

The functioning of the PACs (especially audience attraction) cannot be estimated adequately without considering variables of lifestyle and socioeconomic factors of the community the PAC serves. The functioning encompasses the programmatic activities and performances that the PACs undertake within a community. The nature of the community affects these functional activities. Seaman (2006) noted that PAC audiences are typically composed of members of elite groups, such as professionals who have a high level of income and education. Seaman argued that education is a stronger indicator...
of performing arts attendance as compared to income. The quality of the facility—and quality of the art presented at the facility—is important in measuring the performance of the facility. Other factors that affect audience attendance are the habits of the community to attend cultural activities, the community’s appreciation of the arts (Seaman, 2006), and the community’s interest in the arts (Swanson et al., 2008).

Summary

PACs are facilities that provide a platform for live performances and other cultural and arts events (Grodach & Loukaitou-Sideris, 2007; Guetzkow, 2002; Strom, 1999). These facilities provide public services to local communities through the presentation of arts, culture, and education, and they are considered an important fixture of the cultural life of a local community (Bianchini, 1988; Markusen, 2014). Some scholars (Bianchini, 1988; Markusen, 2014) have recognized these facilities as being a fixture of local cultural life. Despite the increase in PACs across the United States, there is a lack of information regarding the impact of PAC governance on the functioning of PACs.
CHAPTER 3: RESEARCH QUESTIONS, DESIGN, AND FRAMEWORK

This chapter outlines the research questions, related hypotheses, the research design, and the theoretical framework of the dissertation. Consistent with the major objectives, two research questions and hypotheses were formulated based on prior research and theoretical frameworks based on governance and performance. Research Question 1 is the following: What are the forms of governance structures of PACs? Research Question 2 is the following: How does the governance structure influence the functioning of PACs? As the research questions are mainly related to governance of the PACs, the dissertation draws on governance theories and is informed by cultural placemaking theories.

As outlined in the previous chapter, the multipurpose cultural facilities, such as PACs, emerged in the latter part of the 20th century as a means to invest and revitalize distressed urban areas. As a multipurpose facility, PACs provide a stage for performing and fine arts, including music, theater, dance, and visual arts. These cultural facilities experienced a construction boom beginning in the 1960s beginning with the creation of the John F. Kennedy Center. Despite their rapid expansion across the United States, little is known about the factors that impact their functioning. The present study was designed to fill the gap by pursuing two interrelated research questions outlined above.

This chapter is outlined as follows. The next section describes the research questions and the hypotheses. After this, the research design, data, and their sources are explained. Then, the theoretical framework underlying the research is given. The chapter concludes with the overview of the research questions, design and framework.
Research Questions

Research Question 1 and Method

The first research question is the following: What are the forms of governance structures of PACs? While past research (Chong & Trappey, 2001; Dewey, 2005; Kirchner & Rentschler, 2015; Mayo, 2017; Mommaas, 2004; Quarter et al., 2009; Smith, 2002; Stam et al., 2008) has focused on the evolution of the PACs and their activities, PAC governance structure has been underexplored in public administration research. Identifying the typology of the governance structures allows understanding of the different organizational arrangements of PACs across the nation, even if they have similar size, structure, and scope. This concept of typology is cross-disciplinary in nature and has been used in the fine arts (Essig, 2014) and architecture (Caniggia & Maffei, 2001). Typology has been used in management and social sciences for providing a descriptive framework of organizational fundamentals of how different nonprofit structures evolve (Doty & Glick, 1994). This examination of governance structures is important because scholars have argued that PACs are impacted by organizational characteristics (Hirsch, 1972; Senge, 1991), governance (Markusen & Gadwa, 2010a; Moon, 2001), community engagement, and cultural development (Grodach & Loukaitou-Sideris, 2007; Markusen et al., 2006). In this context the present study provides a typology for different PAC governing structures.

The first research question was answered using an inductive method focusing on the typological analysis to identify how PACs are governed across the United States. Typological analysis identified the different dimensions of PACs governance structure and then classified them based on the common dimensions. The dimensions of the
governance structures were coded separately. For example, the dimensions of governance structures include the sectoral entity that manages PACs and financial source (e.g., public, nonprofit, public–private, etc.). The common measures were inductively coded with each PAC. Theoretically, if a PAC differed from the other PAC governing structures previously identified, then a new category of the governance would be added as a new category. However, as the findings reveal later on, only a few categories of typology emerged. It should be noted that this type of categorical classification is distinct from that of cluster analysis, which seeks to find distances among commonly classified characteristics.

To develop the PAC typology inductively, it was necessary to inventory all the PACs in the country. For this purpose, over the span of 2 years, the names of PACs were gathered from multiple sources and researched individually. The inventory was developed in several stages. A preliminary list was first developed and categorized as PACs within the United States from a keyword search on Google and on LexisNexis using the terms performing arts center and performing art center. This was followed by a database search of scholarly literature involving PACs that included select performing arts disciplines, such as music, theater, and dance. Direct inquiries were also made with Americans for the Arts, the League of National Theatre Producers, the League of American Orchestras, Cultural Resource Network, and National Endowment for the Arts. Although these organizations do not maintain lists of PACs in the United States, they could provide their member organizations. Finally, the IRS (2019) income tax statistics for tax-exempt organization were used to obtain a list of all nonprofit arts organizations in the United States. The IRS list acted as a double-checking measure to ensure that no
nonprofit arts facilities were missed in other searches. The IRS identified subsections of several categories of nonprofit organizations from all industries or professions (i.e., charity, churches, and health). However, the main focus of interest in this study was nonprofit arts organizations (i.e., those having a 501c3 designation).

The initial search from the IRS yielded 313,340 nonprofit organizations, and the initial search from other sources yielded 212 PACs. The review of the IRS data file revealed 22,654 centers that offered performing arts. IRS has its own classification of these centers, based on the IRS Form 990 subsection code 3. This code denotes various categories, such as charitable, educational, and literary organizations; organizations to prevent cruelty to animals and children; organization for public safety testing; religious and scientific organizations. Additionally, and code 7 denotes social and recreational clubs. Centers with either of these codes other than performing arts were excluded from the study.

In the second step of identifying the PACs, it was important to review that they offer multiple arts. PACs, by definition, are platforms for multiple arts, not just one type of art. Certain facilities that offer only one type of art also associate themselves with the term *performing art centers*, but, in fact, these are not PACs in the truest sense since these facilities offer one type of performing arts. Hence, in continuing the typological analysis, the database was reviewed to ensure that the PACs offered multiple arts. Facilities that offer a single type of arts performance were removed from the list. In the list that remained, I found that theatre, dance, and music where the major performing arts offered by the PACs. PACs identified themselves with offering two or more types of these performing arts quite clearly. In the end, a net of 187 PACs were included in this
study. The inventory of the PACs considered for the study is thus as exhaustive as possible, collecting their names from as many different sources as possible. They embody a broad array of the PACs in the United States.

The third step in the typological analysis was to code and identify the PACs in the database according to the governance structure. The principal governance structure dimension was the management of the PAC. As identified before, the governance structure was inductively coded with a new category, if such a category did not exist in the previously examined PACs. In addition to the governance structure, the PACs were examined for patterns in their historical development, financial patterns, and facility infrastructure. The patterns were evolved through a constant comparative method that is commonplace in inductive methods (Glaser & Strauss, 1967). Items that did not have contradicting elements are placed in the same category. If a new element contradicted with previously established categories, then a new category was established.

**Research Question 2 and Method**

The second research question is complementary to the first question and focuses on the relationship between governance structures and performance: How does the governance structure influence the functioning of PACs? The functioning of the PACs is mainly in terms of their performance. The focus is on two key dependent variables that indicate the PAC performance: attendance (i.e., engagement of the community being served) and total program revenue. These performance indicators are drawn from extant literature on PAC revenue (Burton, 2003; Chang, 2010; Dewey & Rich, 2003; Geursen & Rentschler, 2003; Keeney, 2018; Markusen & Gadwa, 2010a, 2010b; Thompson, 2001; Williams & Sharamitaro, 2002), performance (Bonet & Donato, 2011; Flemington, 2018;
Leighton & Herrndorf, 2002; McLean, 2014; O’Shea, 2011; Peck, 2012; Preece, 2005; Roodhouse, 2006; Turbide & Laurin, 2009; Uldemolins & Arostegui, 2013; Vecco & Srakar, 2020; Weinstein & Bukovsky, 2009; Young, 2011), programming (Bala, 2018; Preece, 2014; Sabisch, 2017; Shipley, 2015), public participation (De Carvalho, 2016; Gallagher, 2014; Kushner, 2011; Van Buren, 2007), and socioeconomic status and creative economy (Bryson et al., 2014; Castaner & Campos, 2002; Phipps, 2010; Shin & Stevens, 2013; Stam et al., 2008; Stevenson et al., 2010; Werck et al., 2008).

Attendance in PAC programs is a key performance measure for the functioning of PACs since they are fundamentally community oriented. PACs emerged across the country with the purpose of contributing to the cultural vitality of communities (Markusen & Schrock, 2006). PACs often engage in activities to build community buy-in (Fisman et al., 2009; Grodach, 2011; Turbide & Laurin, 2009; Young, 2011) with their arts. Close connections with the community are therefore essential to the long term sustenance of PACs. The activities aim to increase the public visibility and are thus vital for the PACs’ survival. Therefore, community attendance per program is a key dependent variable for performance measure of the functioning of PACs.

The program revenue, based on ticket sales and programming income, is an important factor for the PACs to sustain themselves. Hence, this was used as another dependent variable to measure PAC performance. Of course, PACs often seek alternative funding sources, including grants, sponsorships from public and private foundations, and philanthropic donations to sustain themselves. The revenues raised through gate fees and tickets are not enough to cover their costs, especially when they are considered as engines of economic revitalization in low-income communities. The fees and tickets are
subsidized for the local attendees. To the extent that the programmatic revenues cover the PACs’ operations, they do not have to seek alternative funding. Thus, the programmatic revenues are key measures for the PACs to sustain themselves independently, without additional financial dependence on other sources.

The main hypothesis of the study is that the organizational structure of the PACs is a key factor for influencing the functioning of the PACs. That is, the type of PAC governance could be crucial to the PAC’s performance in terms of the programmatic attendance and the revenues raised. Extant literature also provided some suggestions on how nonprofit administrative structures contribute to organizational performance. However, the empirical evidence of the relationship in the context of PACs has not yet been fully developed. Hence, this study was designed to establish the nature of the relationships between the PACs’ governing structures and their performance.

Of course, the PACs’ performance measures are influenced by a range of independent factors that are exogenous to the PACs. These are organizational, community, and artistic features that influence performance of PACs. The community characteristics such as their cultural interests in the PAC offerings are important for the attendance and revenue generated. External factors such as poverty, unemployment, household income, and educational level also influence the performance of the PACs. Hence, a range of community factors have to be considered as control variables for influencing the PACs’ performance. Table 3 summarizes the research questions and corresponding approach and design.
Table 3

Research Questions and Approaches

<table>
<thead>
<tr>
<th>Research questions</th>
<th>Approach</th>
<th>Design</th>
<th>Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. What are the forms of governance structures of PACs?</td>
<td>Exploratory approach to identify how PACs are managed.</td>
<td>Inductive research design</td>
<td>IRS 990 forms, secondary data, and mission</td>
</tr>
<tr>
<td>2. How does the governance structure influence the functioning of PACs?</td>
<td>Explanatory approach, examining the program activities (e.g., attendance) and revenues</td>
<td>Regression analysis (ordinary least square)</td>
<td>IRS 990 forms</td>
</tr>
</tbody>
</table>

Note. PAC = performing arts center. IRS = Internal Revenue Service.

Research Data and Variables

The unit of analysis in the study is the PAC as an organizational unit. As no specific organization tracks PACs, the database on the PACs had to be manually developed for this research study. A previous section gave an overview of how the data on PACs were collected. This section outlines the process of research data collection in a further detail. The relevant variables of interest for the study and their sources of data are also identified in this section.

Data Sources

To study the vast number of PACs across the United States, I needed to first identify the PACs found since they varied in size, scope and structure. To develop this study, it was necessary to inventory PACs in the United States. Over 2 years, I gathered the names of as many performing arts centers as possible from multiple sources and then researched each performing arts center individually (as explained before). The results yielded 187 PACs that could be identified for this study. The inventory was developed in
several stages. A preliminary list was developed and categorized by all of the 50 states from a keyword search on Google and on LexisNexis using the terms *performing arts center* and *performing art center*. This was followed by a database search of scholarly literature involving performing art centers that included all of the performing arts disciplines—music, theater, and dance. I made several direct inquiries with Americans for the Arts, the League of National Theatre Producers, the League of National Symphony Orchestra, Cultural Resource Network, and National Endowment for the Arts, none of which have or maintain lists of PACs in the United States. Finally, I used IRS (2019) tax statistics for tax-exempt organizations to acquire all of the nonprofit arts organizations in the United States to include all arts facilities that might have been missed in other searches.

**Variables**

The first research question focused on investigating the factors that contribute to having a certain type of PAC governance structure. This research question is exploratory in nature. The detailed inventory of the PACs was used as a base for classifying the PACs’ governance structures. The second research question focused on the factors associated with PAC performance. The review of the extant literature on PACs and cultural planning helped identify the dependent, independent, and control variables of interest to the study. Variables used in this analysis to answer the second research question are presented below, along with their operationalization.

**Dependent Variables.** The dependent variables utilized to answer the second research question were measures of PAC performance. The first dependent variable was attendance per performance. The second dependent variable of performance was
operationalized using the total program revenue of the PACs. This variable comprised all of the revenue related to programming. The data for total program revenue came from the IRS (2019).

