



THE ECONOMIC IMPACT OF THE SAVANNAH COLLEGE OF ART AND DESIGN

Executive Summary 2019

**Tripp
Umbach**

Economic Impact | Executive Summary 2019



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SCAD COMMUNITY IMPACT STUDY EXECUTIVE SUMMARY

The Savannah College of Art and Design exists to prepare talented students for professional careers and serves as the preeminent source of knowledge in the disciplines in which it teaches. Founded in 1978, SCAD is a private, nonprofit, accredited university, offering more than 100 academic degree programs in more than 40 majors across its locations in Atlanta and Savannah, Georgia; Hong Kong; Lacoste, France; and online via SCAD eLearning.

SCAD enrolls more than 15,000 undergraduate and graduate students from more than 100 countries. The graduating class of 2019 was celebrated as the largest in SCAD history, with over 2,900 students graduating across its three locations.¹ The innovative curriculum at SCAD is enhanced with advanced technologies, professional know-how, and the SCADpro program. SCADpro works with Fortune 500 companies to solve unique corporate design-related problems. SCADpro gives students the hands-on experience necessary to develop the skills that make SCAD students so highly sought after. Career preparation is woven into every fiber of the university, resulting in a superior alumni employment rate. In a study of Spring 2018 SCAD graduates, 99 percent of respondents were employed, pursuing further education or both within 10 months of graduation.²

Since 1979, SCAD has been shaping the culture and landscape of the oldest city in the state of Georgia. In the 1950s, Savannah began to show signs of dilapidation. SCAD's first venture into this remarkable restoration came in the form of the Savannah Volunteer Guards Armory, which was the university's first building. Since then, the Savannah location has grown to 68 buildings located throughout the city. Growing from a region with a run-down historic district and boarded-up buildings, Savannah now boasts an international business and tourist presence. Articles in publications such as *Travel and Leisure*, *Forbes*, *The Huffington Post*, *The New York Times*, and *Architectural Digest* have highlighted Savannah and specifically noted the role of SCAD in Savannah's transformation. *Forbes* sites SCAD's partnership with The Alida Hotel as a way "to celebrate individuality and highlight the local culture" by having SCAD alumni and students display work within the hotel. "The Keep Shop, that will be known for carrying hand-selected goods from local artisans, will also feature an exclusive capsule collection from Pantone and items designed by SCAD alumni."³

The SCAD Savannah Film Festival honors guests such as Hugh Jackman, Emily Blunt, Maggie Gyllenhaal, and John Krasinski while attracting nearly 70,000 visitors to the area.⁴ *Architectural Digest* goes on to consider that the film festival in October is

1. www.savannahnow.com/news/20190531/scad-grads-encouraged-to-take-road-less-traveled
2. www.scad.edu/about/news-press-and-recognition/2018-05-03-scad-announces-99-percent-employment-rate-university

3. www.forbes.com/sites/raewitte/2019/05/31/savannahs-new-historic-waterfront-hotel-partners-with-scad/#378d91991419
4. www.scad.edu/blog/welcome-22nd-annual-scad-savannah-film-festival

complemented by “...an equally impressive book fair every February and a two-week music festival... in March.”⁵ Forbes notes that “SCADstyle is one of Savannah’s most anticipated experiences,”⁶ and The Huffington Post argues “The Savannah College of Art and Design (SCAD) has developed an enviable reputation for its expansive curriculum on their campuses around the world, from Hong Kong to Atlanta, and they are known for producing successful graduates who took full advantage of the variety of facilities and the distinguished faculty that inhabits the college’s studios and classrooms.”⁷ Confirming the Huffington Post’s thoughts on SCAD’s expansive curriculum, 2018 saw an innovative partnership with Brown Jordan furniture designers to develop and instruct a class that gave students the opportunity to be taught and mentored by Brown Jordan’s Chief Brand Curator, Stephen F. Elton.⁸

Celebrating SCAD40 in 2019, SCAD’s 40 years of exceptional university impact is best measured by the contributions to the quality of life in the communities it serves. For four decades, SCAD has been a powerful force shaping the economy, the culture, the physical environment and the reputation of Savannah, Atlanta, and the state of Georgia. Although SCAD’s primary focus is preparing students for professional careers, the university is committed to continuously enhancing the communities surrounding its campuses. To quantify the economic and social impacts generated by the university within the Savannah and Atlanta regions, and throughout the state of Georgia, SCAD retained the nationally recognized consulting firm Tripp Umbach⁹ to complete an economic and community impact study for SCAD’s Fiscal Year 2019. Key findings from the study include the following:

- SCAD generates more than **\$766.2 million** in economic impact annually for the state of Georgia.
- SCAD supports **9,614 jobs** throughout the state of Georgia.



THE SAVANNAH COLLEGE OF ART AND DESIGN COMMUNITY AND ECONOMIC IMPACTS ON THE STATE OF GEORGIA, FY19



ECONOMIC IMPACT



EMPLOYMENT IMPACT



GOVERNMENT REVENUE IMPACT



ECONOMIC IMPACT FOR STATE AND LOCAL ECONOMIES DUE TO VISITOR SPENDING

5. www.architecturaldigest.com/story/savannah-georgia-travel-guide-article
 6. www.forbes.com/sites/jenniferlee/2017/08/24/how-a-week-long-event-in-savannah-ga-is-developing-the-next-generation-of-creative-thinkers/#282c57562dfb
 7. www.huffingtonpost.com/bruce-helander/towering-works-reflect-im_b_14372544.html
 8. www.designer.com/news/32135

9. Tripp Umbach is a Pittsburgh-based consulting firm specializing in economic development and impact studies and has completed customized studies for colleges and universities, academic medical centers, hospitals and health systems, nonprofit organizations, research institutes, and economic development agencies, as well as arts, tourism and sports initiatives.



