

# Portland: How to Pass an Arts Tax

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## INTRODUCTION

Arts organizations nationwide watched in near-disbelief in 2012 as voters in Portland, Oregon, overwhelmingly approved a dedicated, \$35-per-person income tax to support arts education and access. More than 62 percent of voters supported the measure, which is expected to generate \$12.2 million annually in net proceeds. Sixty-nine percent of [the funds](#) will pay for 68 certified arts or music teachers for K-5 students in Portland's [six](#) school districts: Centennial, David Douglas, Parkrose, Portland Public, Reynolds and Riverdale. The remaining 31 percent will provide operating funds for the city's arts organizations and fund grants to serve underserved residents and coordinated arts programs. (The Regional Arts & Culture Council splits the funding as 59 percent for education and 41 percent for access.)

Why did voters in what is lovingly labeled "Portlandia" step up to the plate? How, exactly, did arts advocates make it happen? And, importantly, can the Portland experience become a model for other communities?

A [dedicated funding stream](#) has been the Holy Grail of arts organizations for decades, but most such efforts fail. Andras Szanto cites a [long-term shift](#) in the cultural mindset for public funding of the arts. He argues that the 19<sup>th</sup> century "great nation" rationale and its "great cities" corollary for public funding based on the intrinsic value of the arts shifted in the late 20<sup>th</sup> century. The new rationale turned on "[great outcomes.](#)" predicated on turning out better test scores and more innovative employees. The problem with the latter, Szanto argues, is that the arts "do not lend themselves to the sort of clear-cut measurements that validate funding" on that basis. He finds a ray of hope in new rhetoric focused on the "wellbeing of communities," which views culture as an "inextricable ingredient of a larger unambiguously desirable social goal." Still, arts funding faces a dilemma because it is a system based on a "sustainable technology" model for a "product" – i.e. the arts – that by definition is disruptive. What is needed, he suggests, is a "disruptive technology" framework that rewards innovation and experimentation. Portland's organizers adopted an approach to identifying issues, obstacles and constituencies that in some respects incorporates the disruptive model.

## HISTORY

Portland's struggle to find a permanent funding stream for the arts began, not with its 2009 [Act for Art](#) plan, which spawned the organization that led to the vote, but nearly 20 years earlier in its [Arts Plan 2000](#), drafted in 1992. That was the nation's first regional cultural plan, ultimately leading to creation in 1995 of the Regional Arts & Culture Council [[RACC](#)], an autonomous nonprofit arts service organization serving Clackamas, Multnomah, and Washington counties, [25 towns and cities](#) and 250 arts organizations.

### Arts Plan 2000

The genesis of the 1992 plan, initiated by Bill Bulick, then-executive director of the Metropolitan Arts Commission, grew out of alarm over the failure of several local arts organizations and the “ongoing deficit problems” at the Portland Center for Performing Arts. In the early 1990s, Portland-area arts organizations earned most of their income through ticket sales, with corporate, individual and per-capita local government support well-below cities of comparable size. Eloise Damrosch, executive director of RACC since 2004 and on its staff since 1989, said throughout the 1990s RACC searched for long-term funding. “We looked [under every rock](#) for a permanent funding stream dedicated just to arts organizations,” she said. But in the 1990s voters in Portland, as elsewhere, opposed tax increases, and, as [The Oregonian](#) noted, “general political pessimism squashed hopes for dedicated annual money.” Arts Plan 2000 set a goal of securing \$6 million in public funding for the arts by 1996 – “the price of one movie ticket [\$5] per resident per year.” One outcome of that plan secured a portion of local hotel/motel tax revenue to support the Performing Arts Center [with additional funds also going to local cultural tourism efforts].

The first step toward what became the 2012 Arts Education and Access initiative occurred in 2007 when Portland City Commissioner [later mayor] Sam Adams, working with RACC, formed the regional Creative Capacity Initiative. A 120-member steering committee comprising arts, business and education leaders and elected officials from the three-county region, collected ideas from a broad array of citizens about what they identified as the creative/arts needs of the region and what they valued. Over the next 18 months, some 1,500 citizens participated in online surveys, town-hall meetings and roundtable discussions. As part of their research effort, the project hired the California-based polling firm of [Fairbank, Maslin, Moullin, Metz & Associates](#) [FM3] to conduct a regional general survey and convene focus groups to assess voter views about the arts and culture.