**Independent Variables.** The governance structure of the PACs forms the principal independent variable for the study. The governance structure was derived from the classification based on answering the first question. As identified later, there are three types of governance structure: local government, nonprofit, and public–private partnership. These governance structures indicate who manages the PACs across the United States. PACs with local government management are operated and maintained through the local community government office of cultural affairs. PACs with nonprofit management are operated and maintained by local nonprofit organizations within the community. PACs that are public–private partnerships are characterized by both public and private entities jointly operating and maintaining the PACs. The hypothetical argument is that these governing structures are crucial to the functioning of the PACs.

**Control Variables.** Both internal organizational features and external community features of the PACs could affect their functioning. Internally, the analytical models should account for the PACs’ internal features (other than management) as control variables to account for PAC performance. In this respect, PACs have different sizes that vary in the range of programmatic activities offered. PACs could be one performance facility, two performance facilities, or three or more performance facilities. Larger PACs with more facilities hypothetically would have greater total revenue.

Externally, the community features of where a PAC is located also could influence the functioning of the PACs. Hence, the community variables are also taken as
control variables. These control variables are the population characteristics of the immediate vicinity in which the PAC is located (i.e., the zip code). The demographic characteristics include college education and household income (poverty). Hypothetically, higher educational attainment and higher household income would positively impact attendance per performance. The data for these variables are derived from the U.S. Census Bureau. Table 4 provides the variables, their operationalization, and data sources.
Table 4

Variable Operationalization and Data Sources for Research Question 2

<table>
<thead>
<tr>
<th>Type of variable</th>
<th>Variable name</th>
<th>Operationalization and data sources</th>
</tr>
</thead>
</table>
| Dependent variables | Total program revenue | All revenue by the performing arts center (PAC) in the following categories:  
• Total program/ticket sales  
• Total merchandise sales  
• Public support  
• Philanthropic income  
• Related business income (i.e., parking fees, ticket processing fees). Source: Internal Revenue Service (IRS), 2019. |
| Attendance       |                        | The number of persons attending any given performance(s) in the facility, including all activities of the PAC. Source: PAC annual reports.                                            |
| Independent variables | Governance structure | Local government: The typological analysis revealed in the study that the PAC is governed by a local government.  
Nonprofit: The typological analysis revealed in the study that the PAC is governed by a nongovernment entity or nonprofit.  
Public–private partnership: The typological analysis revealed in the study that the PAC is governed by a public–private partnership. |
| Main explanatory variables | Number of facilities | 1 performance facility: The PAC has only one performance facility. This includes a performance hall or multipurpose space within the facility.  
2 performance facilities: The PAC has two performance facilities.  
3 performance facilities: The PAC has two performance facilities.  
Total public support: Donations from public community, including grants, individual donations, local business donations. Source: IRS, 2019. |
| College education |                        | The educational attainment of community members where the PAC is located. Source: U.S. Census Bureau.                                                                           |
| Control variables | Number of years        | The number of years the PAC has existed. Source: PAC websites.                                                                                                                 |
| Poverty          |                        | Poverty level per county. Source: U.S. Census Bureau.                                                                                                                         |
| Unemployment     |                        | Unemployment level per county. Source: U.S. Census Bureau.                                                                                                                      |
| Household income |                        | Household income per county. Source: U.S. Census Bureau.                                                                                                                       |
Theoretical Framework

Theoretically, the dissertation’s research framework of questions and approaches draws on three theoretical pillars: governance theories, creative placemaking theory, and stakeholder theory. The governance theories deal with the organizational structures and provide the background for how the PACs’ organizational management provide the key features for their functioning. The creative placemaking theory provides the framework for how communities connect with PACs’ cultural arts such as music, theater, and dance art forms and arts programming. The stakeholder theory holds how the stakeholder ecosystem of community partners, community members, and organizations (public, private, and nonprofit) are crucial for the development and sustenance of the PACs. The overall conceptual framework is provided in Figure 4, and each theory is further explored below.
Governance theory is often used to study the management of an organization in relation to governmental requirements. While governance frameworks represent the structure of a government, they also reflect interrelated relationships; other influencers; and factors held against the organization (Pande & Ansari, 2014) such as goals, strategies, and processes in place. At the same time, the terms governance structure and governance framework are often used interchangeably, as both refer to an organization’s governance structure. The goal of these structures (frameworks) is to delineate power and the roles of governing or management within organizations. Governance theory provides the context in which these factors can be examined. Governance structures of the organization are used to establish informational guidelines, rules, and procedures within
the organization. Additionally, governance structures enforce the established processes. Governance structures are created within the constraints of governmental requirements yet focus on the financial incentives, goals, established power structures, and strategic mandates from stakeholders (Pande & Ansari, 2014).

Governance refers to the exercise of authority, which goes beyond the government units. Rather, it refers to service provision by multiple providers, including nonprofit organizations and businesses. As a term, governance relates to the environments (Stoker, 1998) developed for systematic direction and action of the organization. According to Rhodes (1996), there is “a change in the meaning of government, referring to a new process of governing; or a changed constitution of ordered rule; or the new method by which society is governed” (p. 652). Governance concerns the creation of conditions for guided direction and collective action.

Researchers have defined and used the term governance in various ways (Rhodes, 1996; Stoker, 1998). Scholars have largely agreed that governance refers to the creation, implementation, and management of public services, including all three sectors: the local government, the nonprofit, and the public–private sector.

Governance theory uses frameworks to establish the efficiency (or lack thereof) within an organization to meet established goals, public relations, and public perceptions. The stakeholders of the governance structure contribute to the success of the organization. Child (1972) stated that these relationships are connected and circular, and governance structure changes often result in successful yields. McVeigh (2013) suggested that an organization led by resolute, entrepreneurial managers—who approach decision-making collectively—has a sustainable governance structure model. In the
context of the present study, governance theory is also relevant because of the different influences on the governance of PACs.

Governance theory refers to the framework of the government, but it can also be applied to companies and organizations (including PACs) because they include hierarchy and structure. Governance theory allows for the determination of connections, variables, and other elements that impact organizational operations based on a governance framework and management structure. The framework and structure conjointly refer to the governance methodology used within a company (or PAC). Governance frameworks and structures allow for the regulation of administrative functions within a company. This is accomplished by establishing and enforcing guidelines for operations (Offe, 2009).

Frequently, governance structures are established via objectives, tactical requirements, economic motivation, class structure, and company/organization-related procedures. Thus, governance structures contribute to the development and continuation of the organization’s ability to meet its objectives, maintain adequate public relationships, and gain understanding of the local community’s needs. An effective governance structure is needed to achieve objectives. Child and Rodrigues (2003) reported a link between an effective governance strategy and objective completion, leading to favorable outcomes. Conversely, Williamson (1979) stated that ineffective governance structures can lead to financial consequences. Governance structure must reflect the unique needs of the company (Offe, 2009).

Governance associated with a PAC refers to the continuous and evolving relationship that exists between a facility’s management structure and the governing mechanism involved in facility leadership. This study involved differing governance
structures of PACs. Moreover, PACs are facilities that engage in developing and building community and social capital to enhance the social well-being of a local community (D’Ambrosio, 2005; Eisinger, 2000; Grodach, 2010, 2011; Grodach & Loukaitou-Sideris, 2007; Markusen et al., 2006).

**Creative Placemaking Theory**

The creative placemaking theory is a community-based theory of cultural arts, emphasizing the local community connections in how culture animates the place. As Markusen and Gadwa (2010b) argued,

In creative placemaking, partners from public, private, non-profit, and community sectors strategically shape the physical and social character of a neighborhood, town, city, or region around arts and cultural activities. Creative placemaking animates public and private spaces, rejuvenates structures and streetscapes, improves local business viability and public safety, and brings diverse people together to celebrate, inspire, and be inspired. (p. 3)

Creative placemaking aims to develop and celebrate the arts and cultural capacity to thrive in neighborhoods and communities. The goal was to find ways for the arts and culture to represent the neighborhood as well as contribute to the economic and social well-being of that community. Markusen and Gadwa’s (2010b) *Creative Placemaking* laid the foundations of the theory, which is in stark contrast with the creative class theory (Florida, 2002b).

PACs must collaborate with foundations, public agencies, and financial institutions whose core mission is to position arts and culture at the core of community planning and development. Scholars have claimed that a community’s redevelopment potential is based on the desire for creative people to want to live in such a community (Florida, 2002a). Creative placemaking involves placing artists and art at the center of
planning or redeveloping a community. This framework leverages existing creative and financial resources such as local artists and arts organizations to increase the value in a community and the commitment to the intrinsic vitality of that community. Markusen and Gadwa (2010b) stated that creative placemaking does not create opportunities that attract creative people to want to live in that community (Florida, 2002a) but rather provides opportunities for people of all income levels and backgrounds to thrive in that community. With arts at its core, economic diversity in the community is supported. A PAC caters to people of all income levels so that it has long-term prospects of thriving in the community. The more economically integrated (Feldman, 2000) a community is, the more access to opportunity (Florida, 2002a, 2002b; Glaeser, 1998, 2000) exists for those in that community, and the more attractive the community becomes.

The principles of creative placemaking also involve capitalizing on the distinctiveness of a community. A creative approach to the planning or redevelopment of a community improves the aesthetics of a place, whether it is in the visual, sound, or even scent. A place that can distinguish itself and set itself apart with unique characteristics of place and culture is more likely to have long-term attractiveness. That appeal generates a wanting and creates a place where people want to go and remain. For those who want to stay, it creates the opportunity for investment of time while attracting others to invest their time and financial resources into continuing to build the community. The principles further provide the opportunity to contribute to a mix of uses and users that make the community or place more interesting, more dimensional, and more representative of the community. The connections among peoples of different cultures creates a safer, more inclusive and welcoming environment. Connections in creative placemaking include
active walkways that encourage communication among others in the community; beautification projects in landscape; and areas where community gather to engage, connect, create, and enjoy others in an active space.

The opportunity to engage in a public space that is consistently active and promotes engagement provides the public perception that the community is engaged, involved, and interested in remaining safe. This continues to provide the opportunity for growth by supporting small local businesses within and near the public space. The place or community that encourages the perception of wanting encourages the opportunity for business development.

Naturally successful creative placemaking creates a place where businesses want to be. As the community creates an explicit commitment to sustained engagement and provides the opportunity of participation by all of its residents, it is honoring the community’s distinctiveness and vibrancy, avoiding displacement (Cameron & Coaffee, 2005; Grodach et al., 2018). Project for Public Spaces, a nonprofit planning, design, and educational organization dedicated to the creation and sustainability of public spaces in order to build stronger communities, defined vibrancy as people. Project for Public Spaces stated that landscape beautification projects, walkways, or one-time community outreach projects that do not involve people do not represent creative placemaking. Scholars have argued that gentrification (Cameron & Coaffee, 2005; Grodach et al., 2014, 2018) takes place through creative placemaking. However, other scholars have argued that creative placemaking (Markusen & Gadwa, 2010b) and creative cities (Florida, 2002a) secure a communities’ identity and create opportunities for engaged activities, sustained growth, and economic development.
The creative placemaking process encourages community members’ opinions as well as the ability for residents of diversified income levels to participate in an engaged community. PACs create engaged activity and interest in these activities by local arts organizations, local businesses, and local residents while attracting neighbouring residents and businesses to the community, furthering sustainability, growth, and economic impact. Creative placemaking has been identified by several individual business and organizations in the community partnering in a vision and using arts and culture at its core to shape, develop, and improve that community. These partners involve many stakeholders such as residents, community local businesses, and the existing community arts organizations.

However, individual stakeholders creating individual standalone arts projects, beautification projects, and one-time community projects do not fit into the creative placemaking framework. Venues disconnected from a comprehensive community revitalization project without consideration of the community’s history, character, or integration of the cultural aspects of that community are not considered creative placemaking projects. Naming a cultural district within a community without involving community members or engaging in active cultural partnerships or sustainable arts activities is also not considered creative placemaking. Development of a PAC offers the opportunity to engage in creative placemaking.

The development of a PAC in a community provides opportunities for local arts organizations to be partners with the PAC. This confirms the use of arts and culture by diverse partners in the community to strategically shape the physical and social character of a place to spur economic development, promote change, and improve the community.
The partners or stakeholders of PACs in a community include existing arts organizations that have the opportunity to present more performances and better engage audiences due to the extensive reach that PACs have in a community. These stakeholders are an important aspect of the creative placemaking framework.

**Stakeholder Theory**

It is important to understand the target stakeholders of a particular PAC because, to achieve increased performance, the PAC must work with the audience it serves. Once leaders of a PAC understand the audience, they can provide performances and presentations that are reflective of the community. The stakeholder theory is relevant to understanding and accounting for the stakeholders served by a PAC. Stakeholders are also important for PACs’ decision-making process—particularly in the context of an arts administrator’s artistic programming decisions. In the context of the present study, stakeholder theory is significant because of the different influences on the governance of PACs.

Modern stakeholder theory is rooted in philosophical views regarding the nature and relationships associated with civil society and individuals. The modern form of stakeholder was first used by the Stanford Research Institute in 1963 and, since then, many different definitions and theories regarding the concept of stakeholder have emerged (Brenner, 1993; Essig, 2014; Foote, 2005; Freeman, 1994; Preece, 2014; Provan & Milward, 2001). Researchers have argued that modern companies must serve shareholders and other stakeholders to achieve prosperity and long-term growth (Freeman, 1994; Harrison & Wicks, 2013; Phillips, 2004).
Scholars have identified Freeman (1994) as the creator of stakeholder theory, but Freeman stated that other bodies of literature were instrumental for the foundation of stakeholder theory (Brenner, 1993; Carson, 1993). Freeman stated that the fields of strategic management, systems theory, corporate social responsibility, corporate planning, and organizational theory were major contributors to the foundation of stakeholder theory. Other researchers have promoted the importance of different stakeholder groups to the company (Agle et al., 1999).