- Annual state and local government revenue attributable to the presence of SCAD totals more than **\$36.5 million**.
- In 2019, SCAD's total expenditures in the state of Georgia totaled more than **\$444.7 million**. This represents more than double the expenditures from 2017 with the increase largely attributable to significant increases in capital spending.
- SCAD's total pay and benefits in Georgia equaled more than **\$167.4 million** in 2019. This spending generated a total of **\$318 million** in total economic impact in Georgia.
- SCAD generates more than **\$48.8 million** annually in economic impact for state and local economies due to visitor spending at SCAD events.¹⁰
- SCAD faculty, staff, and students generate more than **\$26.5 million** annually in donations to charitable organizations and through volunteer activities.¹¹
- SCAD's acquisition, restoration, and reuse of historic buildings and homes throughout Savannah have been a driving force behind Savannah's reputation as a place of architectural and cultural significance. It has also been the ignition for neighborhood improvement and redevelopment efforts.

10. This number is included in the total overall impact of \$766.2 million.

11. Faculty, staff, and student contributions in the form of monetary donations and volunteer hours are in addition to the overall impact of \$766.2 million.

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ECONOMIC IMPACT STUDY BACKGROUND

In June 2019, SCAD hired Tripp Umbach to complete a comprehensive analysis of the university's overall economic and community impacts. Impact analysis was conducted to measure the economic, employment, and government revenue impacts of the university within the Savannah and Atlanta regions¹² and throughout the state of Georgia. The influence that SCAD has on the vitality of the economy in the region and state includes the following:

- Economic impact of the university
 - Business volume impacts (SCAD capital expenditures, operational expenditures, and payroll)
 - Spending by visitors and students
 - Construction and renovation spending
- Direct and indirect employment
- Government revenue at the local and state levels
- University alumni on the economy (wage premiums, job creation, etc.)
- Faculty, staff, and student volunteerism and charitable giving
- Community and cultural impacts in the region

STUDY OVERVIEW

KEY IMPACT FINDINGS PROVIDED FOR:

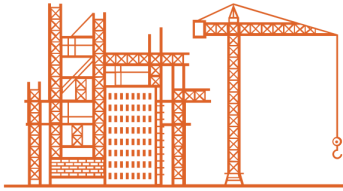
- The Savannah College of Art And Design
- SCAD alumni and workforce
- Cultural enrichment and events
- Community contributions

FINDINGS REPORTED FOR THE FOLLOWING GEOGRAPHIES:

- State of Georgia
- Savannah region
- Atlanta region

IMPACT FINDINGS REPORTED FOR FISCAL YEAR 2019

12. The Savannah region includes the following counties: Bryan, Chatham, and Effingham. The Atlanta region includes the following counties: Barrow, Bartow, Butts, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Jasper, Lamar, Meriwether, Morgan, Newton, Paulding, Pickens, Pike, Rockdale, Spalding, and Walton. Source: U.S. Department of Commerce Bureau of Economic Analysis; www.bea.gov/regional/docs/msalist.cfm?mlist=5&Display=Display#A



DIRECT

Investment in Construction and Expenditures for Operations



INDIRECT

Purchases from Area Suppliers



INDUCED

Household Spending from Earnings of Direct and Indirect Expenditures

Methodology Employed in the Economic Impact Study

Tripp Umbach's economic impact analysis measures the direct, indirect, and induced business volume and government revenue impacts of SCAD's operations throughout Savannah and Atlanta, as well as throughout the state of Georgia. SCAD provided Tripp Umbach with the following primary data used to conduct the analysis: capital expenditures, operational expenditures, number of employees, payroll and benefits, and taxes paid to local and state governments. Tripp Umbach utilized IMPLAN¹³ to complete the economic impact analysis. Impact multipliers used in the analysis are derived from IMPLAN software. Visitor spending assumptions are based upon data provided by Visit Savannah and federal per diem rates.¹⁴

Economic impact studies capture the direct economic impact of an organization's spending, plus additional indirect and induced spending in the economy that results from the organization's direct spending. Visitor and student spending in the region is also a substantial component of the economic impact of an organization. Visitors and students spend money, which filters through the economy and supports local jobs, retail sales, lodging, restaurants, and other goods and services.

SCAD's total economic impact represents the dollars that are generated within the Savannah and Atlanta regions and the state of Georgia due to the presence of SCAD. This impact includes SCAD's spending on goods and services with a variety of vendors, the spending of SCAD's faculty, staff, students, and visitors, and the business volume generated by organizations within the regions and the state that benefit from the university's spending.

Not all dollars spent by an organization remain in the organization's home state. Dollars that go out of the state in the form of spending with out-of-state organizations or people are not included in the university's economic impact. The economic impact values presented in this report are generated by direct, indirect, and induced operational spending, capital spending, payroll, visitor spending, and student spending within the state of Georgia and the Savannah and Atlanta regions.

For further information on key impact terms, technical definitions and frequently asked questions related to economic impact analysis, see Appendices A, B, and C.

13. IMPLAN (IMpact analysis for PLANning) is the industry standard economic impact methodology that utilizes classic input-output analysis in combination with regional-specific Social Accounting Matrices and Multiplier Models.

14. Tripp Umbach utilized visitor spending data provided by Visit Savannah to build model assumptions for the Savannah region. Federal per diem rates for Atlanta were utilized to build model assumptions for the Atlanta region. Tripp Umbach utilized a weighted average of the Savannah and Atlanta assumptions to calculate visitor spending at the state level.

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SCAD IMPACTS ON THE STATE OF GEORGIA

SCAD plays an important role in the generation of economic impacts, employment and government revenue throughout the state of Georgia. With locations in Savannah and Atlanta, in addition to locations in Hong Kong and Lacoste, France, the university contributes significantly to regional and state economies. Faculty, staff, students, and visitors working and traveling in the state due to the presence of SCAD assist in creating a diverse and thriving economy across multiple sectors.

Economic Impact

In FY19, SCAD generated more than **\$766.2 million** in economic impact for the state of Georgia. This total represents the direct impact of spending in Georgia (**\$246.3 million**), as well as the indirect spending that occurs as a result of the university's presence (**\$519.9 million**).

Employment Impact

In FY19, SCAD directly supported **3,598 jobs** (full-time and part-time) throughout the state of Georgia. This employment makes a direct contribution to the overall workforce vitality of the state and bolsters the economy. Those directly employed individuals spend dollars in the state and, therefore, support additional employment.