Adams said in an interview that he began thinking about a permanent funding stream when he became the city's commissioner for arts and culture following his election to the city council in 2004. His first opportunity was an update of the city's arts strategic plan, which was then 15 years old. That effort produced a few successes, including RACC's [Work for Art](#), a charitable-giving campaign that includes a matching component, and a new funding pool for startup arts groups. But the Holy Grail remained elusive, until 2008 when he partnered with RACC and created the Regional Creative Capacity Project. "We knew the path [to a permanent funding stream] would be difficult, especially getting agreement across the region," Adams said. To achieve success, "it was essential to build networks."

### **Act for Art - 2009**

The outcome of the Regional Creative Capacity Project was *Act for Art*, an expansive, multi-faceted plan to make arts and cultural activities a centerpiece of economic activity. It was heavy on facts and figures, laced with charts and graphs, detailing the size of the region's "arts-centric businesses," showing where money comes from and where it goes and emphasizing public support for such a plan.

Public support for the arts has always been a risky proposition, and in [2008](#), as the U.S. economy spiraled downward at a dizzying rate, the idea looked unattainable. Portland's [per-capita spending](#) on arts hovered around \$3.11, compared to \$7 in Seattle and \$15 in Denver at the time. How do you sell funding for the arts when basic services are being cut? *Act for Art* adopted a community well-being pitch ["arts feed our souls"] coupled with messages about skill-building and innovation as reasons for public support. The action plan comprised three goals: Strengthening the cultural infrastructure topped the list, calling first for improving public funding through a sustainable annual infusion of \$15 million-\$20 million. The second goal targeted improved access to arts and arts education, while the third emphasized "building a brand" to promote the metropolitan Portland region as a "center for excellence for art and design."

### **FROM THE GROUND UP: PARTNERSHIPS**

Among other things, the plan called for formation of the [Creative Advocacy Network](#) [CAN], a nonprofit geared toward expanding grassroots advocacy for sustainable public funding. One key to CAN's success lay in Mayor Adams's willingness to put [city money](#) [\$100,000 a year in 2009 and 2010 and \$150,000 in 2011] behind it. CAN's annual budget of about \$300,000 allowed it to hire a professional staff of three, including executive director Jessica Jarratt Miller in July of 2009. "To achieve our goal, we had to build an investment plan that met the needs of our region's diverse arts, education, civic

and business interests,” said Miller. The first order of business was finding a funding source that would “raise enough money annually *and* inspire voter support during the worst recession of our generation,” she said. The mission included “navigating a path to the ballot through signature-gathering or funding the right local government partnership.” Annual polling provided valuable insight into citizen responses to various funding options and showed emphatically where arts advocates needed to plant their stake if they were to achieve their funding goal.

## **CAN's Role**

The Creative Advocacy Network comprises three entities:

- **CAN:** A 501(c)3 nonprofit organization established in 2008 to increase public understanding about the benefits of the arts and arts education in the Portland Metropolitan region.
- **CAN Action Fund:** A 501(c)4 organization established by the Creative Advocacy Network in 2011 to lobby for an increase in public funding for the arts and arts education in Portland's classrooms and communities.
- **Schools & Arts Together Campaign:** An Oregon political committee formed by the CAN Action Fund for the November 2012 election to pass City of Portland Ballot Measure 26-146.

“Polling helped kick us off in right direction,” Miller said. “Our [initial] interest was in understanding where people wanted money to go.” To find out, CAN spent four years building a multi-strand network of partners that included large and small arts organizations, school districts, parents, volunteers, and ordinary citizens. The starting point was a 51-member Regional Steering Committee that included civic leaders from surrounding municipalities and counties. The committee included Multnomah County Chair Ted Wheeler, Washington County Commissioner Dick Schouten, Portland General Electric Foundation executive Carole Morse, Portland Art Museum director Brian Ferriso and Nike executive Peter Koehler, among others. Not everyone thought this was workable because it bore all the earmarks of “the curse of Oregon: a [love of process](#).”