Stakeholder theory, according to Donaldson and Preston (1995), includes normative, descriptive, and instrumental approaches. The normative approach to stakeholder theory is considered to be a core approach (Gioia, 1999; Wijnberg, 2000; Zinn et al., 2000); it is used to examine the company’s function—leading to the identification of philosophical guidelines that drive the company’s operations. The instrumental approach to stakeholder theory is used to identify stakeholder relationships based on the stakeholders’ moral commitment rather than solely to maximize profits (Donaldson & Preston, 1995). The descriptive approach to stakeholder theory is used to describe and explain company characteristics and behaviors, particularly in relation to management activities.

Stakeholder theory concerns organizational management and the business ethics of different groups (stakeholders) impacted by the activities and decisions of companies. Stakeholder theory addresses organizational management morals and values, such as those associated with social contract theory, corporate social responsibility, and market economy. These organizational management perspectives are important when analyzing PACs because, similar to corporate social responsibility in a business context, PAC
public service delivery must be socially responsible, understanding the community and responding to its needs.

Although the PAC has no direct competition as the larger artistic infrastructure in a community, PAC leadership must understand the market and provide a valuable product to the community. Stakeholder theory is multifaceted; it accounts for market-based, resource-based, and sociopolitical factors. A common application of stakeholder theory involves defining specific stakeholders (normative stakeholder identification) and examining the conditions and environments in which these stakeholders are treated by company management (salience). In many fields, stakeholder theory has successfully challenged existing frameworks by suggesting that stakeholder needs should be considered at the forefront of all actions (Harrison & Wicks, 2013; Phillips, 2004). Within PACs, stakeholders include the employees, resident companies that partner with the PAC, neighboring arts organizations, and the community. In the context of the present study, stakeholder theory is relevant because of the many stakeholders affecting the governance of PACs.

Summary

This chapter outlined the research questions, design, and the data sources. Two key research questions guided this dissertation—the first on the typology of governance structures, and the second on relationship between governance structures and PACs’ functioning. The dependent, independent, and control variables were identified for the study.
Governance theory, stakeholder theory, and creative placemaking theory offer the theoretical framework for the study. The governance structure of a PAC—as a public enterprise and a cultural facility—must be balanced with community needs. The governance theory states that the governance of an organization is important in understanding its business function. Yet, a PAC should go beyond business values and cater to community (stakeholder) values based on the creative placemaking theory. Therefore, the creative placemaking framework used as a base for this study is also important and a relevant framework for this study. The present study is important and timely because it accounts for attendance and programming of the functions of PACs.
CHAPTER 4: TYPOLOGY OF PACS

This chapter provides the typological analysis of the PACs’ governance structures across the United States. Governance associated with a PAC refers to the facility’s management structure in all its elements, including the operations, maintenance, and leadership. In this chapter, I seek to make two contributions. First, for scholars, I expand conceptual debates and discussions that are often overlooked in managing creative placemaking (Markusen & Gadwa Nicodemus, 2019), arts policy (Markusen & Gadwa Nicodemus, 2020), creative economy (Grodach, 2013; Markusen & Gadwa, 2010a, 2010b), and community development (Bennett, 2014; Markusen & Gadwa Nicodemus, 2014). Second, for students of arts administration and public policy, I provide a scheme for the categorization of PACs across several dimensions that hinge on their governance structures.

The main objective of this chapter is thus to answer Research Question 1 by delineating the universe of governance structures used by PACs and proposing a way to classify them. The analysis draws on typologies of music and arts organizations (Collier et al., 2008; Eisner, 1962; Essig, 2014) and other relevant work, including existing information on revenue streams of PACs (Geursen & Rentschler, 2003; Chang, 2010; Keeney, 2018; Markusen & Gadwa, 2010a), community partnerships (Ellis, 2001; Goler, 2005; Novak-Leonard & Skaggs, 2017), creative placemaking (Frenette, 2017; Markusen & Gadwa, 2010b; Markusen & Gadwa Nicodemus, 2019; Redaelli, 2016), and cultural planning literature (Thibodeau & Rüling, 2018; Thompson, 2001; Vojtíšková et al., 2016). Based on Collier et al. (2008) and Essig’s (2014) research on typological analysis,
I conducted a typological analysis to determine the governance structure of all PACs included in this study.

The next section identifies the typological analysis of the PACs. After this, the distinctive characteristics of the types of PACs are described. Lastly, the chapter highlights three PACs that exemplify the categories.

**Typological Analysis of PACs**

The procedural mechanism of the steps of identifying the categories was described in the previous chapter. A typological analysis (Gabor, 2009) is carried out in several stages. It is an inductive method of analysis where the end result is not known a priori. The stages used in this study are represented in Figure 5 (Malhorta, 2010).

Typology has been used in management and social sciences to understand organizational fundamentals (Doty & Glick, 1994) and is useful for classification. In the stagewise approach, the first step is to articulate the problem by clearly identifying the dimensions along which the classification needs to happen. In this case, the typology was done according to the governance dimensions of PACs. The groupings in the next three stages were done inductively, with no preset number of groups. The number of groups arose organically, based on the evolving number of groups identified by each additional PAC inductively. The last two stages established the distinctive groups and articulated the boundaries of the groups.
After going through the above steps, 187 PACs were identified as multipurpose facilities that offer multiple types of art performances. This section describes the substantive classification of these 187 PACs. The IRS Form 990’s subsection codes were used to identify initial categories. The IRS Subsection 3 code identified charitable, educational, and literary organizations; organizations to prevent cruelty to animals and children; organization for public safety testing; and religious and scientific organizations. The IRS Subsection 7 code identified social and recreational clubs. Most PACs fell within these two categories. It must be noted that the PACs provide two or more of different programs, such as theater, dance, music, or all inclusive of the three performing arts. Facilities that offer a single type of performance (e.g., only theater) were not considered in this study. Among these eliminated, for example, were performing arts facilities such as Olympia Theatre, Boch Center–Shubert Theatre, and Boston Theater,
which were centers providing theatrical performances rather than multidisciplinary performing arts presentations such as all-inclusive music, theater, and dance.

The next substantive step was to code the PACs with dimensions along which the organizations needed to be classified (Hatch, 2002). Whereas governance was the overall typological theme of interest, it has several associated dimensions. These dimensions were also inductively determined. Such dimensions included the facility’s infrastructure, activities, developmental history, financial structure, and administration. A constant comparative method (Glaser & Strauss 1967) was used to identify these distinctive differences in governance patterns with each additional PAC.

The inductive typological analysis of the 187 PACs yielded three types of PAC governing structures: (a) PACs governed by local government, (b) nonprofit PACs governed by nongovernment organizations, and (c) PACs governed by public–private partnerships. These are three clear nonoverlapping and distinctive governance structures that emerged from the data set. These categories were not preconceived. In the first category, governed by local government, PACs have management boards that are primarily controlled by the public agencies. PACs in the second category, governed by nonprofits, are entirely managed by one nonprofit agency or a consortium of nonprofit agencies that are often community based. The third category of PACs are public–private partnerships, where public, private, and nonprofit agencies come together to establish the PACs. The management boards are also broadly drawn from across all three types of agencies. Beyond the overarching governance categorization, the three types also provide interesting patterns of infrastructure, activities, developmental history, and financial structure. These dimensions of governance share commonalities within each category.
(i.e., they are similar within a category) and are distinctive from other categories (i.e., they are dissimilar between categories). The dimensional differences in the patterns provide further verification of the three types of PACs. The three types of PACs are elaborated below.

The Three Types of PACs

Figure 6 shows the conceptual scheme of the outcome of the typological analysis. The top bubbles show the three overarching types of governance structures that emerged through an inductive analysis of the 187 PACs included in the study. The PACs are governed by local government, nonprofits, or public–private partnerships. The bottom bubbles show the different dimensions of governance that emerged in the inductive process. These dimensions include developmental history, activities, finances, and facility type (i.e., music, dance, and theater combinations).
A PAC with *local government* governance structure is governed and managed by public administrators who are either local government employees, part of a department of cultural affairs, or a local school district employee involved in community outreach and community affairs. The local government directly controls the affairs of the PACs. The local government is in charge of the operations, financing, and the performances in the PACs. Out of the 187 PACs in the country, 27 PACs are governed by local governments directly.

A PAC operating as a *nonprofit* has a community-based nonprofit entity managing and operating the facility through a 501c3 nonprofit organization. The PAC has little or tenuous link with the local government agency in terms of its management structure. The governing board is formed directly by the nonprofit organizations. The
nonprofit also manages the finances of the PACs. Out of the 187 PACs in the country, 96 PACs are governed by nonprofits.

A PAC whose governance structure is managed and operated by a *public–private partnership* engages both public sector and private sector in the PAC’s financial and managing structure. This is a hybrid structure with management board representation from the public, private, and nonprofit sectors. The finances are also complex, with multiple sources of funding from across the three sectors. Out of the 187 PACs in the country, 64 PACs are governed by public–private partnerships.

The following subsections explore the additional governance dimensions. Specifically, historical development, funding, activities, and facility types are described.

*Developmental History of PACs*

The three types of PACs have distinctive developmental histories from the beginning to maturity. There are four distinctive phases of a PAC’s developmental history: awareness, design, construction, and implementation. Awareness is when the community determines a need for the PACs, design is when the PAC becomes a reality and alternative structures are considered to establish it, construction is when the PAC has a physical home to house activities, and implementation is when the PAC begins to stage activities. All four phases need to be completed for a thriving PAC. At each of these phases, the major organizations involved and the specific organizational structure of the PACs differ among the three types. Figures 7–9 portray the structures graphically for the local government, nonprofit, and public–private partnerships. As is clear from the figures, the three types have different structures across the four phases. In the local government type, the push for the PACs comes from the highest political levels (e.g., the mayor) and
is administratively headed by a high-level administrator (e.g., city manager). In the nonprofit type, the push comes from a consortium of public and private organizations and is headed by an individual in the nonprofit; the political establishment is less involved. In the public–private partnership type, there is a combination of both political and private interests in establishing the PACs, and the governing board represents such distribution of interests. Often, community interests are represented in all three types of governing structures with varying degrees of voice in the decision-making processes.
Figure 7

*Performing Arts Centers Phases of Development: Local Government*
Figure 8

Performing Arts Center Phases of Development: Nonprofit
Figure 9

Performing Arts Center Phases of Development: Public–Private Partnership
**Governance and Funding Sources**

The funding sources are generally similar and consistent within specific governance structures. The three types have distinctive funding mechanisms, board member configuration, and corresponding leadership positions within the PAC. The analysis revealed that the local-government-managed PACs obtained funding through mandatory local government sources such as cultural affairs councils, citizen tax dollars, local community members, and private foundations or individuals. These PACs had board members who were primarily from government agencies such as cultural affairs councils and county districts. PACs with nonprofit governing structures had to raise their own funding through fundraising, grants, and other philanthropic means. The board members were primarily from local nonprofit organizations or prominent members from the community. Lastly, funding for public–private partnerships mainly came from private foundations and private business people. Their board members are representatives from private companies, private foundations, and private philanthropic individuals as well as government agencies.

**Activities of PACs**

The activities of PACs help identify who they are in the community, the events they produce, and how they decide their programming activities. The activities generally encompass musical performances, theatrical performances, dance performances, and educational and family programming. There are interesting patterns of similarities among the PACs in terms of the activities they produce. Local government PACs provide community outreach initiatives in the surrounding communities. The community outreach activities are held within the PAC facility or sometimes conducted in other sites in the
community (e.g., parks or other neighboring facilities). Nonprofit PACs undertake fundraising while conducting the events. They could hold charity musical performances activities such as presentations from symphony orchestras, chamber music ensembles, and contemporary music ensembles. Public–private partnerships also engage in developing and building community and social capital, to enhance the social well-being of a local community (D’Ambrosio, 2005; Eisinger, 2000; Grodach, 2011; Markusen et al., 2006).

**Facility Type**

The facility type describes the types of arts programs and performances that the different types of PACs undertake. Since PACs are multipurpose facilities, they undertake different types of arts, such as music, dance, and theater performances. However, within each of these types of arts are several categories. For example, music performances could be classical, contemporary, and various types of modern musicals. Dance and theater performances can similarly come from across different genres. Some PACs cross over these categories, offering a combination of music, dance, and theater performances. These different types of facility types are summarized for each of the governance typology of PACs in Tables 5, 6, and 7. Single performance refers to a set of arts performances (e.g., within each of music, dance, and theater); two and three performance cross over these sets of art performances. Thus, all of these facility types are multipurpose facilities. Tables 5–7 also list additional variables that are of interest for later quantitative investigation, such as the employees, performance, fundraising, and so on.
As Tables 5–7 show, the local government and public–private partnership types of PACs are mainly three-facility PACs; however, the nonprofits are mainly of one performance facility. This is an interesting pattern. When the public sector is involved, a broader set of arts performances is reflected within the PACs. However, the nonprofit types host only one set of arts performance. This phenomenon can be explained by the nonprofits’ specific interest in a category of arts facilities and promoting only that type of arts programs.