ECONOMIC IMPACT OF SCAD ON THE STATE OF GEORGIA, FY19



Direct: \$246.3 million



Indirect and Induced: \$519.9 million



Total: \$766.2 million

Source: Tripp Umbach findings using IMPLAN results from data obtained by The Savannah College of Art and Design



SCAD’s spending on capital projects, development and planning projects, and suppliers support an additional 6,016 indirect jobs throughout Georgia. In total, the presence of SCAD supports 9,614 jobs in the state of Georgia.

State and Local Government Revenue Impact

Because of its presence, SCAD produces sizeable state and local tax revenues. It is a common misperception that nonprofit universities do not generate tax revenue. Due to SCAD’s spending with state organizations, support of jobs for university employees living in Georgia and SCAD visitor spending, the university contributes to state and local tax revenues.

In FY19, SCAD generated more than \$36.5 million in direct and indirect/induced tax payments in Georgia for state and local governments.

EMPLOYMENT IMPACT OF SCAD ON THE STATE OF GEORGIA, FY19



Direct: 3,598 jobs



Indirect and Induced: 6,016 jobs



Total: 9,614 jobs

Source: Tripp Umbach findings using IMPLAN results from data obtained by The Savannah College of Art and Design

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SCAD IMPACTS IN THE SAVANNAH REGION

Founded in 1978, SCAD Savannah is the flagship location for the university. Since it was founded, SCAD has been committed to continuously enhancing the communities surrounding its locations. Faculty, staff, students, and area residents working and traveling to Savannah as a result of SCAD's presence generate economic, employment, and tax impacts within the region. Dollars spent in Savannah translate to jobs in the area as those dollars are re-spent by residents or organizations. For the following impacts, Tripp Umbach categorized the Savannah region to include the following counties: Bryan, Chatham, and Effingham.

Economic Impact

In FY19, SCAD generated more than \$557 million in total economic impact for the Savannah region. This total represents the direct impact of spending in Savannah (\$179.3 million) as well as the indirect spending that occurs as a result of SCAD's presence (\$377.7 million).

Employment Impact

In FY19, SCAD directly supported **2,852 jobs** (full-time and part-time) throughout the Savannah region. This employment makes a direct contribution to the overall workforce vitality of the region and bolsters the employment. SCAD spending on capital projects, development and planning projects, and suppliers supports additional indirect jobs throughout Georgia. In total, the presence of SCAD supports **6,756 jobs** in the Savannah region.

Local Government Revenue Impact

Due to SCAD's spending with regional organizations, support of jobs for university employees living in the region, and SCAD visitor spending in the region, the university makes significant contributions to local tax revenues. In FY19, SCAD generated more than \$30 million in direct, indirect, and induced tax payments for the Savannah region.



THE SAVANNAH COLLEGE OF
ART AND DESIGN COMMUNITY
AND ECONOMIC IMPACTS IN
THE SAVANNAH REGION, FY19



\$577
MILLION

ECONOMIC IMPACT



6,756
JOBS

EMPLOYMENT IMPACT



\$30
MILLION

GOVERNMENT
REVENUE IMPACT

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SCAD IMPACTS IN THE ATLANTA REGION

SCAD Atlanta, the university's second location in the state of Georgia, opened to students in 2005. Situated in the heart of Midtown, SCAD Atlanta provides students with an immersive experience surrounded by a number of opportunities, such as a cohort of Fortune 500 companies, a thriving arts scene, and a vast network of opportunities for professional growth. Faculty, staff, students, area residents, and visitors working in and traveling to the Atlanta region due to the presence of SCAD make significant contributions to the regional economy. For the following impacts, Tripp Umbach categorized the Atlanta region to include the following counties: Barrow, Bartow, Butts, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Jasper, Lamar, Meriwether, Morgan, Newton, Paulding, Pickens, Pike, Rockdale, Spalding, and Walton.

Economic Impact

In FY19, the economic activities generated by SCAD totaled more than **\$155.7 million** in overall economic impact. This total represents the direct impact of spending in Atlanta (**\$56.9 million**), as well as the indirect spending that occurs as a result of the SCAD's presence (**\$98.8 million**).

Employment Impact

In FY19, SCAD directly supported **746 jobs** (full-time and part-time) throughout the Atlanta region. This employment makes a direct contribution to the overall workforce vitality of the region and bolsters the economy. As in the Savannah region, students and individuals employed by SCAD spend dollars in the Atlanta region and therefore support additional employment.



THE SAVANNAH COLLEGE OF ART AND DESIGN COMMUNITY
AND ECONOMIC IMPACTS IN THE ATLANTA REGION, FY19



\$155.7
MILLION

ECONOMIC IMPACT



2,858
JOBS

EMPLOYMENT IMPACT



\$6.5
MILLION

GOVERNMENT
REVENUE IMPACT

SCAD spending on capital projects, development and planning projects, and suppliers also supports additional indirect jobs throughout the Atlanta region. In total, the presence of SCAD supports **2,858 jobs** in the Atlanta region.

Local Government Revenue Impact

Due to SCAD's spending with regional organizations, support of jobs for university employees living in the region, and SCAD visitor spending in the region, the university makes significant contributions to local tax revenues. In FY19, SCAD generated more than **\$6.5 million** in direct, indirect, and induced tax payments for the Atlanta region.

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SCAD'S ALUMNI AND WORKFORCE IMPACTS

SCAD is a world-renowned art and design university that contributes to and enriches society in Savannah, Atlanta, Georgia, and beyond. With 45,000 alumni worldwide, the university's reach is felt by many. By producing highly educated, global citizens, SCAD continues to shape a skilled workforce that will transform and lead organizations throughout the world.

SCAD Enriches the Current and Future Workforce

SCAD conferred more than 2,400 degrees during FY19 between the Savannah and Atlanta locations. By educating students, SCAD contributes to the talent pool of human capital throughout the state. A degree from SCAD increases a graduate's value, productivity, and earning potential in the job market.