## **Building Momentum**

*Act for Art* provided a messaging roadmap: Portland invested less per person in arts and culture than other cities of comparable size, Miller said. CAN's strategy included a grassroots campaign to enlist as many different constituencies as possible. Over an 18-month period, CAN staff and volunteers attended every steering committee meeting and formed three advisory councils (arts; education; business) to find out what those communities wanted. To survey public attitudes, they made contact with 44 arts

organizations and attended community events – from fairs, concerts, and festivals to dance performances and exhibitions. “These organizations and having a consistent presence at events and meetings were critical to our success,” Miller said. “We were constantly testing what message resonated with people and what was not.”

The initial survey question asked how people would spend money for art. “We asked: If you had \$100 to invest in arts, where would you invest it?” said Miller. Results of the informal surveys showed the strongest support for arts education, followed closely by funding for nonprofit arts organizations. Such “input is a valuable tool for better understanding how our region’s arts supporters feel these funds should be spent,” CAN reported in its online “CANMail” in November 2009. Those early survey results help shift the focus and the locus of the campaign in 2010 to funding arts education in Portland’s six school districts.

It took some effort to bring arts education and access to arts together, however. Chris Coleman, artistic director of Portland Center Stage and president of CAN’s board, attributed the flexibility of the arts organizations in forging the coalition with education to the measure’s ultimate success. “We understood we both [schools and arts providers] wanted a reliable funding stream, and we understood that the most resonant link was between arts and kids. But the real reason this got off the ground was that arts providers got on board,” he said.

“This was really hard, “ Miller said. “We were asking these organizations to foot the bill for the campaign.” The campaign’s main message was funding for arts education; it was not about the arts organizations. Damrosch said she showed arts organizations the polling numbers. “I said, ‘if you make this [ballot measure] about you, you won’t get a dime. But if it’s you and education, you will get about 5 percent operating support.’ It was a very powerful message.”

In the end, the campaign was built around K-5 funding. “We had to say again and again: this campaign will help raise our funding,” Damrosch said. “But [arts organizations] won’t be the primary message of the campaign. It requires that we put schools first. We can get it, if we support the education effort.” “It was a true dance,” Miller said. In the end, “the schools and arts campaign exemplifies how to work together. It was not about the arts and arts organizations but what [these funds] could make possible for the greater community.”

In fact, Miller said, Portland’s five largest arts organizations and some 35 smaller ones “fully funded the political campaign” that kicked off in late 2011. “They gave us access to

their base of supporters and donors, invested funds, tirelessly advocated and volunteered,” she said.

CAN also courted the city’s smaller arts organizations (with budgets under \$5 million). “We asked them for other things – some money but in smaller amounts. We also got access to their membership lists, their donor and volunteer databases, and we asked them to post our campaign information and link to our website and Facebook pages,” said Miller.

### **Making Connections**

Outreach into the community shaped CAN’s thinking from the beginning in 2008; in the end, “it got us to where we landed,” Miller said. The city of Portland and RACC contributed significant amounts of funding – Portland put up \$100,000 in 2009, 2010, and \$150,000 in the last year of campaign – for outreach and to support the CAN organization. Importantly, in every contact from the beginning, CAN always asked for people’s emails and phone numbers, which helped build a database of 35,000 supporters.

Miller says those connections were a crucial element in the measure’s success. Mayor Adams cared a lot about social media and had a large following, and Miller says that “played a huge part in our campaign. Social media was a major way we turned out voters. Without that base of support we couldn’t have counteracted the negative media campaigns.” Twitter and tweets constituted one avenue, but an even more effective medium was Facebook. As Miller points out, lots of groups, and schools and parents use it for daily communication. She said CAN surveyed where people got their news, and social media was high on the list. “Still, it wouldn’t have worked without advance work on our part,” she said. “We built Facebook and Twitter and email over a long period of time – not six months but four years.”