The descriptive statistics for all PACs combined are presented in Chapter 5. I also compiled summary statistics for variables related to each of the PAC governance typologies. Table 5 shows the summary statistics for the typology of local government governance. Table 6 shows the summary statistics for public–private partnership. Table 7 shows the summary statistics for nonprofit governance.
Table 5

Summary Statistics for Performance Arts Center (PAC) Governance Typology of Local Government

<table>
<thead>
<tr>
<th>Variable</th>
<th>n</th>
<th>Mean</th>
<th>SD</th>
<th>Min.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 performance facility</td>
<td>21</td>
<td>0.278</td>
<td>0.452</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>2 performance facilities</td>
<td>21</td>
<td>0.180</td>
<td>0.387</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>3 performance facilities</td>
<td>21</td>
<td>0.540</td>
<td>0.502</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Fundraising activities</td>
<td>22</td>
<td>0.318</td>
<td>0.477</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Grants to organizations</td>
<td>22</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Grants to individuals</td>
<td>22</td>
<td>0.045</td>
<td>0.213</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>No. of employees</td>
<td>22</td>
<td>13.4</td>
<td>28.5</td>
<td>0</td>
<td>133</td>
</tr>
<tr>
<td>No. of performances</td>
<td>21</td>
<td>284.36</td>
<td>152.18</td>
<td>36</td>
<td>458</td>
</tr>
<tr>
<td>Gross fundraising</td>
<td>22</td>
<td>23,150</td>
<td>44,154</td>
<td>0</td>
<td>153,465</td>
</tr>
<tr>
<td>Total support</td>
<td>22</td>
<td>49,941</td>
<td>378,027</td>
<td>0</td>
<td>2,928,554</td>
</tr>
<tr>
<td>Attendance</td>
<td>21</td>
<td>119,598</td>
<td>120,990</td>
<td>7,500</td>
<td>360,000</td>
</tr>
<tr>
<td>Total program revenue</td>
<td>22</td>
<td>454,896</td>
<td>649,389</td>
<td>0</td>
<td>2,721,249</td>
</tr>
<tr>
<td>Total contributions</td>
<td>22</td>
<td>6,118,549</td>
<td>18,000,000</td>
<td>0</td>
<td>121,000,000</td>
</tr>
<tr>
<td>Total revenue</td>
<td>22</td>
<td>1,390,679</td>
<td>2,879,144</td>
<td>66,707</td>
<td>13,800,000</td>
</tr>
<tr>
<td>Total public support</td>
<td>22</td>
<td>2,415,607</td>
<td>60,567,56</td>
<td>0</td>
<td>23,800,000</td>
</tr>
</tbody>
</table>

Note. N = 27.
Table 6

Summary Statistics for Performance Arts Center (PAC) Governance Typology of Public–Private Partnership

<table>
<thead>
<tr>
<th>Variable</th>
<th>n</th>
<th>Mean</th>
<th>SD</th>
<th>Min.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 performance facility</td>
<td>61</td>
<td>0.278</td>
<td>0.452</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>2 performance facilities</td>
<td>61</td>
<td>0.180</td>
<td>0.387</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>3 performance facilities</td>
<td>61</td>
<td>0.540</td>
<td>0.502</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Fundraising activities</td>
<td>60</td>
<td>0.533</td>
<td>0.503</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Grants to organizations</td>
<td>60</td>
<td>0.167</td>
<td>0.376</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Grants to individuals</td>
<td>60</td>
<td>0.067</td>
<td>0.252</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>No. of employees</td>
<td>60</td>
<td>200</td>
<td>455</td>
<td>0</td>
<td>2,560</td>
</tr>
<tr>
<td>No. of performances</td>
<td>33</td>
<td>536.03</td>
<td>901.65</td>
<td>28</td>
<td>4,000</td>
</tr>
<tr>
<td>Royalties</td>
<td>60</td>
<td>8929.05</td>
<td>41,524</td>
<td>0</td>
<td>260,871</td>
</tr>
<tr>
<td>Gross fundraising</td>
<td>60</td>
<td>100,703</td>
<td>153,538</td>
<td>0</td>
<td>1,264,662</td>
</tr>
<tr>
<td>Total support</td>
<td>60</td>
<td>49,941</td>
<td>378,027</td>
<td>0</td>
<td>2,928,554</td>
</tr>
<tr>
<td>Attendance</td>
<td>37</td>
<td>673,206</td>
<td>1,059,380</td>
<td>10,257</td>
<td>5,000,000</td>
</tr>
<tr>
<td>Total program revenue</td>
<td>60</td>
<td>7,963,282</td>
<td>17,900,000</td>
<td>0</td>
<td>95,500,000</td>
</tr>
<tr>
<td>Total contributions</td>
<td>60</td>
<td>6,118,549</td>
<td>18,000,000</td>
<td>0</td>
<td>121,000,000</td>
</tr>
<tr>
<td>Total revenue</td>
<td>60</td>
<td>15,300,000</td>
<td>38,400,000</td>
<td>62,021</td>
<td>240,000,000</td>
</tr>
<tr>
<td>Total public support</td>
<td>60</td>
<td>7,850,355</td>
<td>25,000,000</td>
<td>0</td>
<td>139,000,000</td>
</tr>
</tbody>
</table>

Note. N = 64.
Table 7

Summary Statistics for Performance Arts Center (PAC) Typology Nonprofit

<table>
<thead>
<tr>
<th>Variable</th>
<th>n</th>
<th>Mean</th>
<th>SD</th>
<th>Min.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 performance facility</td>
<td>92</td>
<td>0.793</td>
<td>0.407</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>2 performance facilities</td>
<td>92</td>
<td>0.120</td>
<td>0.388</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>3 performance facilities</td>
<td>92</td>
<td>0.109</td>
<td>0.313</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Fundraising activities</td>
<td>92</td>
<td>0.380</td>
<td>0.488</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Grants to organizations</td>
<td>92</td>
<td>0.022</td>
<td>0.146</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Grants to individuals</td>
<td>92</td>
<td>0.054</td>
<td>0.228</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>No. of employees</td>
<td>92</td>
<td>58.4</td>
<td>124.1</td>
<td>0</td>
<td>709</td>
</tr>
<tr>
<td>No. of performances</td>
<td>89</td>
<td>176.97</td>
<td>163.20</td>
<td>6</td>
<td>843</td>
</tr>
<tr>
<td>Gross fundraising</td>
<td>92</td>
<td>29,019</td>
<td>61,736</td>
<td>0</td>
<td>258,741</td>
</tr>
<tr>
<td>Total support</td>
<td>92</td>
<td>8,052,528</td>
<td>2,800,000</td>
<td>0</td>
<td>1.93e+08</td>
</tr>
<tr>
<td>Attendance</td>
<td>87</td>
<td>219,247</td>
<td>836114</td>
<td>1800</td>
<td>5,000,000</td>
</tr>
<tr>
<td>Total program revenue</td>
<td>92</td>
<td>1,771,303</td>
<td>4,797,973</td>
<td>0</td>
<td>35,100,000</td>
</tr>
<tr>
<td>Total contributions</td>
<td>92</td>
<td>689,582</td>
<td>1,142,239</td>
<td>0</td>
<td>5,655,500</td>
</tr>
<tr>
<td>Total revenue</td>
<td>92</td>
<td>2,608,258</td>
<td>5,952,972</td>
<td>1,812</td>
<td>4.15e+07</td>
</tr>
<tr>
<td>Total public support</td>
<td>92</td>
<td>7873184</td>
<td>2.74e+07</td>
<td>0</td>
<td>1.90e+08</td>
</tr>
</tbody>
</table>

Note. N = 96.

Exemplary PACs of Each Typology

To exemplify each type of governance structure of the PACs, I undertook a case study analysis of a typical PAC in each category to understand the in-depth aspects of governance more specifically. For this purpose, I undertook secondary review of the PACs through various sources. The review included an examination of annual reports of the PACs, their IRS 990 forms in their entirety (i.e., including supplementary documents submitted to IRS), and other secondary materials from the PAC websites. After a broad review of the PAC types, I chose one PAC from each type that is large (in size and has multiple facilities) and gave the broadest representation of the governance typology for the category.
The selected PACs are Santa Barbara Center for the Performing Arts, Arts Center Task Force (Mid-Columbia Performing & Visual Arts), and the Adrienne Arsht Center for the Performing Arts in Miami. The first PAC is representative of the local government type, the second represents the nonprofit type, and the third represents the public–private partnership type. For each of the PACs, I identified five key points to investigate. The five key points were (a) administrative structure in terms of job titles and responsibilities, (b) programming, (c) whether the PAC engaged resident companies, (d) operational and program finances, and (e) facility infrastructure. For each of these PACs, I further reviewed their historical documents, any partnership agreements they had with resident companies or other artistic organizations, their mission and vision statements, as well as their programming documents. Artistic partnership agreements are relationships between a PAC and resident companies for the use of infrastructure facilities. Resident companies are often third-party arts organizations that have a contractual relationship with the PAC and share revenue and expenses of arts performances. The following sections describe the case studies of the selected PACs.

**Santa Barbara Center for the Performing Arts**

The Santa Barbara Center for the Performing Arts opened its doors on April 8, 2009 to the community of Santa Barbara, California. The PAC’s historical development is typical of many other publicly managed PACs across the country. The Santa Barbara Center for the Performing Arts began its search for a performing arts space in 1997 and, after several feasibility studies, the governing board decided that renovating an existing downtown theater—the Granada Theatre—was a better alternative than constructing an entirely new PAC. The theater, located in the prime downtown area, was an existing
building that was not being actively used. It was in relatively good structural shape, with excellent natural acoustics for multiple types of arts performances. Hence, the board selected the Granada Theatre in downtown Santa Barbara, California. The building required renovation, which would add to the historical significance of the downtown. Photos of the original and restored building are presented in Figure 10.

**Figure 10**

*Granada Theatre, 1997 (Left) and Granada Theatre/Santa Barbara Center for the Performing Arts, 2020 (Right)*

*Note. Photos used with permission from History: The Granada Theatre, by the Santa Barbara Center for the Performing Arts, n.d.-a, https://www.granadasb.org/about/history/

**Governing Structure: Local Government.** The Santa Barbara Center for the Performing Arts is governed by the local government cultural affairs council in the city of Santa Barbara and managed by employees of the Santa Barbara Performing Arts Center Trust.

Santa Barbara Center for the Performing Arts (n.d.-b) has published its mission statement on its website, stating that the center serves the Santa Barbara community by
“providing a vibrant, state-of-the-art venue where world-class artistic performances are available to the widest possible audience, promoting appreciation for the performing arts and enhancing the quality of life in our community” (para. 1). It is operated by the school district in Santa Barbara. As such, the PAC’s focus is to meet the educational needs of students.

Administratively, the Santa Barbara Center for the Performing Arts is headed by the Performing Art Center Trust’s chairman (who heads the PAC’s governing board, too). The center’s president also serves as chief executive director and is from the trust. The management of the PAC includes 10 box office associates, 13 operation staff members, and six administrative staff who handle everything from daily administrative issues to special events. The staff manage the PAC’s audience, handle house operations, and take care of the basic needs (e.g., electrical, audio, wardrobe, and carpentry) for shows. Most of the operations are thus managed in house by the center’s staff. Additionally, a few part-time employees work on special events. The Santa Barbara Center for the Performing Arts has a total of 133 employees, as compared to the mean of 103 for all PACs managed by local governments.

**Resident Companies and Programming.** The vision of the PAC was to create an extraordinary performance hall that would meet or exceed the needs of the region’s existing performing arts companies for the next century. The board solicited input from eight regional performing arts companies in Santa Barbara regarding the technical, structural, and acoustic requirements needed to transform the existing Granada Theatre into the new Santa Barbara Center for the Performing Arts. The vision was to eventually integrate them and house all eight performing arts companies. The local government was
thus instrumental in bringing together a varied set of already existing performing arts
groups in the region. The eight performing arts companies eventually became the resident
companies of the Santa Barbara Center for the Performing Arts. They are the Santa
Barbara Symphony, Opera Santa Barbara, Santa Barbara Ballet, Santa Barbara Choral
Society, Music Academy of the West, University California Santa Barbara Arts &
Lectures, State Street Ballet, and Community Arts Music Association of Santa Barbara.
The local government catalyzed the partnership with these resident companies.

**Facility Infrastructure.** Each of the eight performing arts companies had unique
requirements for their performance needs. For instance, the Santa Barbara Symphony
required natural acoustics, a wider proscenium arch (i.e., architectural acoustic
adjustments in the facility and a stage that is wider than the usual theatrical stage), and a
stage with an acoustic shell and backstage area. The acoustic shell is an additional set of
wooden panels placed on stage to absorb or reflect sound waves for an optimal acoustic
experience. All of these requirements are necessary to achieve optimum acoustics in the
hall for orchestra performances. The Opera Santa Barbara required an even wider
proscenium and a much deeper stage for their operatic works, which include music and
theatrical elements. The State Street Ballet required a flexible floor (a Marley floor) that
could be positioned and removed for each performance. This floor protects the dancers
from injury. University of California, Santa Barbara Arts & Lectures, needed all of the
above, plus additional lighting and an upgraded audio system. The development of this
renovation project included fulfilling all eight resident companies’ specific requirements
to ensure that the performing arts companies and arts patrons of Santa Barbara were
provided with the best and latest technology and performing arts experience.
The PAC redesigned the performance space to accommodate the various requirements of the eight resident companies. The space can be rented by the resident companies for their performances (at a daily rate fluctuating between $4,400 and $6,300 at the time of writing). The rents are determined by the day (e.g., weekday or weekend) and character (e.g., education, other social, or commercial purpose) of the performance event. The PAC is available for rent to other individuals, organizations, and corporations within the community for additional revenue, but it mostly serves the students and arts patron stakeholders of Santa Barbara County.

**Financing.** The Santa Barbara Center for the Performing Arts has a controller, a contracts and administration manager, a membership manager, two ticketing specialists, and patron relations specialist, and human resources manager. The center also has three staff members dedicated solely to development of fundraising purposes as well as one marketing staff member.