Based on data for median annual earnings, a bachelor's degree earned at a university increases a graduate's salary, compared with a graduate with only a high school diploma, by an average of about \$25,000 a year (from \$35,400 to \$60,400). A master's degree earned at a university increases a graduate's salary, compared with a graduate with only a bachelor's degree, by an average of about \$15,500 a year (from \$56,500 to \$72,000 for a master's degree).¹⁵

ANNUAL SALARY IMPACTS OF SCAD GRADUATES ON THE STATE OF GEORGIA



Undergraduate: \$11.1 million



Graduate: \$2.2 million



Total: \$13.3 million

Source: Tripp Umbach findings using IMPLAN results from data obtained by The Savannah College of Art and Design

¹⁵ College Board. Education Pays 2017: The Benefits of Higher Education for Individuals and Society. Trends in Higher Education Series.

Historically, 22 percent of SCAD graduates remain in the state to work after completing their degrees. For the undergraduate class of 2019, the increased earning power in their first year of employment equates to the creation of **\$11.1 million** in salary for these students. A similar analysis applied to the advanced degrees awarded in the same academic year equates to another **\$2.2 million** of value created for these students' first year of employment.

Therefore, on an annual basis, SCAD creates **\$13.3 million of additional earnings for members of each graduating class**. This impact is in addition to the impact of the university's operations. These increased earnings translate to increased spending by alumni in the state of Georgia.

Alumni Continue to Generate Impact Every Day

The contributions of SCAD graduates are important to the economic vitality of the state of Georgia. The 45,000 SCAD alumni reside throughout the world. Historically, 22 percent of SCAD alumni stay in Georgia after graduating, and approximately 7,729

SCAD alumni are living, working, and generating impact within the state.

Over a lifetime of employment (assuming 40 years of employment), SCAD undergraduate alumni who remain in Georgia increase earnings by **\$3.7 billion** that would otherwise have been unachieved had these students not pursued an undergraduate degree. Likewise, over a lifetime of employment, SCAD graduate alumni who remain in the state increase earnings by more than **\$735 million** that would otherwise not have been achieved had these students not pursued a graduate degree.¹⁶

In total, all SCAD alumni currently living in the state of Georgia have increased earnings of **\$4.4 billion over 40 years**.

Alumni Success

SCAD alumni have established more than 50 businesses in Savannah. These businesses generate additional economic activity for the region, attract tourists, and create jobs for residents. Companies started by SCAD alumni include the following:

ALUMNI BUSINESSES LOCATED IN SAVANNAH

13 Bricks Clothing
 98 Productions
 Access Design Group
 Anne Hagerty Interiors
 ArtNet
 Artsy's Gallery
 Artsy's Gallery Frame Shop
 Atelier Galerie
 Bahama Joe's
 BlueLime Studio
 Carroll Construction
 Civvies
 Clark Creative
 The Coffee Fox
 Creative Approach
 The Design House
 Digital Doc
 Digital Envy
 Hallett LLC

Elope to Savannah
 ELVAINE
 Fabrika Fine Fabrics
 Foxy Loxy Café
 The Future on Forsyth
 Galerie 124
 Gauge Interactive
 GoDesign Inc.
 Haberdashery
 Ivory & Beau
 Izzy Hudgins Photography
 Jessica Duthu Professional
 Makeup Artistry
 Kalin Asenov
 Kellperr
 Kristen Baird Fine Jewelry
 Laney Contemporary Gallery
 LeeLoo Studio
 Lily Bay Studio + Bazaar

Lowcountry Paper Co.
 Measure: a fabric parlor
 Obscura Photoworks
 One Thirty One Photo
 Paprika Southern
 Paragon Design Group
 Planet Fun
 Prospector Co.
 Salacia Salts
 Satchel
 Savannah Pedals
 Scribble Art Studio
 Sottile & Sottile
 Spudnik
 Stitch
 Strawberry Moth
 Sulfur Studios
 Tiffani Taylor Gallery

16. Accounting for forgone income while attending the university, future periods of unemployment, time out of the labor force for child rearing, and other life events, total earning power over 40 years of employment was adjusted down by 80 percent.



CULTURAL ENRICHMENT AND EVENTS

SCAD provides significant cultural enrichment for Savannah, Atlanta, and the state of Georgia. Additionally, the university is a key community partner and plays an essential role in advancing the economic effects of tourism and area visitors each year. SCAD generates these benefits through prospective student admission events, community events, and museum visitors. During FY19, the economic impact associated with spending by visitors to SCAD admissions, cultural, and community events totaled more than \$48.8 million in the state of Georgia, which is included in the overall impact of the university throughout the state.

SCAD Admissions

Each year, SCAD receives thousands of applications from students living around the world. Admission activities and university visits provide an added benefit to SCAD's economic impact footprint in the state of Georgia. As students and their families visit SCAD locations, they spend money in state and regional economies. In FY19, the economic impact associated with SCAD admission events and visits totaled \$26.9 million for the state of Georgia.

SCAD Community Events

SCAD has a reputation for offering world-renowned cultural events throughout the year. People across the world travel to experience the events and, in turn, contribute significantly to state and regional economies. During FY19, the economic impact associated with SCAD community event visitors totaled \$20 million for the state of Georgia. Signature SCAD events include:

- **aTVfest** – Hosted by SCAD, aTVfest is an international gathering in Atlanta focused on design, creativity, and innovation in television and media production. The festival brings together professionals from all spheres of content production – broadcast, cable, web, social media, music videos, and advertising – for panels, workshops, and screenings to discuss current industry trends and showcase the best work in each field.
- **deFINE ART** – Created in 2010, SCAD deFINE ART is an annual festival that celebrates and highlights emerging and established artists and visionaries around the world.
- **SCAD Savannah Film Festival** – The SCAD Savannah Film Festival is an annual event that celebrates the many genres of film and those who make it possible. The festival highlights work from award-winning professionals to emerging student filmmakers.
- **Sidewalk Arts Festival** – As one of the oldest community arts programs provided by SCAD, the Sidewalk Arts Festival brings together SCAD students and their families, alumni, and high school students to create vibrant works of chalk art in Forsyth Park. The festival's tradition of connecting the university with the community is a highly anticipated event each year.