The key to using such networks is to make sure the content is relevant to supporters reached through them. CAN’s online presence ranged from its CANMail newsletter to blogs, alerts and volunteer profiles. “We were not just asking them to do stuff or give money,” Miller said. That attention over time lifted the ballot measure and provided “positive momentum when mainstream media was negative.”

Volunteers also made a difference, especially in the days leading up to election day, when CAN mobilized 150 volunteers from arts organizations to go door-to-door. (See CAN annual reports [[2009](#), [2010](#), [2011](#)] for details on numbers.) Miller said their efforts were absolutely critical. “We built those volunteer relationships over time, and laid the

groundwork early. The arts organizations knew their ideas were heard, and they cared about the outcome.” Volunteering took many forms: from office support and staffing CAN booths at various events, to hosting parties to raise funds to subscribing to its online updates and passing them along to their friends and family.

Building a successful campaign “Is an investment of time, not a one-hit effort,” Miller said. Portland’s arts organizations “had been talking for 20 years about funding, and we had failed before,” Coleman said. “Many people thought it would never happen. Yet, in a difficult [economic] environment, and with the right leadership in place, and what was once the ‘worst-organized advocacy sector,’ we made it happen.”

Adams, who served only one term as mayor [2008-2012], in some respects was a [polarizing figure](#), but many cite his staunch advocacy of arts funding as crucial to the measure’s success. Coleman points to the value of first-hand experience: “He had studied the arts infrastructure for several years [as the city’s commissioner for arts and culture] and knew that there had been no systematic investment in the area’s nonprofit arts organizations.” Damrosch seconded that. The CAN initiative had “a huge steering committee – 50 members, including business leaders, elected officials, mayor –but we had the luxury of Sam’s leadership,” she said.

### **Arts AND Education**

Coalitions proved to be one of the most difficult components of the campaign. “We looked nationwide and realized that arts funding never passed without some other constituency on board,” for example, the Rock and Roll Museum in Cleveland or the Denver Zoo and Natural History Museum, Coleman said. “We knew we had to spread arts’ connections to the community.” CAN considered all kinds of possible partnerships – parks, libraries, etc. – but “we always talked about partnership with schools,” Coleman said.

FM3’s polling consistently showed strong support – in the 90 percent range – for arts education. The recession beginning in 2008 had hit state funding for arts education hard in Oregon. CAN began looking closely at arts education funding in Portland and found that nearly 12,000 students attended public schools without any art, dance, drama, or music instruction. Many of the regions arts organizations had stepped up to fill the void, but those efforts were not coordinated, and only schools that could pay for them could take advantage of the programs offered.

It became apparent that some relationship with local school boards would have to be part of the funding push. “We thought at first we could find a funding stream dedicated



just to arts organizations, but from polling, we found out why it wouldn't work," Damrosch said. RACC members, whose constituency is arts organizations, had a choice. "We had spent one-and-a-half years trying to engage the leadership of three counties to commit" [to the income tax for arts education], Coleman said. "But we only got political leadership from two counties; one wouldn't get on board. It was really frustrating, but the city of Portland stepped up, and we decided to move." Damrosch concurred. "Sam convinced the group we should go for a quick win. It didn't fly with all three counties, so we decided to go for a smaller footprint, just the city of Portland."

The loss of arts education funding in K-8, coupled with the poll findings, generated CAN's direction. A study by the [U.S. Department of Education](#) showed that nationwide 94 percent of elementary schools offered music instruction, and 83 percent had visual arts programs. In contrast, Portland's six public school districts, which educate more than 33,000 K-5 students annually, provided music instruction in 58 percent of elementary schools and visual arts instruction in a mere 18 percent.

The initiative that went to voters in 2012 offered to restore arts education to every Portland elementary school by funding teachers *and* community-based arts education and arts access programs. One issue for the arts partners was potential conflict between arts education funding and other needs that school districts might be asking voters to approve. "We had no idea if we would be an attractive partner to them, or if they would feel we were cannibalizing their constituency," Coleman said. In 2010, "CAN went public with Portland's arts education crisis and began a conversation with Portland's six school superintendents brokered by Mayor Adams," Miller said. Coleman said the school districts were excited, and "we let them formulate how funding would be allocated. They decided it was to support elementary arts teachers. That was a huge selling point [for voters]," he said.