Table 8 presents data on the PAC, including its finances. The data show that this facility of typology local government has one performance facility that is multipurpose in nature. Most of its operational revenues are generated through the ticket sales. The center also engages in fundraising activities. However, it is noteworthy that this facility does not engage in professional fundraising or award grants to organizations or individuals. The Santa Barbara Center for the Performing Arts has a gross fundraising of $91,550, compared to the mean of $58,254 for the local government type of PAC.
Table 8

Data for the Santa Barbara Center for the Performing Arts

<table>
<thead>
<tr>
<th>Variable</th>
<th>Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 performance facility</td>
<td>1</td>
</tr>
<tr>
<td>Professional fundraising</td>
<td>0</td>
</tr>
<tr>
<td>Fundraising activities</td>
<td>1</td>
</tr>
<tr>
<td>Grants to organizations</td>
<td>0</td>
</tr>
<tr>
<td>Grants to individuals</td>
<td>0</td>
</tr>
<tr>
<td>No. of employees</td>
<td>133</td>
</tr>
<tr>
<td>No. of performances</td>
<td>240</td>
</tr>
<tr>
<td>Royalties</td>
<td>0</td>
</tr>
<tr>
<td>Gross fundraising</td>
<td>$91,550</td>
</tr>
<tr>
<td>Total support</td>
<td>$28,379,704</td>
</tr>
<tr>
<td>Attendance</td>
<td>360,000</td>
</tr>
<tr>
<td>Total program revenue</td>
<td>$2,721,249</td>
</tr>
<tr>
<td>Total contributions</td>
<td>$11,262,138</td>
</tr>
<tr>
<td>Total revenue</td>
<td>$13,838,794</td>
</tr>
<tr>
<td>Total public support</td>
<td>$0</td>
</tr>
</tbody>
</table>

The Arts Center Task Force: Mid-Columbia Performing & Visual Arts Center

Governing Structure: Nonprofit. The Arts Center Task Force was established to support the arts community in Richland, Washington, by constructing a performing and visual arts center. The Arts Center Task Force represents a grassroots nonprofit organization that strives to advance the vitality (both culturally and economically) of the region. The vision of the Arts Center Task Force (2020a), as stated in its website, is to partner with other organizations in operating a PAC that “provides entertaining, delightful, moving, surprising and educational experiences to audiences of all kinds” (para. 2). To this end, the Arts Center Task Force determined that the population of the Mid-Columbia Region and Tri-Cities has increased over 280,000 people—representing the fourth largest metropolitan area within Washington State. The thriving performing
and visual arts community, and growing workforce, demanded increased cultural engagement and entertainment. As the area lacked a dedicated performing arts space, the mission of the Arts Center Task Force (2020a) was to build a PAC that advanced the cultural and economic vitality of the community. These efforts led to the Mid-Columbia Performing & Visual Arts Center (Figure 11).

Figure 11

Arts Center Task Force


The Arts Center Task Force embraced the following principles during project development: integrity, collaboration, diversity, and tenacity. In relation to integrity, the Arts Center Task Force recognizes the importance of fiscal responsibility, honesty, and transparency. In relation to collaboration, the task force recognized the importance of obtaining input from different organizations, businesses, and individuals prior to making decisions. In relation to diversity, the task force recognized that it is important to embrace the richness and cultural diversity of the region, including welcoming all performers and audience members. In relation to tenacity, the Arts Center Task Force (2020a) recognized
that the mission is the crux of success and focuses on activities that allow for objective achievement.

**Resident Companies, Administrative Structures, and Programming.** Four nonprofit arts organizations serve as resident companies at the Arts Center Task Force (2020b). These organizations are the Mid-Columbia Symphony, Mid-Columbia Mastersingers, Mid-Columbia Musical Theater, and Mid-Columbia Ballet. All of these organizations share their distinctive space requirements within the center. The individual spaces are managed by separate staff from each of these organizations. The decisions are also made by these resident companies separately, but they are all coordinated by the Arts Center Task Force. The center thus represents a federated system of management, where many of the daily operations are decentralized and managed by the individual resident companies. At the same time, the task force coordinates among the different resident companies’ management. The Arts Center Task Force (2020b) also has volunteer ambassadors and advisors.

Each of the four resident companies has a distinctive type of performance, as suggested by the name of the organization. All play an important role in the sustenance of the PAC overall:

- The Mid-Columbia Symphony (2019) is governed by a board of directors, with representation from all the resident companies. The board is responsible for all of the legal and financial aspects of the symphony. The board is involved in selecting guest artists that perform, approves programming, and seeks fundraising and external revenue for sustainability of the PAC including but not limited to youth outreach programs, salaries and maintaining an
adequate marketing and publicity budget. The Mid-Columbia Symphony is mainly oriented toward classical music (Figure 12) with individual spaces for playing various special classical instruments. the symphony engages in educational outreach activities for school-age children to encourage them to become involved in music. The symphony’s budget for the 2017–2018 season was $263,000. Approximately a third of that income is earned through tickets sales. The remainder is provided through local businesses and individuals, with additional support from Pacific Northwest grant organizations. In addition, many thousands of dollars are saved through donations of labor, services, and items.

**Figure 12**

*Mid-Columbia Symphony*

Note: Reprinted from *Our Orchestra*, by Mid-Columbia Symphony, 2020, [https://midcolumbiasymphony.org/orchestra/](https://midcolumbiasymphony.org/orchestra/)

- The Mid-Columbia Musical Theater focuses on the production and staging of amateur theatrical productions. The theater provides related public service, educational, and recreational activities to the community. The theater has a long history, dating back to 1948 when it opened its doors as the Richland
Light Opera Company. The theater was the result of efforts of four individuals (Jack Quinn, Mina Miller, Blake Miller, and Jeanne Bowen) to produce *The Mikado* and *No, No, Nanette* (Mid-Columbia Musical Theater, 2021). In 1953, another transition occurred within the company from light opera to musical theater. The Mid-Columbia Musical Theater has experienced continual growth since its inception and has featured modern shows to mix with musical theater classics and light opera. Each show or program costs between $40,000 and $60,000 to produce (Mid-Columbia Musical Theater, 2021). Donations, grants, and ticket sales fund the Mid-Columbia Musical Theater and enable it to offer tickets at a discount for certain groups. By using volunteers, the Mid-Columbia Musical Theater is able to contribute to training interested individuals in production for musical theaters on stage and reduce costs. Finally, the overarching goal of the Mid-Columbia Musical Theater (2021) is to produce and stage amateur theatrical productions.

- The Mid-Columbia Mastersingers (2021) consists of the chamber choir, symphonic choir, and women’s choir. The mission of the Mid-Columbia Mastersingers envisions presentations of choral music as a transformative tool for social change and life transformation and enjoyment. The Mid-Columbia Mastersingers embrace values that include inclusivity, diversity, music to bridge societal differences, diversity of choral repertoires, artistic innovation, artistic achievement, participation, community engagement, and collaboration (Mid-Columbia Mastersingers, 2021). The Mid-Columbia Mastersingers ensemble has expressed their commitment to artistic excellence, support of
local and regional singers in the community, and development of new audiences through innovative programming and outreach efforts.

- The Mid-Columbia Ballet is headed by a board of directors, as required by the Washington Administrative Code. The mission of the Mid-Columbia Ballet (n.d.) is to foster the art of ballet in the community and provide a platform for classes for the youth and professional showcases of ballet productions throughout the year. The Mid-Columbia Ballet Guild manages the volunteers of the organization and engages in a significant fundraising effort for the organization. The Mid-Columbia Ballet has a Senior Company and Junior Company. These companies are beneficial because they promote opportunities for young dancers to engage in their craft through classical, neoclassical, and modern repertoires by choreographers across the nation. The rights of several Balanchine works have been granted to the Mid-Columbia Ballet. Additional work has been provided through guest artists from well-known companies, such as the Bolshoi Ballet, American Ballet Theatre, Pacific Northwest Ballet, Dance Theatre of Harlem, and Kirov Ballet. Dancers from the Mid-Columbia Ballet have engaged in professional careers following their time with the company.

**Financing.** Data for the Arts Center Task Force Mid-Columbia Performing & Visual Arts Center are shown in Table 10. The table shows that total program revenue is a large amount of the total revenue, which indicates a large number in attendance for the programming in the PAC. Much of the PAC’s funding comes through ticket sales.
Table 9

Data for the Mid-Columbia Performing & Visual Arts Center

<table>
<thead>
<tr>
<th>Variable</th>
<th>Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 performance facilities</td>
<td>1</td>
</tr>
<tr>
<td>Professional fundraising</td>
<td>0</td>
</tr>
<tr>
<td>Fundraising activities</td>
<td>1</td>
</tr>
<tr>
<td>Grants to organizations</td>
<td>0</td>
</tr>
<tr>
<td>Grants to individuals</td>
<td>0</td>
</tr>
<tr>
<td>No. of employees</td>
<td>14</td>
</tr>
<tr>
<td>No. of performances</td>
<td>234</td>
</tr>
<tr>
<td>Royalties</td>
<td>0</td>
</tr>
<tr>
<td>Gross fundraising</td>
<td>$30,248</td>
</tr>
<tr>
<td>Total support</td>
<td>$28,379,704</td>
</tr>
<tr>
<td>Attendance</td>
<td>125,027</td>
</tr>
<tr>
<td>Total program revenue</td>
<td>$6,234,579</td>
</tr>
<tr>
<td>Total contributions</td>
<td>$247,583</td>
</tr>
<tr>
<td>Total revenue</td>
<td>$8,258,817</td>
</tr>
<tr>
<td>Total public support</td>
<td>$0</td>
</tr>
</tbody>
</table>

Adrienne Arsht Center for the Performing Arts

Governing Structure: Public–Private Partnership. The Adrienne Arsht Center for the Performing Arts is located in Miami, Florida; it is a publicly owned cultural facility and is managed by a Trustee Board. The mission of the Adrienne Arsht Center (n.d.-a) is to provide a diverse cultural life by educating and entertaining audiences with great artistic programming. The center is a large public–private partnership in the United States, comprised of an $150 million private capital campaign conducted by the Performing Arts Center Foundation and public funding drawn primarily from the county’s Convention Development Tax revenues, as well as the City of Miami Omni Redevelopment District Community Redevelopment Agency. The total project expense was about $472 million.
The center is managed by the Adrienne Arsht Center Trust Board of Directors, who take decisions on behalf of the 501c3 nonprofit organization, Adrienne Arsht Center Foundation. Under the management of the PAC Trust, the Adrienne Arsht Center is led by an executive director. The facility is administered by an artistic director. The Resident Companies Alliance represents the interests of the resident companies. The administrative staff includes 96 people. The Arsht Center has 484 employees. The center has a large number of volunteers who help in managing the audience for special events. The PAC hosts over 400 performances yearly and provides diverse programming to attract new audience members and visitors.

**Resident Companies.** The Adrienne Arsht Center currently has three resident companies. These companies are the Florida Grand Opera, Miami City Ballet, and New World Symphony.

- **Florida Grand Opera** is an opera company and the resident company at the Ziff Ballet Opera House in the Adrienne Arsht Center. The company was founded in 1941 as the Opera Guild of Greater Miami and later became known as the Greater Miami Opera Association. The Florida Grand Opera was created in 1994 from the consolidation of two opera companies in the Miami-Fort Lauderdale region: Opera Guild of Greater Miami and the Opera Guild, Inc. of Fort Lauderdale.

- **Miami City Ballet** is an American ballet company based in Miami Beach. Its mission is to produce and present the highest level of dance performances throughout Florida. Founded in 1985 by a Miami philanthropist and a ballet legend, Miami City Ballet is well known as one of the world’s preeminent
interpreters of the choreography of George Balanchine. Its repertory includes more than 100 ballets. It also houses the Miami City Ballet School specializing in ballet dance (founded in 1993).

- The New World Symphony was established in 1987 and is dedicated to the artistic, personal, and professional development of outstanding instrumentalists. The fellowship program provides top graduates of music programs. It serves as a laboratory for musical education and expression and has a wide range of performance and instructional activities.

**Facility Infrastructure.** The facility was designed by a renowned architect, Cesar Pelli. It is composed of two buildings, which house three performing venues: the Sanford & Dolores Ziff Ballet Opera House, the Knight Concert Hall, and the Carnival Black Box Studio space (Adrienne Arsht Center, n.d.-b). The venue also houses the Peacock Educational Center, Parker and Vann Thompson Plaza for the Arts, an outdoor social gathering place, and the Carnival Tower—a historic building. The PAC can simultaneously host multiple activities, concerts, shows, programs, and events. This capacity is reflected in the number of yearly performances held at this PAC (400 performances per year) and the large audience size (over 450,000) who attend performances every year.

The Arsht Center has been used as an urban revitalization and community development tool. The arts provide an opportunity for revitalizing a community and having a positive economic impact (Florida, 2002a; Quarter et al., 2009). The leadership of an organization drives program revenue, opportunities for a positive economic impact in the community, and fundraising. Fundraising is a central activity for the center. The
foundation’s leadership has been instrumental in the cultural development of the neighboring community.

The Adrienne Arsht Center is located in a downtown area of Miami that was lacking business, traffic, and community, as shown in Figures 13 and 14.

**Figure 13**

*Space Planning Use for the Adrienne Arsht Center*

![Space Planning Use for the Adrienne Arsht Center](image-url)

*Note:* Source: Miami Dade Cultural Affairs Council.

**Figure 14**

*Community Redevelopment Related to the Adrienne Arsht Center*

![Community Redevelopment Related to the Adrienne Arsht Center](image-url)

*Note:* Source: Miami Dade Cultural Affairs Council.
The Adrienne Arsht Center (shown in Figure 15) has positively impacted the neighboring communities. It has served as a catalyst in assisting local resident performing arts organizations in creating a sustainable environment for their own development. This support of local performing and fine artists contributes to career development, goal setting and achievement, and artistic creation (Castaner & Campos, 2002; Stam et al., 2008).

**Figure 15**

*Adrienne Arsht Center for the Performing Arts*

Note. Source: Miami Dade Cultural Affairs Council.