THE SAVANNAH COLLEGE
OF ART AND DESIGN
CULTURAL ENRICHMENT
AND EVENT IMPACTS ON THE
STATE OF GEORGIA, FY19



TOTAL: \$48.8 MILLION

SCAD Museums and Galleries

SCAD owns and operates a number of museums and galleries throughout the state of Georgia. These venues provide students, alumni, and faculty a place to showcase their talents and display their artwork. Additionally, individuals from around the world travel to Georgia to visit these museums and galleries to appreciate and enjoy the cultural offerings. In FY19, the economic impact associated with SCAD museum visitors totaled more than **\$1.9 million** in the state of Georgia.

SCAD operates two high-profile museums in the state - SCAD Museum of Art (Savannah) and SCAD FASH Museum of Fashion + Film (Atlanta). Additionally, the university manages a number of notable galleries in each region.¹⁷

- **SCAD Museum of Art¹⁸** - The SCAD Museum of Art showcases work by acclaimed artists, providing opportunities for students from all majors to learn from art-world luminaries and expand their artistic points of view. Mounting more than 20 exhibitions each year, the museum has presented renowned artists from across the globe. The museum’s permanent collection includes the Walter O. Evans Collection of African American Art, the Modern and Contemporary Art Collection, the Earle W. Newton Collection of British and American Art, the 19th- and 20th-century Photography Collection and the SCAD Costume Collection. The museum building itself is a work of art, demonstrating the university’s ongoing commitment to historic preservation and adaptive reuse. Constructed in 1853, the original walls feature handmade Savannah gray bricks, forming the oldest surviving antebellum railroad depot in the country. In 2011, this National Historic Landmark was transformed into an award-winning, modern museum building by architect Christian Sottile, a SCAD alumnus and former dean of the SCAD School of Building Arts.

¹⁷ www.scadmoa.org/art/scad-museums-and-galleries#
¹⁸ www.scadmoa.org/about/about-museum

- **SCAD FASH**¹⁹ – SCAD FASH Museum of Fashion + Film celebrates fashion as a universal language, garments as important conduits of identity, and film as an immersive and memorable medium. Located in Atlanta, SCAD FASH focuses on the future of fashion design, connecting conceptual to historical principles of dress, and welcomes visitors of all ages to engage with dynamic exhibitions, captivating films, and educationally enriching events. Fortified by the university’s strong global presence and worldwide connections to renowned contemporary fashion designers, filmmakers, and creative professionals all over the world, SCAD FASH is an integral part of the SCAD educational experience.

SCAD FASH offers diverse exhibitions, films, installations, performances, and events to enliven and inspire the greater community year-round. Each program is designed to engage and appeal to visitors with varied backgrounds and interests. The museum brings a dynamic and distinct schedule of fashion-focused exhibitions and compelling films, having recently offered exhibitions by Oscar de la Renta, Carolina Herrera, and Guo Pei, to name just a few.

SCAD FASH promotes valuable career-building connections and continues this rich tradition by affording students and professors across all disciplines the opportunity to celebrate works of wearable art and remarkable filmmaking, and to interact with the renowned and emerging visionary professionals who create them.

In addition to the world-class museums mentioned above, SCAD owns and operates a number of art and cultural galleries. These facilities provide students, employees, alumni, and the community an opportunity to showcase their talents and learn about new art. SCAD galleries in Georgia include:

- Alexander Hall Gallery
- Gallery 1600
- Gulfstream Gallery
- Gutstein Gallery
- Pei Ling Chan Gallery
- Pinnacle Gallery
- Trois Gallery

¹⁹ www.scadfash.org/about

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SCAD COMMUNITY CONTRIBUTIONS AND ENGAGEMENT

SCAD provides unparalleled opportunities for students, faculty, and staff to connect with the greater surrounding communities in which they reside. SCAD employees and students engage with community members through volunteer work and charitable donations. Tripp Umbach estimates that SCAD employees and students generate more than **\$26.5 million** annually in charitable donations and volunteer services across the state of Georgia.²⁰ These benefits are in addition to the more than \$766.2 million in economic impact that SCAD generates for the state.

SERVE functions as SCAD's student-led community service initiative. SCAD students work with local agencies in a spirit of cooperation while learning the importance of networking, recruiting, project planning, decision-making, promotion, and delegating responsibilities. In FY19, Tripp Umbach estimates that SCAD employees and students provided the equivalent of \$21.9 million in volunteer hours in local communities plus \$4.6 million in cash contributions. Examples of these organizations include the following²¹:

- **Alternative Spring Break** - This is a community service road trip during SCAD's spring break during which SCAD students volunteer their time to help meet needs in local communities.
- **Book Buddies** - This program is offered as a mentoring and reading program in which SCAD students meet weekly with children from local elementary schools.
- **Habitat for Humanity** - In conjunction with the Coastal Empire chapter, SCAD students help provide needed services to offer safe and affordable housing to low-income families.
- **H.E.Art (Healing and Education Through Art)** - The H.E.Art program volunteers work with cancer survivors at the Curtis and Elizabeth Anderson Cancer Institute at Memorial Health in Savannah. The project allows students to spend time with patients by engaging them in arts and crafts projects to liven their day and ease their anxieties while at the hospital.
- **Kids Café** - Through this community-service program, students visit charitable organizations to engage in art projects with local children.

20. Tripp Umbach calculated the total community benefit of employees by using the combined impacts of employees' and students' monetary donations to organizations and the value of a volunteer hour in Georgia (\$24.39 per hour).
www.independentsector.org/volunteer_time

21. www.scad.edu/life/student-involvement/community-service



- **Pet Project** – Offered in Savannah, Pet Project volunteers visit the Humane Society of Greater Savannah to socialize with dogs and cats in order for the animals to be more easily adopted by future pet owners.
- **Special Events** – Throughout the year, SCAD offers students opportunities to volunteer throughout the Savannah community in a variety of non-traditional ways. These opportunities include bagging groceries for the elderly and cleaning up the streets of Savannah and Tybee Island.
- **Sustainability** – SCAD’s sustainability program offers students the chance to volunteer in various events on campus and around Savannah with environmental and sustainable initiatives. Some of the events include cleaning up Tybee Beach, planting trees with the Savannah Tree Foundation, and helping at the Savannah Wildlife Refuge.