## **POLLING – AN ESSENTIAL INGREDIENT**

David Metz, partner in FM3, the California polling firm hired by the Creative Advocacy Network in 2008, admitted in an interview that he was "skeptical" at first that an arts-funding initiative would pass. "Portland loves the arts, and it has a dynamic arts scene," he said. "But attempts to link that to the creative economy and innovation kinda fell flat. Voters often saw those two ideas in separate buckets."

He said he changed his mind after the [first round of polling](#). "I thought we would see a visceral negative reaction to public funding for arts. I expected polling to show about 35 percent support – lo and behold, we had 65-70 percent support," Metz said. "I was



stunned and went back and checked all the data. Each subsequent poll showed about the same level of support (as did all other Portland polls by political pollsters). These polls showed we were on the right track.”

Polling helps nail the focus and produce scientific evidence to take to donors, organizations and skeptical voters. Hiring a pollster isn’t cheap. Coleman estimates that over four years, CAN spent about \$50,00-\$60,000. But it paid off in Portland. As Miller told [a reporter](#) in 2010, "You hire political strategists partly to show you when the timing is right. And now is the time."

“What we learned” from the polling, Damrosch said, “was that the average Portland resident didn’t know how hard it is to be a professional arts organization.” Importantly, the polling showed that a major component of their campaign had to be funds for education. “The highest [numbers] in all three counties – 93 percent -- said ‘Yes’ to education as a value. That changed our direction,” she said.

But even a measure funding arts education faces difficulties, as anyone who has tried to pass one knows. Metz points out that is because voters tend to see the arts as a want rather than a need. “It’s something people enjoy having but not necessarily to committing public money to fund,” he said. In addition, demographics skew polling: the most support consistently comes from those who are white, educated, liberal and affluent, but “they have an equally strong opposite,” Metz said.

His advice to the Portland group, after looking at initial rounds of polling and focus groups, was to concentrate on three strategic factors:

1. Limit the geographic focus/area to Portland rather than the entire region. The city has a relatively small number of residents who prefer small government, an active arts community and a younger demographic,” Metz said.
2. Blend the arts to other areas of interest to the community. A 2008 campaign by Metz’s firm in Minnesota partnered arts funding with a clean water initiative.
3. Marry arts to schools. “Most evidence and research supports this connection,” he said. “Voters intuitively understand the benefit of arts in schools—students are more engaged and interested; they learn new ways of thinking; and there’s strong research that shows this is the effect of arts education. The public also is aware that in the current economy, the arts get cut. So voters are more willing to raise their own taxes to fund them.”

Metz said the key to success is language, and everyone involved in promoting

Portland's Arts Education and Access Fund campaign agrees that voters understood exactly what they were buying. "Once we found our 'hook' – funding for K-5 arts teachers first, arts organizations second – "suddenly the city was on fire about fixing" the problem, said Miller. "We constantly tested specific ballot language and polled every nuance to try to determine where the greatest intensity of support or opposition were," Coleman said. "We tested descriptors -- should we call it an income tax? A fee? How did support change if we led with arts first and kids second?" The issue put to voters was straightforward: The city would

*. . . [A]ssess an annual income tax of \$35 on all income-earning Portland residents ages 18 and older unless they live in a household making less than the federal poverty level." And further that the money would be used "to hire arts and music teachers . . . serving K-5 students in six Portland school districts . . . provide grants to nonprofit arts organizations . . . and make arts . . . available to underserved communities. [[Ballot Measure 26-146](#)]*

When Metz's pollsters questioned likely voters, they read the exact language on the ballot. That way, "voters know exactly what it says, not someone's interpretation of it," Metz said. "We put a lot of energy into figuring out the right words and making sure the language captured the underlying concept."