The development and establishment of a PAC like the Arsht Center thus can assist in promoting the economic standing of a resident cultural organization and fill a cultural gap in any community. The PAC also can serve as a catalyst for community redevelopment. The role of the PAC is to also educate and engage the community in cultural activities that promote community gatherings and individual expression.
**Financing.** Table 10 shows the information for the Arsht Center. Total program revenue is $22.6 million annually, with attendance of 450,000 at 400 performances. Figure 16 shows attendance at the center. The center is publicly supported by the Miami-Dade County Mayor and the Board of County Commissioners, the Miami-Dade County Department of Cultural Affairs and the Cultural Affairs Council, and the Miami-Dade County Tourist Development Council. Education and outreach is funded in part by The Children’s Trust. The Arsht Center also receives support from private and corporate contributions through its Membership Program. Public–private partners include the City of Miami Omni Community Redevelopment Agency; American Express Company; Arison Arts Foundation; Dade Community Foundation; ExxonMobil Inter-America Inc.; The MAP-Fund, a program of Creative Capital Supported by the Doris Duke Charitable Foundation and the Rockefeller Foundation; The Andy Warhol Foundation for the Visual Arts; the State of Florida, Department of State, Division of Cultural Affairs, and the Florida Arts Council; National Endowment for the Arts; and John S. and James L. Knight Foundation.
Table 10

Data for the Adrienne Arsht Center for the Performing Arts

<table>
<thead>
<tr>
<th>Variable</th>
<th>Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 performance facilities</td>
<td>1</td>
</tr>
<tr>
<td>Professional fundraising</td>
<td>0</td>
</tr>
<tr>
<td>Fundraising activities</td>
<td>1</td>
</tr>
<tr>
<td>Grants to organizations</td>
<td>0</td>
</tr>
<tr>
<td>Grants to individuals</td>
<td>0</td>
</tr>
<tr>
<td>No. of employees</td>
<td>484</td>
</tr>
<tr>
<td>No. of performances</td>
<td>400</td>
</tr>
<tr>
<td>Royalties</td>
<td>0</td>
</tr>
<tr>
<td>Gross fundraising</td>
<td>0</td>
</tr>
<tr>
<td>Total support</td>
<td>$72,646,211</td>
</tr>
<tr>
<td>Attendance</td>
<td>450,000</td>
</tr>
<tr>
<td>Total program revenue</td>
<td>$22,575,127</td>
</tr>
<tr>
<td>Total contributions</td>
<td>$15,026,412</td>
</tr>
<tr>
<td>Total revenue</td>
<td>$388,550,916</td>
</tr>
<tr>
<td>Total public support</td>
<td>$71,870,880</td>
</tr>
</tbody>
</table>

Figure 16

Audience at the Adrienne Arsht Center; the Educational Role of the Center

Note. Source: Miami Dade Cultural Affairs Council
Overall, the Arsht Center fulfills a need in the community and creates opportunities for community development, urban revitalization, youth development, education, and public service delivery. The Arsht Center improves the conditions and overall quality of life for the residents of the community and surrounding areas. Indeed, the Adrienne Arsht Center created a buzz for more public–private partnerships in the arts world. Shortly after the implementation of the Adrienne Arsht Center, two other public–private partnerships emanated from the community. A cultural facility of this magnitude embraces and encourages further development of public–private partnerships for the advancement of arts, science, and technology. The Arsht Center contributed to developing the local cultural arts district and was the catalyst for the urban revitalization of the surrounding area.

**Summary**

The chapter served to answer the first research question. The typological analysis contributes to existing literature by describing the typology of governance structures of PACs. Public administration scholars have not yet paid attention how PACs are managed and financed. This chapter helps in furthering the knowledge of PAC governance structures. The analysis identified three typologies or governance structures for the PACs in this study: local government, nonprofit, and public–private partnership. PACs with governance typology of local government are cultural institutions governed by a local government entity such as a school district or local cultural affairs council, but with a nonprofit status. PACs with the governance typology of nonprofit have a nonprofit, nongovernmental organization governance structure. Those with the governance typology
of public–private partnership have a dual-reporting governance structure that involves a local government agency and a private philanthropic partner.

The PACs with each of those typologies reflected certain attributes and characteristics. For instance, nonprofits usually included fewer performance facilities. The typology of local government and public–private partnership normally had three or more performance facilities. To obtain a deeper understanding of each typology, one PAC was chosen from the PACs reflecting the mean for each typology.

The Santa Barbara Center for the Performing Arts was chosen for the typology of local government as it reflected similar attributes as others in the same typology. The PAC has one performance facility and is run by a local government entity. The in-depth analysis on this PAC revealed that this facility was a creative placemaking planning project by the local government of Santa Barbara of a redevelopment of a building in downtown Santa Barbara, California. The findings of the analysis with this facility also revealed that the PAC with a local government typology partners with several resident arts organizations to present programming reflective of the community it serves.

The Mid-Columbia Performing & Visual Arts Center is governed by a separate nonprofit organization. The findings revealed that this center houses two performance facilities, and the programming is reflective of the community it serves by involving local arts organizations and regional performing arts groups to perform in the facility. The Mid-Columbia Performing & Visual Arts Center also has findings representative of other nonprofit PACs. The PAC has a separate 501c3 that seeks funding from granting organizations and has one or two performance facilities.
The Adrienne Arsht Center for the Performing Arts has a governance structure that reflects the typology of public–private partnership. The PAC is governed by a local government board that includes members of a foundation board for philanthropist Adrienne Arsht. The PAC has four performance facilities and provides diverse programming reflective of the communities it serves. The findings from this analysis reveal that this PAC with governance structure of public–private partnership also engaged in a major redevelopment project. The PAC involved a much larger community of partners, which subsequently involved many partners with a substantial financial base.
CHAPTER 5: RESULTS OF PAC PERFORMANCE

This chapter of the dissertation is oriented toward answering Research Question 2, which examines the relationship between the governance structure and functioning of the PACs. In this connection, the chapter discusses the PACs’ performance in the context of the different forms of their governance structures. The chapter takes a quantitative approach to conduct a regression for analyzing the relationships. The previous chapter identified three categories of three PAC governance structures: local government, nonprofit, and public–private partnership.

Governance structure hypothetically should be related to PACs’ functioning and should be critical for their measures of success. The success measures considered in this dissertation were the number of performances and total program revenues. Correspondingly, four hypotheses were developed and tested for Research Question 2:

H1: Compared to public–private partnership, a governance structure of local government is negatively associated with the number of PAC performances.

H2: Compared to public–private partnership, a governance structure of nonprofit is positively associated with number of PAC performances.

H3: Compared to public–private partnership, a governance structure of local government is adversely associated with PACs’ total program revenue.

H4: Compared to public–private partnership, a governance structure of nonprofit is positively associated with PACs’ total program revenue.

Results showed significance for the variables of one performance facility, two performance facilities, attendance per performance, and number of years the PAC has
existed. However, none of the models showed support for typology of the PAC having a significant impact on the number of performances or total program revenue.

**Data and Variables**

Table 11 shows means by typology. Table 12 shows descriptive statistics, including means, for the data set for the various variables in the study. The independent variables of governance typology are presented as well as the dependent and control variables, as discussed earlier.

**Table 11**

*Category Means by Governance Typology*

<table>
<thead>
<tr>
<th>Typology</th>
<th>Total program revenue ($)</th>
<th>No. employees</th>
<th>No. performances</th>
<th>No. of attendance</th>
<th>Attendance per performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local government</td>
<td>454,897</td>
<td>113.41</td>
<td>204.36</td>
<td>119,598.2</td>
<td>585.2</td>
</tr>
<tr>
<td>Nonprofit</td>
<td>1,771,303</td>
<td>58.39</td>
<td>176.97</td>
<td>219,247.8</td>
<td>1,238.9</td>
</tr>
<tr>
<td>Public–private partnership</td>
<td>7,963,282</td>
<td>200.48</td>
<td>536.03</td>
<td>673,206.6</td>
<td>1,255.9</td>
</tr>
</tbody>
</table>
Table 12

Descriptive Statistics for Dependent, Independent, and Control Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>n</th>
<th>Mean</th>
<th>SD</th>
<th>Min.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance typology</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local government</td>
<td>27</td>
<td>0.125</td>
<td>0.332</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Nonprofit</td>
<td>96</td>
<td>0.526</td>
<td>0.501</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Public–private partnership</td>
<td>64</td>
<td>0.349</td>
<td>0.478</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Performance facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>One performance facility</td>
<td></td>
<td>0.594</td>
<td>0.492</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Two performance facilities</td>
<td></td>
<td>0.149</td>
<td>0.388</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Three performance facilities</td>
<td></td>
<td>0.269</td>
<td>0.444</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>No. of performances</td>
<td>181</td>
<td>389.366</td>
<td>741.646</td>
<td>6</td>
<td>4,000</td>
</tr>
<tr>
<td>Attendance per performance</td>
<td>182</td>
<td>399235</td>
<td>888913</td>
<td>1,800</td>
<td>5,000,000</td>
</tr>
<tr>
<td>Total program revenue</td>
<td>185</td>
<td>3,891,532</td>
<td>11,500,000</td>
<td>0</td>
<td>95,500,000</td>
</tr>
<tr>
<td>Total public support</td>
<td>185</td>
<td>12,400,000</td>
<td>60,900,000</td>
<td>0</td>
<td>702,000,000</td>
</tr>
<tr>
<td>No. of years</td>
<td>186</td>
<td>44.48</td>
<td>37.29</td>
<td>0</td>
<td>170</td>
</tr>
<tr>
<td>Poverty rate</td>
<td>185</td>
<td>12.37</td>
<td>4.14</td>
<td>4.2</td>
<td>27.3</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>185</td>
<td>3.92</td>
<td>1.06</td>
<td>2</td>
<td>8.4</td>
</tr>
<tr>
<td>Household income</td>
<td>185</td>
<td>67,079</td>
<td>16,594</td>
<td>31,586</td>
<td>122,933</td>
</tr>
<tr>
<td>College education percentage</td>
<td>185</td>
<td>34.3</td>
<td>10.6</td>
<td>14</td>
<td>60.8</td>
</tr>
</tbody>
</table>

For Research Question 2, the dependent variables used in the regression were PAC success, operationalized through (a) the number of performances and (b) total program revenue. The total program revenue indicated community participation in the arts and was measured by ticket revenue of performances presented at a PAC.

The variable of total program revenue was chosen as a means of understanding the vulnerability and diversification of revenue streams (Mayer et al., 2014) of PACs. Nonprofit PACs must understand their diversification of revenue streams to remain sustainable in the community. Understanding the artistic programs that bring in program revenue helps determine the audience the PAC addresses in order to continue to provide programming that is most supported by and reflective of the community.

Multiple diagnostic tests were conducted to check if any ordinary least squares (OLS) regression assumption was violated. First, for multicollinearity, I examined the variance inflation factor values of the variables. The highest variance inflation value was
1.84 (household income), which was lower than the value of 10 that is typically used to indicate severe multicollinearity.

Additionally, for heteroscedasticity, I ran the Breusch-Pagan test in STATA. The null hypothesis of the test is that the error terms are homoscedastic. The \( p \)-value of the model was .00, indicating that the null hypothesis that the governance typologies are homoscedastic was rejected and thus heteroscedastic.

**Results**

*Number of Performances*

Results for the number of performances on the impact of governance structure are presented in Table 13. The results did not support H1: Compared to public–private partnership, a governance structure of local government is negatively associated with the number of PAC performances. The findings also did not support H2: Compared to public–private partnership, a governance structure of nonprofit is positively associated with number of PAC performances. Compared to public–private partnership, a typology of local government reduced the number of performances by 62.84, and the typology of nonprofit reduced number of performances by 107.75; however, the difference was not statistically significant.

However, other variables showed significance. Results showed that PACs having three performance facilities and total public support showed statistical significance. Based on the data in Table 13, attendance per performance was significant at \( p = .02 \). This is consistent with research on arts participation (Markusen & Gadwa, 2010a, 2010b) discussed in the cultural planning section of the literature review.
Table 13

Ordinary Least Squares Regression Results for Number of Performances

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>SE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local government governance</td>
<td>-62.843</td>
<td>135.413</td>
</tr>
<tr>
<td>Nonprofit governance</td>
<td>-107.749</td>
<td>103.49</td>
</tr>
<tr>
<td>One performance facility</td>
<td>-459.033***</td>
<td>105.55</td>
</tr>
<tr>
<td>Two performance facilities</td>
<td>-399.41***</td>
<td>122.91</td>
</tr>
<tr>
<td>Attendance per performance</td>
<td>-0.0609</td>
<td>0.0271</td>
</tr>
<tr>
<td>Poverty rate</td>
<td>0.195</td>
<td>13.37</td>
</tr>
<tr>
<td>Household income</td>
<td>-0.003</td>
<td>0.004</td>
</tr>
<tr>
<td>College education rate</td>
<td>2.93</td>
<td>5.56</td>
</tr>
<tr>
<td>Total public support</td>
<td>431.00***</td>
<td>6.76</td>
</tr>
<tr>
<td>No of years of PAC</td>
<td>3.308</td>
<td>1.061</td>
</tr>
<tr>
<td>Constant</td>
<td>647.65</td>
<td></td>
</tr>
<tr>
<td>Observations (N)</td>
<td>180</td>
<td></td>
</tr>
<tr>
<td>$R^2$</td>
<td>0.40</td>
<td></td>
</tr>
</tbody>
</table>

Note. Typology of public–private partnership was the baseline. Variable of three performance facilities was the baseline. PAC = performing arts center. ***$p < .01$.

The findings revealed that PACs with more than two performance facilities, holding all other variables constant, had 647.65 more performances for the typology of public–private partnership than the other two types. Compared to PACs having three performance facilities, facilities with only one performance facility showed a reduction in number of performances of 459.03 ($p = .000$), and facilities with two performance facilities showed a reduction in number of performances of 399.41 ($p = .001$).

The other variable, household income, went against expectations based on the literature review that household income influences the arts community redevelopment (Mauri & Wolf, 2021; Smithrim & Upitis, 2005). One plausible explanation for this could be that as PACs develop a community, the household income rises and college education increases. The findings for college education were also inconsistent with other scholars’
research on economic development (Essig, 2014) discussed in the literature review. This variable is a limitation in the study. One plausible explanation could be that community members in surrounding zip codes have a college education, whereas this study measured the college education of community members within the same zip code of the PAC.