COMMUNITY IMPACT OF SCAD ON THE STATE OF GEORGIA, FY19



Donations: \$4.6 million



Volunteer Hours: \$21.9 million



Total: \$26.5 million

Source: Tripp Umbach findings using IMPLAN results from data obtained by The Savannah College of Art and Design

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SCAD'S SECONDARY CONTRIBUTIONS TO SAVANNAH

Urban neighborhoods are the foundations for the cultural and social identity of a city. These neighborhoods preserve rich foundations for friends, family, and out-of-town visitors. Each neighborhood is perceived to be unique, with a sense of authentic cultural identity that cannot be fully replicated elsewhere.

Since SCAD's inception in 1978, the city of Savannah has undergone a dramatic transformation. SCAD has played a major role in the development and success of the city.

Tourism in Savannah

Savannah's tourism economy currently employs more than 28,000 people.²² Industries included in the sector cover accommodations, food services, arts, entertainment, and recreation.

In 2018, more than 14.5 million visitors explored Savannah and contributed over \$3 billion to the local economy, an increase of 3.2 percent compared to the \$2.91 billion spent in 2017.²³ Although it is difficult to determine the precise impact of SCAD on tourism, "visiting historic places" is listed by Visit Savannah as one of the primary reasons Savannah has such a vibrant tourism industry. SCAD's

acquisition, restoration, and reuse of historic buildings and homes throughout Savannah has been a driving force behind Savannah's reputation as a place of architectural and cultural significance.

Starting with the location of SCAD's first class in the Savannah Volunteer Guard Armory, nearly 70 historic buildings throughout the city have been purchased and restored by the University. Renovated in 2011, the SCAD Museum of Art is an internationally recognized facility that originally existed as the oldest surviving antebellum railroad depot in the country.

In addition to the SCAD Museum of Art, SCAD enhances regional tourism by providing many cultural events for visitors. The SCAD Savannah Film Festival, SCADstyle, SCAD deFINE ART, and the Sidewalk Arts Festival draw thousands of visitors to Savannah each year.

Crime and Safety in Savannah

SCAD's presence in Savannah has made a positive impact on crime and safety. In addition to SCAD's role in the transformation of the Savannah economy, SCAD's security efforts provide valuable support to the Savannah Police Department.

22. 2018 Longwoods Travel USA Study Reports Another Record-Breaking Year for Savannah Tourism, Visit Savannah, www.visitsavannah.com

23. Savannah Sees More Money, More Visitors in 2018, Katie Nussbaum, www.savannahnow.com/business/20190511/savannah-sees-more-money-more-visitors-in-2018

According to the FBI's Uniform Crime Reporting Program, violent and property crime in Savannah has reduced by 48% since 1986.²⁴ Tripp Umbach believes that SCAD's involvement in the local real estate market and occupying previously vacant buildings contributes heavily to this decline in crime.

SCAD's public safety strategy in the City of Savannah include the following:²⁵

- Active 24/7 patrols at SCAD locations, including bike patrols in Savannah
- Partnership with Savannah Police Department to utilize SCAD's ShotSpotter technology²⁶
- Continuous crime trend analysis to maximize safety
- The deployment of the LiveSafe communication tool and other notification systems
- The strategic installation of security cameras that are monitored continuously
- Safety-awareness programs for students, faculty, and staff
- An extensive shuttle service offered in Savannah to assist students with getting to and from SCAD facilities
- Visible uniforms on SCAD officers, who act as crime deterrents
- Security officers posted at many SCAD buildings to check IDs and log in visitors
- Hand-activated emergency call boxes strategically located throughout SCAD in Savannah and Atlanta, where students can automatically signal a 24-hour security dispatcher
- Strong ongoing partnerships with local, state, and federal agencies

Savannah's Home and Property Values

As with the university's impact on tourism, both the physical environment and the cultural opportunities provided by SCAD influence the decision of many individuals and businesses to locate in Savannah. Cultural opportunities are especially important to retirees, a growing segment of the Savannah population that tends to be more affluent.

SCAD's impact on property values throughout the Savannah region is significant. Often the first indication that a Savannah neighborhood will become a more desirable place to live, shop, and work is the purchase and renovation of a building in the neighborhood by SCAD.

The average real estate value in Savannah was \$92,300 in the year 2000.²⁷ As of June 2019, the average list price of homes in Savannah was \$249,000, trending up 6 percent year over year.²⁸ By comparison, the average home prices in major metropolitan areas across the nation rose only 3.2 percent according to The S&P CoreLogic Case-Shiller U.S. National Home Price Index.²⁹ Tripp Umbach believes that the main reason that Savannah's real estate values increased at a significantly greater rate than average is due to the presence of SCAD.

24. Data found using the FBI's Crime Data Explorer tool, crime-data-explorer.fr.cloud.gov/explorer/agency/GA0250300/crime

25. It is important to note that these strategies are also used at the Atlanta location.

26. SCAD was the first university in the U.S. to use ShotSpotter technology. This technology places sensors inside and outside campus buildings to identify sounds of gunfire, then sends that information to police.

27. American Factfinder, Census Bureau, www.census.gov

28. According to data provided by the National Association of Realtors.

29. "Home-Price Growth Picked Up in September," www.realtor.com/news/real-estate-news/home-price-growth-picked-up-in-september/

Savannah's Rental Market

According to the Savannah, Georgia Comprehensive Housing Market Analysis completed in June 2019, the rental market is balanced within the Savannah region. During May 2019, the average asking rent increased 3 percent. The overall rental vacancy rate is estimated at 7.6 percent, a decrease from 13.3 percent in 2010. During the forecast period of June 2019 to June 2022, it is estimated that the demand for new rental units will rise to 2,125 units.³⁰

Off-campus student housing tends to increase the cost of rentals across a variety of housing markets, potentially having a negative impact on affordable housing within those neighborhoods. In weaker markets, temporary student housing can provide a beneficial use for older single-family homes that would otherwise be neglected and eventually lost. However, off-campus student housing in stronger markets can also result in displacement of lower-income households by becoming a rival for affordable single-family homes. In 2017, the Bloomington-Normal, Illinois region conducted a regional housing study that concluded that student housing rental rates in university towns drive up housing costs for family renters.³¹ Analysis conducted by NYU also concluded that an increase in the size of a college's off-campus population is associated with higher market rents.³²

A typical university provides only enough on-campus housing for around one-fifth of its student body.³³ SCAD reports that more than 44 percent of its students live in college-owned, -operated or -affiliated housing, and 56 percent of students live in non-SCAD housing.³⁴ This helps maintain the balance between accommodating the need of student housing while also preserving affordable housing units for long-term, non-student residents.