## **STRATEGIES**

### **Funding Mechanism/A Limited Income Tax**

The No. 1 recommendation in the *Act for Art* five-year plan called for a dedicated funding mechanism generating \$15 million-\$20 million for arts and culture. The CAN steering committee settled on a permanent income tax capped at \$35 per qualifying taxpayer as the most viable and equitable mechanism. [Oregon's taxing structure](#), which is more dependent on personal income taxes than any other state (68 percent), made collecting a sales tax impractical. And the state's [school funding structure](#), based on measures passed in 1990 and 1997, capped school-related property taxes at \$5 per \$1,000 of market value and limited the amount by which a property's assessed value can rise in any year. CAN met with the City of Portland Revenue Bureau, which initially recommended that the Oregon Department of Revenue administer the tax because it had a collection infrastructure in place. Miller said CAN never pitched collections to the state "in a real way, because we knew we would collect substantially less and lose control of the timing."

### **Changing the City Code**

[The Portland Revenue Bureau](#) structured a plan, based on its experience administering the Multnomah County Personal Income Tax, to estimate compliance rates and revenue projections. The voter-approved measure stipulated the tax would be collected beginning with 2012 taxes to start April 15, 2013. That required rewriting the [city code](#) and drawing up [administrative rules](#) to implement collection and administration of the tax.

The tax applies to all residents of Portland over 18 but excludes households below the federal poverty line. The bureau estimated startup costs the first year (2013) at about \$1 million to collect \$9.9 million in taxes, with administrative costs capped at 5 percent of gross revenue thereafter. Revenue Bureau director Thomas Lannom told a reporter for [Willamette Week](#) that the “lion’s share” of the administrative cost was in mailing the appropriate notices to every resident. According to bureau projections, based on its experience with the Multnomah County tax, 85 percent of qualifying taxpayers would pay the tax in its first year, rising to 89.7 percent by 2016.

According to the measure’s [revenue distribution](#) plan, funds collected are first distributed to the six Portland school districts (69 percent) to hire certified arts and/or music teachers (K-5 only) based on a ratio of one teacher for every 500 students. Schools with fewer than 500 students will be disbursed on a pro-rata basis. David Wynde, deputy chief financial officer and budget director for Portland Public Schools, the largest district in the city, said one of the challenges for schools is to figure out how to allocate staffing. “In most school districts, funding for staffing isn’t where we want to be; we’ve all been in retrenchment/budget-cutting mode for several years,” he said. The first year, beginning next Fall, will be about assessing the funding impact, he said. “Did Portland actually add teachers – are there more now” than there were?

### **How it Works: Schools First**

School staffing is based on a [formula](#) that allocates so many staff and faculty for so many students. Principals decide how to allocate their funds in individual schools. As Wynde explained, Portland’s six school districts will receive a designated funding stream, in addition to regular education funds, to hire X number of full-time-equivalent staff specifically for arts education. During the campaign, some critics charged the amount of the tax was not sufficient to hire one arts teacher for every school, but Wynde said that was not the intent of the measure. “We expect enough money [for our district] to pay 45-46 full-time-equivalent positions beginning next fall. We have no choice in how to use the money – it must be used for arts and music teachers.”

Here’s how it will work in the Portland School District, according to Wynde: Some of its schools may have only 128 students in K-5; others may have 737 K-5. The smallest

school might get funding for a teacher one day a week, while largest might get 1.6 FTE. “If you're a principal who gets 0.8 FTE, how you allocate that funding is up to you. You could have one teacher four days a week, or two teachers two days a week. And you can use funds from your general allocation to round up,” he said. “This is a great challenge to have! It’s \$4.5 million for education we wouldn't otherwise have to provide a high-quality arts-education experience in 50+ schools.”

### **Then, Funding for Arts Organizations**

Of the remaining funds collected from the tax, 95 percent will go to RACC for grants and services to support arts education and access in the city’s nonprofit arts organizations. At least 5 percent of those funds are earmarked for grants to schools and nonprofits that provide access to high-quality arts experiences to K-12 students and underserved communities. RACC may use up to 3 percent of the funds to coordinate arts education services among the participating districts. The remainder – about \$3.6 million – will support established arts organizations.