However, each additional attendee per performance reduced the number of performances by 0.06. Total public support showed a statistically significant increase in revenue but not a practically significant increase in number of performances. Each additional percentage of college education in the community, household income, and poverty did not show a statistically significant impact on the number of performances in a PAC. However, each additional year of service for the PAC increased the average number of performances by 3.31. Overall, these regressors were responsible for 40.3% ($r^2 = 0.403$) of the variation in number of performances.

**Total Program Revenue**

Table 14 presents results for H3 and H4 related to total program revenue. PAC governance typology was not associated with total program revenue. Results did not support H3: Compared to public–private partnership, a governance structure of local government is adversely associated with PACs’ total program revenue. Results also did not support H4: Compared to public–private partnership, a governance structure of nonprofit is positively associated with PACs’ total program revenue. This finding was surprising as it was not in line with previous research on organizations in cultural planning and creative clusters (Ratiu, 2013; Sacco et al., 2009), on fine arts (Essig, 2014), and on architecture (Caniggia & Maffei, 2001). However, other variables—one performance facility and two performance facilities, college education, and attendance
per performance—showed statistical significance related to total program revenue. All other control variables were statistically insignificant. In sum, these regressors were responsible for an $R^2$ value of 89% of the variation in total program revenue.

Compared to public–private partnership, typology of local government and nonprofit was not statistically significantly different in terms of total program revenue. This finding was inconsistent with literature reviewed on local government PACs (Bounds, 2007; Cohen & Wyszomirski, 2002; Johanson et al., 2014; Strom, 1999; Webb, 2016) and nonprofit PACs (Brooks, 2002; Poon & Lai, 2008).

Table 14

*Ordinary Least Squares Regression Results for Total Program Revenue*

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>SE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local government governance</td>
<td>-2,292,540</td>
<td>1,757,216</td>
</tr>
<tr>
<td>Nonprofit</td>
<td>-1,135,153</td>
<td>1,343,007</td>
</tr>
<tr>
<td>One performance facility</td>
<td>-2,951,504**</td>
<td>1,369,688</td>
</tr>
<tr>
<td>Two performance facilities</td>
<td>3,938,145**</td>
<td>1,594,962</td>
</tr>
<tr>
<td>Attendance per performance</td>
<td>617.10***</td>
<td>351.08</td>
</tr>
<tr>
<td>Poverty rate</td>
<td>136,931</td>
<td>173,519</td>
</tr>
<tr>
<td>Household income</td>
<td>-20.913</td>
<td>57.43</td>
</tr>
<tr>
<td>College education rate</td>
<td>135,414*</td>
<td>72,235</td>
</tr>
<tr>
<td>Total public support</td>
<td>0.147***</td>
<td>0.008</td>
</tr>
<tr>
<td>No. of years of PAC</td>
<td>-9,678.41</td>
<td>13,772</td>
</tr>
<tr>
<td>Constant</td>
<td>486,152</td>
<td></td>
</tr>
<tr>
<td>Observations ($N$)</td>
<td>180</td>
<td></td>
</tr>
<tr>
<td>$R^2$</td>
<td></td>
<td>0.72</td>
</tr>
</tbody>
</table>

*Note.* Typology of public–private partnership was the baseline. Variable of three performance facilities was the baseline. PAC = performing arts center.

* * *

The model showed that with more than two performance facilities, holding all other variables constant, the average revenue of PACs with governance of public–private
partnership and three facilities was $486,152. Compared to public–private partnership, typology of local government reduced total program revenue by $2,292,540, and typology of nonprofit reduced total revenue by $1,135,153. Compared to PACs having three facilities, those having only one performance facility showed a reduction of total revenue by $2,951,504, and having two facilities showed a revenue reduction of $3,938,145. Moreover, each additional attendee per performance added $617 in total program revenue.

**Findings and Discussion**

This study sought to shed light on whether governance structures of PACs affect their performance. The first research question investigated the differing governing structures of 187 PACs in this study. Utilizing the creative placemaking theory (Markusen, 2006), I analyzed PACs across the nation and developed a typological analysis that classified PACs into different typologies. The typological analysis revealed three governing structures: local government, nonprofit, and public–private partnership. I hypothesized that type of governance structure affected PAC performance. This is a novel finding and a contribution to the literature. Researchers may use these findings in categorizing PAC typology as part of future studies.

The second research question investigated whether the governance structure of PACs is associated with PAC success operationalized through number of performances and total program revenue. The findings revealed that compared to public–private partnership, local government and nonprofit governance are not statistically significant. However, important findings were revealed in relation to PACs with one, two, or three
performance facilities and the variables of attendance per performance and total public support. These significant findings should be used to explore future research in PAC performance.

Utilizing the theoretical frameworks of stakeholder theory (Brenner, 1993; Freeman, 1994), I hypothesized that the function of the PAC, as measured by number of performances, would be positively associated with PAC governance structure typology. This model was tested using an OLS estimation. I found no evidence that typology of PAC governance was associated with number of performances.

A second model used OLS regression to determine whether governance structure typology affected PAC performance in terms of total program revenue. The research provides evidence that total program revenue is positively impacted by a PAC’s performance facility type (one performance facility, two performance facilities, or three performance facilities). However, no significant evidence showed that governance typology of a PAC impacts the PAC’s total program revenue (the functioning of the PAC). The finding increases understanding of the impact of governance structure on PAC performance. This is also a novel finding and contribution to the literature and may serve as an avenue for cultural planners in their quest for PAC development. The finding also suggests future research on arts policy debates for cultural districts and decisions of PACs in communities across the nation.

The findings from both models do not suggest the effect of governance structure on the functioning of a PAC. Certain factors contribute more to PAC performance than others. In this dissertation, I identified total program revenue and number of performances as variables indicating successful functioning. The OLS regressions
exhibited significance for one, two, and three performance facilities; attendance per performance; and total public support. The OLS regression estimation exhibited positive associations with number of performance facilities of the PAC, attendees in the PAC, and percentage of college education among community residents. The regression showed negative association with poverty of the community residents within the same zip code, which should be explored in future research.

While the body of knowledge on PACs is growing, much of the literature has focused on community impact, economic development, and performance measurements. Few studies on governance of PACs exist, and even fewer studies have examined the factors that contribute to improved PAC performance as it relates to governance. This dissertation links the current knowledge on PACs and governance structure to explore the factors that affect performance and examine the relationship between governance structure and performance. Primarily, it contributes to enhancing public managers’ knowledge of PACs, which can be used to increase PACs’ performance.
CHAPTER 6: CONCLUSION

The focus on PACs as a valuable area of study within public administration has increased in the past decade. Although PACs continue to be built in communities across the country, very little is known about them. There has been little to no empirical research related to the governance structure of PACs. PACs are facilitators for artistic collaborations between regional arts organizations and national and international artists, and the centers provide a fundamental public service to local communities. Unlike other areas of study in the performing arts, very limited research exists on the performance of PACs. Furthermore, prior to this study, no set of typologies of PAC governance existed in public administration literature. In addition to the lack of performing-arts discipline-specific research in public administration, little to no empirical research has been conducted on PACs. The purpose of this dissertation was to fill these gaps within the literature by creating a typology of PAC governance structures, while conducting empirical research to explore the effects of governance structure on performance.

The first contribution of the study is in the form of a PAC typology. This finding answers Research Question 1. The second contribution of this study is the effect of PAC governance structure on PAC performance. The study supports the need for the typology of PACs. The study did not provide support for governance structure affecting PAC performance. This was the first study in the field of public administration to identify typology of PACs and empirically research the effect of governance structure on PAC performance.

PACs help promote and cultivate the arts in communities across the United States. State arts agencies support art activities by providing grant funding for arts institutions,
community arts groups, and individual artists. State arts agencies also serve to educate the public and preserve arts and cultural traditions. An increasing number of states recognize that a blossoming creative sector is a powerful economic asset to a local community (National Assembly of State Arts Agencies, 2015). Besides boosting the economy, states have recognized the many intrinsic benefits to the arts in a community. The number of Americans who attend live performances and purchase recorded live performances is increasing consistently year after year. From the thrill of an opening night concert to the streaming revenue of ticket sales, PACs have remained since the early 1960s a mainstay in communities and experienced a resurgence in the 1990s. However, little is known about PACs and how they function. Internationally renowned artists and thousands of audience members watching one performance may be exciting; however, behind the glitz and glamour, the PAC must function as a nonprofit entity with sustainable measures in place to continue its important role in a community.

Some PACs were not managed well, did not succeed, and had to close down. Others continue to struggle in economic downfalls and face structural and managerial challenges. The governance structures of PACs may influence the sustainability of the facility and its impact in a community. One PAC that continues to struggle today is the Gusman Center for the Performing Arts in Miami, Florida. Another PAC that had to close its doors was the Mount Laurel Performing Arts Center in Poconos, Pennsylvania. The facility opened in 2003 and then stopped producing arts events, theater productions, and concerts in 2004. Attempts to revive the center again in 2005 and 2011 were to no avail. The PAC was reported to have difficulty in its governing structure and executing its managerial business model by the leaders and governing body of the PAC (Theatre
Historical Society of America, 2017). The Gusman Center for the Performing Arts continues to struggle financially, but the local governed PAC remains operational.

PACs have become a tool for revitalization and redevelopment (D’Ambrosio, 2005), and municipal governments have turned to arts and cultural activities for community revitalization (Grodach & Loukaitou-Sideris, 2007). Many studies have focused on entertainment and commercial revitalization strategies (De Carvalho, 2016; Geursen & Rentschler, 2003); however, few empirical studies have focused on cultural strategies to stimulate urban redevelopment. Therefore, the contribution of this study is important to the understanding of such a vital cultural public service delivery in a community. In the 1990s (Reiss, 1998), PACs were constructed for the image of cultural vitality and not the actual cultural experience; therefore, many PACs and cultural institutions were constructed, yielding many errors in planning and programming.

Programming is an important factor of a PAC, as the PAC reflects the cultural significance and diversity of the surrounding communities. A PAC must reflect the community it serves to be successful. Due to the varying outcome of PACs, it is vital to understand the various types of governance structures used to manage the PAC facility and lead the programming aspects of the presentations in the PAC to the community.

The role of a PAC in a community is to deliver public services to the community for education, cultural enrichment, and entertainment—leading to improved social well-being and quality of life for community members. PACs are an instrument for public service delivery to communities, while also serving as mechanisms to revitalize and maintain vitality in communities (D’Ambrosio, 2005; Grodach & Loukaitou-Sideris, 2007; Rosenberg, 2005). The boom in PAC construction has led to greater understanding
of the benefits and roles held by PACs for the community (Reiss, 1998). The growing number of PACs across the country reflects the significance of PACs as a mechanism for public service delivery within a community. However, there is a lack of knowledge regarding how to best operate and manage PACs so they can develop fruitful, mutually beneficial relationships with the communities they serve (Markusen & Gadwa, 2010a, 2010b).

This was the first study in the field of public administration to empirically identify the typologies of PACs for public administrators, as well as examine the impact of those typologies on the PACs performance. Below, I review the key findings for each of the research questions in more detail and in the context of the literature. Next, this study’s limitations are discussed. The chapter concludes with implications and policy recommendations for public administrators in terms of practical applications as well as public administration education future research.

**Summary of Findings**

This section of the chapter presents a summary of the findings. Results are organized by research question.

**Research Question 1**

The first research question was the following: What are the forms of governance structures of PACs? To answer this research question, the first phase of the study sought to identify how PACs are governed, as well as develop a typology for each of the PACs in this study.
Typologies of PACs. The study was designed to shed light on the governance of PACs and its relationship to the factors affecting PAC performance in the delivery of arts and culture to a community. The first research question led to identifying the typologies associated with each PAC within the study. Identifying governance structures allowed further analysis to determine the success for each of the PAC typologies in the study. A typological analysis was developed that identified each PAC’s governance structure. Those governance structures were then coded and used as a measurement. Developing the typologies required inventorying PACs across the United States. The inventory was developed in several stages. First, a preliminary list of PACs across the United States with certain keywords identifying the word performance in their title or description. This was followed by a database of scholarly literature identifying specific PACs that presented only performing arts and not visual arts. The last and final stage used IRS income tax statistics for tax-exempt organizations to obtain a complete list of nonprofit arts organizations in the United States. Although PACs file as nonprofit organizations, their governance structures reflected various typologies.

A typological analysis (Hatch, 2002) was used to classify each PAC into categories. The measurements were coded and three typologies were revealed: local government, nonprofit, and public–private partnership. The typological analysis was useful in providing a descriptive framework of organizational fundamentals (Doty & Glick, 194) for discussion and analysis. This research finding is not consistent with the literature review on related disciplines. However, this is an important finding, as it categorizes PACs per typology and helps identify certain trends in each. These findings in typological analysis remain consistent with previous research on typology in the fine
arts (Essig, 2014) and architecture (Caniggia & Maffei, 2001), but the findings in this research are novel as this is the first typology of PACs.

**Typology of Local Government.** The governance typology of local government was represented by the Santa Barbara Center for the Performing Arts. With 133 employees, the Santa Barbara Center for the Performing Arts was found to present over 200 performances a year, with an estimated program revenue of $2,721,249 and fundraising at approximately $91,550. Unlike other PACs in this study, the Santa Barbara Center for the Performing Arts has three staff members dedicated to fundraising alone. This local government PAC was found to also have one performance facility and an attendance of over 350,000 people a year. This study reflects an analysis of the local government typology of PAC governance. Future research may consider the analysis to expand comparative analysis between each of the local government typologies.