Currently, SCAD has 16 existing residence halls and recently launched the Victory Drive Student Housing project that will be located on 2.5 acres in downtown Savannah. The two new residence halls will total 650 beds, a 250-space parking garage, and a resident directory apartment with an estimated completion in August 2020.

30. Savannah, Georgia Comprehensive Housing Market Analysis as of June 1, 2019, U.S. Department of Housing and Urban Development, Office of Policy Development and Research

31. Bloomington Normal, IL Metropolitan Region: Regional Housing Study, October 18, 2017

32. Thomas M. Laidley, 2014. "The Privatization of College Housing: Poverty, Affordability, and the U.S. Public University," *Housing Policy Debate*, Taylor & Francis Journals, vol. 24(4), pages 751-768, October.

33. More Beds Per Student on Campuses with Living Requirements, March 22, 2019, Realpage.com

34. U.S. News, www.usnews.com/best-colleges/savannah-college-of-art-and-design-29258/student-life

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APPENDIX A: DEFINITION OF TERMS

STUDY YEAR

Fiscal year is defined as FY19, July 1, 2018 – June 30, 2019.

TOTAL INDUSTRY OUTPUT

The total industry output of an organization includes its spending, labor income expenditures, and the value added to the economy as a result of the organizational spending.

TOTAL ECONOMIC IMPACT

The total economic impact of an organization is a compilation of the direct impact, indirect impact, and induced impact generated in the economy as a result of the organization.

DIRECT ECONOMIC IMPACT

Direct economic impact includes all direct effects the organization has on the region due to the organization's operations. These include direct employees, organizational spending, employee spending, and spending by students and visitors to the organization.

INDIRECT ECONOMIC IMPACT

The indirect economic impact includes the impact of local industries buying goods and services from other local industries. The cycle of spending works its way backward through the supply chain until all money is spent outside of the local economy, either through imports or by payments to value added.

INDUCED ECONOMIC IMPACT

Induced Economic Impact is the response by an economy to an initial change (direct effect) that occurs through respending of income received by a component of value added. IMPLAN's default multiplier recognizes that labor income (employee compensation and proprietor income components of value added) is not lost to the regional economy. This money is recirculated through household spending patterns causing additional local economic activity.



MULTIPLIER EFFECT

The multiplier effect is the additional economic impact created as a result of the organization's direct economic impact. Local companies that provide goods and services to an organization increase their purchasing by creating a multiplier.

GOVERNMENT REVENUE

Government revenue is collected by governmental units in addition to those paid directly by an organization, including taxes paid directly by employees of the organization, visitors to the organization, and vendors who sell products to the organization.

DIRECT EMPLOYMENT

Direct employment is the total number of employees, both full-time and part-time, at the organization based on total jobs.

INDIRECT EMPLOYMENT

Indirect employment is the additional jobs created as a result of the organization's economic impact. Local companies that provide goods and services to an organization increase their number of employees as purchasing increases, thus creating an employment multiplier.

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APPENDIX B: TECHNICAL APPENDIX

IMPLAN Methodology Definitions

The economic impact of SCAD was estimated using IMPLAN (IMPact Analysis for PLANning), an econometric modeling system developed by applied economists at the University of Minnesota and the U.S. Forest Service. The IMPLAN modeling system has been in use since 1979 and is currently used by over 500 private consulting firms, university research centers, and government agencies. The IMPLAN modeling system combines the U.S. Bureau of Economic Analysis' Input-Output Benchmarks with other data to construct quantitative models of trade flow relationships between businesses and between businesses and final consumers. From this data, one can examine the effects of a change in one or several economic activities to predict its effect on a specific state, regional, or local economy (impact analysis). The IMPLAN input-output accounts capture all monetary market transactions for consumption in a given time period. The IMPLAN input-output accounts are based on industry survey data collected periodically by the U.S. Bureau of Economic Analysis and follow a balanced account format recommended by the United Nations.

IMPLAN's Regional Economic Accounts and the Social Accounting Matrices were used to construct state- and regional-level multipliers, which describe the response of the economy to a change in demand or production as a result of the activities and expenditures of SCAD. Each industry that produces goods or services generates demand for other goods and services, and this demand is multiplied through a particular economy until it dissipates through "leakage" to economies outside the specified area. IMPLAN models discern and calculate leakage from local, regional, and state economic areas based on workforce configuration, the inputs required by specific types of businesses, and the availability of both inputs in the economic area. Consequently, economic impacts that accrue to other regions or states as consequences of changes in demand are not counted as impacts within the economic area.

The model accounts for substitution and displacement effects by deflating industry-specific multipliers to levels well below those recommended by the U.S. Bureau of Economic Analysis. In addition, multipliers are applied only to personal disposable income to obtain a more realistic estimate of the multiplier effects from increased demand. Importantly, IMPLAN's Regional Economic Accounts exclude imports to an economic area, so the calculation of economic impacts identifies only those impacts specific to the economic impact area. IMPLAN calculates this distinction by applying Regional Purchase Coefficients (RPC) to predict regional purchases based on an economic area's particular characteristics. The RPC represents the proportion of goods and services that will be purchased regionally under normal circumstances, based on the area's economic characteristics described in terms of actual trade flows within the area.

Employment Definitions

IMPLAN analysis is conducted to measure jobs/positions (part-time or full-time), not full-time equivalents (FTEs). Full-time and part-time employees generate impact in the economy and support additional indirect and induced employment throughout the state of Georgia. Employment data for SCAD was provided as an output of all individuals who receive a paycheck from the organization. This includes all full-time and part-time employed faculty, staff, and students.

Government Revenue Impact Definition

Government revenue impacts generated in the current, FY19 study included all taxes paid by SCAD to the state of Georgia and the Savannah and Atlanta regions (e.g., payroll, property, sales, unemployment, income, and any other taxes paid to the state and local government). Any federal taxes paid by SCAD were not included in the government revenue impacts (e.g., FICA payments).

Visitor Definitions

Impact analysis looks to quantify the impact of the attraction of "fresh" dollars to a region. Therefore, when including visitor spending in the impact analysis of a university, the analysis will only include those visitors coming to a region from outside of said region. Visitors to events who also live in the region would have spent their dollar in that region otherwise; therefore, this dollar was not attracted to the region as a result of the organization being analyzed.

For SCAD, the impact analysis looked at impacts to the state of Georgia and the Savannah and Atlanta regions. Visitors to SCAD were only counted if they were from outside of said region being analyzed.

Community Benefits

Community benefits provided in this report outline two forms of impact — monetary donations made by employees and students to local nonprofits as well as volunteer hours that are assessed at a monetary value.

- Tripp Umbach has conducted survey research to estimate the amount of monetary donations a student, staff member, and faculty member will spend in a year. This amount differs per individual but ranges from \$500 to \$700. Tripp Umbach also understands that not all individuals donate; therefore, this is adjusted as well.
- The value of a volunteer hour has been quantified by Independent Sector to be \$24.39 per individual per hour. Tripp Umbach utilized this value (along with data from survey research) to determine the value of the average number of hours faculty, staff, and students engage in volunteer activities (estimated 100 hours per year for 50 percent of the employees and students).

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APPENDIX C: FAQs REGARDING ECONOMIC IMPACT ASSESSMENT

What is economic impact?

Economic impact begins when an organization spends money. Economic impact studies measure the direct economic impact of an organization's spending, plus additional indirect spending in the economy as a result of direct spending. Economic impact has nothing to do with dollars collected by organizations, their profitability, or even their sustainability, because all operating organizations have a positive economic impact when they spend money and attract spending from outside sources.

Direct economic impact measures the dollars that are generated within a geographic region as a result of the presence of an organization. This includes not only the organization's spending on goods and services with a variety of vendors within the region and the spending of its employees and visitors, but also the economic impact generated by businesses within the region that benefit from the spending of the organization. It is important to remember that not all dollars spent by an organization stay in the geographic region of study. Dollars that "leak" out of the region in the form of purchases from out-of-area vendors are not included in the economic impact that an organization has on the region.

The total economic impact includes the "multiplier" of spending from companies that do business with an organization. Support businesses may include lodging establishments, restaurants, construction firms, vendors, temporary agencies, etc. Spending multipliers attempt to estimate the ripple effect in the economy where the spending occurs. For example, spending by an organization with local vendors provides these vendors with additional dollars that they respend in the local economy, causing a "multiplier effect."

What is the multiplier effect?

Multipliers are a numeric way of describing the secondary impacts stemming from the operations of an organization. For example, an employment multiplier of 1.8 would suggest that for every 10 employees hired in the given industry, eight additional jobs would be created in other industries, such that 18 total jobs would be added to the given economic region. The multipliers used in this study range from 1.8 to 2.0.

The Multiplier Model is derived mathematically using the input-output model and Social Accounting formats. The Social Accounting System provides the framework for the predictive Multiplier Model used in economic impact studies. Purchases for final use drive the model. Industries that produce goods and services for consumer consumption must purchase

products, raw materials, and services from other companies to create their product. These vendors must also procure goods and services. This cycle continues until all the money is leaked from the region's economy. There are three types of effects measured with a multiplier: direct, indirect, and induced. The direct effect is the known or predicted change in the local economy that is to be studied. The indirect effect is the business-to-business transactions required to satisfy the direct effect. Finally, the induced effect is derived from local spending on goods and services by people working to satisfy the direct and indirect effects.

- Direct effects take place only in the industry immediately being studied.
- Indirect effects concern inter-industry transactions: Because an organization is in business, it has a demand for locally produced materials needed to operate.
- Induced effects measure the effects of the changes in household income: Employees of an organization and suppliers purchase from local retailers and restaurants.
- Total economic impacts are the total changes to the original economy as the result of the operations of an organization, e.g., $\text{Direct effects} + \text{Indirect effects} + \text{Induced effects} = \text{Total economic impacts}$.

What methodology was used in this study?

IMPLAN (IMpact analysis for PLANning) data and software was used in this study. Using classic input-output analysis in combination with regional specific Social Accounting Matrices and Multiplier Models, IMPLAN provides a highly accurate and adaptable model for its users. The IMPLAN database contains county, state, ZIP code and federal economic statistics that are specialized by region, not estimated from national averages, and can be used to measure the effect on a regional or local economy of a given change or event in the economy's activity.

What is employment impact?

Employment impact measures the direct employment (staff, faculty, administration) plus additional employment created in the economy as a result of the operations of an organization.

Indirect and induced employment impact refers to other employees throughout the region who exist because of an organization's economic impact. In other words, jobs related to the population — city services (police, fire, EMS, etc.), employees at local hotels and restaurants, employees at local retail establishments, and residents employed by vendors used by the organization.

What is the difference between direct and indirect taxes?

Direct tax dollars include sales taxes and net corporate income taxes paid directly by the organization to the state, while indirect taxes include taxes paid to the state by vendors that do business with an organization and individuals.

Is this a one-time impact, or does the impact repeat each year?

The results presented in this economic impact study are generated on an annual basis. The economic impact in future years can be either higher or lower based on number of employees, students, capital expansion, increases in external research and state appropriations.

What are Tripp Umbach's qualifications to perform economic impact analysis?

Tripp Umbach is the national leader in providing economic impact analyses to leading health care organizations, universities, and academic medical centers. Since 1990, Tripp Umbach has completed more than 300 economic impact studies for such clients as Boston University, Indiana University, Michigan State University, Pennsylvania State University, The Ohio State University, University of Connecticut, the University at Buffalo, University of Arizona, University of Michigan, University of Minnesota, the University of Pittsburgh, the University of Vermont, the University of Virginia, the University of Washington, and the University of Alabama at Birmingham.