**Typology of Nonprofit.** The governance typology of nonprofit PAC was represented by the Mid-Columbia Visual & Performing Arts Center. The interesting aspect of the nonprofit PAC typology is that it is a performing and visual arts center, which is not common in the dataset for this study. This PAC developed an interesting Arts Center Task Force that included community, business, and government entities to advance the cultural and economic vitality of the community; however, the PAC was determined to be led by a nonprofit governance structure. This PAC was found to have resident performing arts nonprofits that work directly in partnership with the PAC to present both performances and art exhibits. This unique finding may prompt further research into typologies of PACs that present both performances and art exhibits as the functioning of the PAC. The Mid-Columbia PAC presents 234 performances a year and
garners over $28 million in support and funding between all of the nonprofit partners that engage with the PAC. The findings show that over 100,000 attend performances annually in the PAC’s three performance facilities. Future research for nonprofit PACs could focus on PACs that partner with other nonprofit arts organizations in their community and how that impacts PAC performance.

**Typology of Public–Private Partnership.** The typology of public–private partnership was represented by the Adrienne Arsht Center for the Performing Arts. The Adrienne Arsht Center indicated total program revenue to be over $22 million, while the attendance figures were over 450,000 at over 400 performances on any given year. The findings for this PAC included the PAC employed 484 individuals, including some job responsibilities that other PACs did not employ. For instance, the Adrienne Arsht Center employed at the beginning an artistic director responsible for determining the artistic events, programs, shows, and concerts the PAC was going to present. This is a rather unique finding, as most PACs in the dataset employed only an executive director or general manager but not both an executive director/president and an artistic director. This is modeled after the theatrical and musical performing arts. Theater organizations normally engage in employing an artistic stage director and an executive director, whereas music organizations employ a music director and an executive director. The other interesting finding in the typological analysis of this public–private partnership is that the PAC was originally called the Carnival Center due to a major philanthropic donation from Carnival Cruise Lines. However, after a year of operation, a single philanthropic individual provided the PAC with more money than the original philanthropic company, and the Board of Trustees changed the name to this individual’s
name in honor of the highest philanthropic donation the PAC has received to date. While these measures were not assessed in this study, important next steps would be to further develop and acquire findings for future research studies on the impact of the philanthropic or business communities on a PAC in terms of the operations of different PACs. Future research could specifically focus on PACs with public–private partnerships from the typological analysis developed in this study and provide different measurement tools to explore such PACs.

The findings for this PAC also reflected total public support of over $71 million and contributions of over $15 million. These findings are consistent with other research in a related discipline of public–private partnerships of opera houses (Gudenrath et al., 2014). This interesting finding should be explored in future research. The research could explore managerial staff responsibilities and the effect on artistic and executive operational factors of the PAC.

Research Question 2

The second research question was: How does the governance structure influence the functioning of PACs? The independent variable was governance structure, based on the three identified typologies. Dependent variables were number of PAC performances and total program revenue. Additional variables were number of performance facilities, attendance per performance, total public support, and percentage of local population with a college education. To answer Research Question 2, OLS regression with robust errors was employed. The following discussion is prepared by variable.

Dependent Variables: Number of PAC Performances and Total Program Revenue. The dependent variables selected to represent functioning of PACs were
number of PAC performances and total program revenue. Analysis showed no statistical significance by governance type on number of PAC performance or total program revenue. The hypotheses were not supported. However, other variables showed significance with the dependent variables.

**Three Performance Facilities.** Another variable, three performance facilities, was significant in all models. The more facilities a PAC had, the higher the number of performances and the greater the total revenue. These findings are in line with previous research conducted on the fine arts (Essig, 2014) and architecture (Caniggia & Maffei, 2001) typological analysis on facility infrastructure. While most of the research on typological analysis is in the field of fine arts and architecture, it offers critical insight on how the PAC facility infrastructure may also affect PAC performance. This finding of the significance of the number of performance facilities in a PAC is critical, as it demonstrates a palpable way to measure the influence of number of facilities on the overall functioning of the PAC.

**Attendance per Performance.** The variable of attendance per performance, was significant for total program revenue. The finding indicates that the more attendance per performance the PAC has, the more total program revenue the PAC likely will have. The finding is consistent with the literature related to creative placemaking (Gadwa Nicodemus, 2013; Markusen & Gadwa Nicodemus, 2019), cultural community redevelopment (Grodach & Loukaitou-Sideris, 2007; Thompson, 2001), and creative cities (McLean, 2014; Peck, 2012) as well as grants related to increased audiences.

**Total Public Support.** Total public support was significantly associated with number of performances as well as total program revenue. This finding indicates that the
more total public support a PAC has, the more the total program revenue and number of performances. This finding supports literature that successful PACS often engage in activities to build community buy-in (Fisman et al., 2009; Grodach, 2011; Turbide & Laurin, 2009; Young, 2011).

**College Education.** Finally, the study found that the percentage of the community having a college education, based on individuals in the same zip code as the PAC, significantly impacted total program revenue, \( p < .1 \). The higher the percentage of individuals in the community with a college education, the more total revenue the PAC may gain.

**Benefits, Limitations, and Opportunities for Future Research**

Previous research has examined the role of PACs in local communities; however, few studies have examined how PACs should be governed—in terms of meeting the stated requirements of stakeholders. The governance, operational management, and sustainability of PACs—from the design and construction phase to implementation of opening night—have not been studied in depth.

Many PACs across the country were not suitable for this study. For example, some PACs did not have publicly available financial information or were too small to fit the scope of the present study. This study only focused on PACs that provided comprehensive performing arts products; those PACs provided music, theatre, and dance presentations as well as community activities. Future research should consider examining more disciplines within the performing and visual arts. This study did not focus on the possible gentrification generated by PACs. Future research should consider gentrification
effects of PACs in both rural and urban areas. This study also did not use a panel data set. Future research involving a panel data set could provide more information regarding performance over time. There is also a gap in the literature concerning mission statements of PACs. This study did not focus on mission statements of PACs, and future research involving mission statements per typology could provide information on causal effects of programming per typology.

PACs provide a vital community activity and a positive economic impact for the community. This study aimed to analyze the governance process at every phase of building a PAC and investigate the effects of different governance throughout each phase. Future research could investigate the specific stakeholder and community relationships that executive leaders should cultivate to maximize a PAC’s impact on the community—ideally leading to improved sustainability. The benefits can extend to arts administrators of PACs across the country and around the world, leaders of resident companies at other PACs, nonresident supporting community arts organizations, government officials, and community leaders in their role as advocates of PACs.

The data did not support my hypotheses that governance structures affect PAC performance. Further research may assist both policy makers and creative placemaking enthusiasts to continue understanding different aspects of the positive functioning of a PAC. Furthermore, future research should take advantage of this analysis and findings to continue to work with several PACs of differing governance structures to understand common themes that may help determine why some of the PACs perform better than others. An important next step would be to further develop and test other measures such as community redevelopment tools to gauge PAC community engagement. While
governance structure measures appear to be an ideal measure for determining functions of the PAC, alternative measures can be explored for future research. These include assessments that present the opportunity to survey PAC managerial stakeholders and ask them how their direct work is related to the performance of the PAC. Similar cases have been developed in nonprofit PACs (Hsieh, 2010).

Theoretical Implications

Theories of governance, creative placemaking, and stakeholders informed this research. Governance theories support that how one governs people, individuals, or groups should support community needs (Cohen & Wyszomirski, 2002; Osborne & Gaebler, 1992). Based on creative placemaking theory (Markusen, 2012), the cultural planning process identifies music, theater, and dance in a community and increases development of PAC facilities and arts programming. Stakeholder theory (Brenner, 1993; Freeman 1994) supports that the stakeholder ecosystem for PACs involves the PAC facility, community arts organizations, community partners, and community members.

These theoretical perspectives make three foundational conceptual contributions to the present study. The first is the notion of governance as it relates to PAC by identifying PAC governance structure as local government, nonprofit, or public–private partnership governance structures. Second, the idea of the cultural planning process of any policy is highly vulnerable to the creative placemaking theory. The PACs identified in the typological analysis in this study certainly reflect the creative placemaking theories identified in the literature review. Each of the PACs identified in the typological analysis identified creative clusters in either presenting programs and artistic disciplines or
identifying and partnering with local nonprofit organizations in providing a comprehensive creative cluster of performance offerings in the PAC. Scholars (Kortbek, 2019; Markusen, 2014) of creative placemaking theory claimed that during the cultural planning process, community development increases; cultural districts bring rise to PAC cultural facilities whose governance structure is determined by the process of both cultural planning and creative placemaking. This is identified in the typological analysis of Chapter 4 by providing the planning process, cultural decision-making, and partnering arts organizations for each of the PACs identified.

The third and final contribution from these theoretical views has to do with the contribution of the stakeholders of PACs in a community. Shared community attitudes and support for the arts provide more opportunity for arts participation and increased community development as well as program revenue. Understanding the community members in the area and the attendance per performance can assist in understanding PAC stakeholders. Future research should explore the demographics of the community and provide further research on education attainment of a community in the areas surrounding a PAC. This future research could contribute to the theoretical implications of stakeholder theory for PACs.

**Implications for Policy and Practice**

The findings of this dissertation offer important implications for policy and practice in public administration—particularly in the arts administration sectors. It is expected that this research may be used as a foundation for future research of this type regarding PACs. The first research question addresses typologies of PACs. The results
indicated three different typologies for governance structures of the PACs included in this study: (a) local government, (b) nonprofit, and (c) public–private partnership. This information can be useful to policy makers and public administrators of these important cultural institutions.

PACs with local government typology are governed by a local school district, a local government cultural affairs council, or even a local government parking authority division of the local government. The typology of nonprofit was identified in this study as governed by a nonprofit, 501c3 organization. These PACs create a nonprofit organization to govern and run the facility. The nonprofit organizations from this study tended to have only one performance facility, fewer employees, and less total public support than the other two types. Finally, the typology of public–private partnership includes PACs that have a multitiered relationship and partnership with a local government entity and a philanthropic individual or corporation. Either a philanthropic individual or a corporation has provided the PAC with a donation to sustain the operational status of the PAC in perpetuity.

Results for Research Question 2 did not show a statistically significant association between governance structure and either number of performances or total program revenue. However, other variables showed significance in the functioning of the PAC, related to funding, programming, and community support.

The study examined the funding mechanisms of the PACs. Although typology was not significantly related to governance, the public–private partnerships did show greater total program revenue. Variables that statistically significantly impacted total program revenue were number of performance facilities, total public support, and
attendees per performance. Additional performance facilities increased number of performances as well as total program revenue.

The study provided the opportunity to understand the community that resides in the same zip code as the PAC and the total public support and demographics of the members of that community. The models show overall that total public support affect the functioning of a PAC in terms of both number of performances and total program revenue. Moreover, attendance per performance, a measure of community engagement, statistically significantly increased total program revenue. This can be interpreted as PACs, regardless of typology, needing a positive relation to the community being served. This is consistent with the literature review on community engagement in the arts and community development as a mechanism for arts participation (Markusen & Gadwa Nicodemus, 2014)

The findings indicate that governance structure (typology) does not affect PAC performance as measured by total program revenue and number of performances. The public–private partnership showed higher numbers, but the analysis was not statistically significant. However, the results do suggest that other aspects of a PAC, such as number of performance facilities, attendance per performance, as well as total public support, can affect the total program revenue and number of performances of a PAC. Policy makers and public administrators in PAC leadership positions can utilize this information to improve PAC performance—which will assist in decreasing the financial risks associated with PACs. A future study that uses programming, board composition, and household income of surrounding communities to determine any effects on PAC performance will be useful.
REFERENCES


Arts Center Task Force. (2020b). *Who we are*. https://www.artscentertaskforce.com/who-we-are


Bianchini, F. (1988). City centres, city cultures: The role of the arts in the revitalisation of towns and cities. CLES.


Hatfield, K. H. (2018). *How the Music City is losing its soul: Gentrification in Nashville and how historic preservation could hinder the process* [Doctoral dissertation, Middle Tennessee State University]. Middle Tennessee State University Repository. https://jewlscholar.mtsu.edu/handle/mtsu/5676


VITA

KAREN S. FULLER

Born, Miami, Florida

Florida International University
Miami, Florida

University of Cincinnati
Cincinnati, Ohio

1992–1993  Community Relations Director
Broward Center for the Performing Arts
Fort Lauderdale, Florida

1993–1996  National Press Representative
Pace Theatrical Group, Inc.
New York, New York

1996–1998  Instructor
Florida International University, Theatre Department
Miami, Florida

1998–2021  Associate Teaching Professor
Florida International University, School of Music
Miami, Florida

2013–2021  Doctoral Candidate
Florida International University
Miami, Florida

PUBLICATIONS AND PRESENTATIONS


Orchestrating Arts Management in the Music Business, ISBN # 978-1-77330-569-1,

Women and Music in America in 1900 – An Encyclopedia, Greenwood Press, Tammy
Bowman encyclopedia entry, December 30, 2002, contributing author, Kristine Burns,
editor, vol. 1, p275.
The Role of Music & The Arts in Immigrant Communities, (in-progress).

The Activities of 87 Orchestral Organizations Relative to their Mission Statement, (in-progress).


Fuller-Veloz, Karen S. Athens Institute, Athens, Greece, Governance Structures of Performing Arts Centers: A Case of Performing Arts Centers in the United States, July 2019.

Fuller-Veloz, Karen S. Universidad Del Caribe, Cancun, Mexico, The Music Business, August 2018.


Artistic Director & Producer, FIU Music Festival, October – November 2021

Black Swan of Piano, CD Music Producer, national and international distribution, Catalog# NV6183, Format: Digital & CD, Release date September 14, 2018

The Many Faces of Fredrick Kaufman, CD Producer, national and international distribution, CD#88450240782, 2009

Miss Saigon, Broadway Musical, Broward Center for the Performing Arts, 1994, Florida