This is all new money, in addition to existing and ongoing support from the city to RACC. As Coleman points out, that will significantly boost operating budgets for Portland’s arts nonprofits. Before the tax, arts organizations received about 1 percent of their operating support from the city's general fund; the new tax allocates up to 5 percent, Damrosch said. Coleman, for one, is very excited about the prospects. “It’s the biggest single source of money since I came to Portland 12 years ago,” he said, “a whole new funding source that doesn’t rely on increased ticket sales.” It adds substantially to the bottom line. In 2012, Portland Center Stage received 0.86 percent of its eligible income from the city and 0.10 percent from the state. “Passage of the tax assures us of 5 percent from that stream, or about \$450,000. That’s about \$350,000 a year more than we received before from the city,” Coleman said. “For smaller nonprofits that get support near or close to 5 percent, RACC will allocate some of our existing funds to give them a boost, too,” RACC’s Damrosch said.

In addition, the measure called for amending the city’s intergovernmental agreements with the schools and RACC to require annual audited financial statements showing how the money is spent. And, it required a citizen oversight committee appointed by and reporting to the city council, which will meet two to three times a year to ensure the funds are allocated and used as promised. “They are voters’ eyes and ears,” said Damrosch. “Accountability and transparency will be important, and arts organizations have to keep up their end of the bargain, making sure that their programs and services are accessible to all.”

## **Getting City Council Approval**

In June 2012, CAN took its proposal to the Portland City Council seeking referral of the measure to voters on the November ballot. The council voted unanimously to place Measure 20-146 on the ballot [where it received 62 percent voter approval]. Two other related measures also were on [the ballot](#): a Portland School District capital bond [property tax] to replace and repair schools and other improvements [66 percent of voters approved]; and, a Multnomah County library measure to replace and renew an expiring operating levy and form a library district [62.8 percent voter approval].

In Oregon, ballot measures must meet specific requirements. City titles consist of three components: a caption of not more than 10 words identifying the subject; a ballot question of not more than 20 words, plainly stating its purpose in affirmative language (thus ensuring that voting “yes” means voting in support); and an impartial statement of 175 words or less summarizing the measure’s effects.

## **Arguments over Income Tax**

Despite the widespread support for the tax indicated in CAN’s polling, not everyone in Portland agreed with the measure. Within weeks of city’s referral of the measure to the ballot, two Portland residents had [filed petitions](#) challenging the ballot’s wording. [One cited](#) it as “unfairly and incorrectly identify[ing] the tax . . . as an income tax.” The petitioner argued the tax did not depend upon income, nor was it “capped.” It was a “fixed” amount because all eligible residents paid exactly the same, \$35, and thus was not a tax based on income level.

The other [petitioner claimed](#) the ballot measure was “insufficient, not concise and unfair.” The wording implied revenues received would “restore” arts and music education, which, the petitioner argued, suggested the tax would “completely . . . replace funds that were lost or diminished.” But the ballot wording “makes no mention of the amount of lost or diminished” funding, thus “unfairly” leading voters to think “the proposed tax will return students to some unknown Golden Age of arts and music education.” Further, he argued, identifying it as an income tax misled voters; rather, it constituted a flat tax of a specific amount, making it a poll tax or head tax, which is unconstitutional in Oregon.

A circuit court [judge ruled](#) the language was not “insufficient, not concise and unfair” and dismissed the head-tax claim because it would be imposed on every income-earning resident 18 or older living above the federal poverty line. However, the judge did agree the word “capped” could be misleading, and the city was required to replace that word with “of” in the ballot language.

## HOW IT PASSED WHEN SOME MEDIA WERE GETTING IT WRONG

CAN conducted three polls in the months before the election consistently showing strong support for the measure. Other governmental coalitions also bolstered community support. Arts and culture figured in the [2011 Portland Plan](#), organized by the city's Bureau of Planning and Sustainability. The plan cited the arts as "an essential component of a thriving and sustainable city" whose residents recognize that "creative expression is important" not only as expression but also as part of the region's economic base. Many civic organizations and most cultural institutions supported the tax measure. In a [multi-page analysis](#), the City Club of Portland concluded that ". . . a vibrant and accessible arts community in Portland not only complements a strong classroom education program, but is also important to the economic success of the city." Its members, a mix of business and government leaders and professionals, endorsed the measure, despite some members' objections to the likelihood of creating "a piecemeal revenue system" that set a bad precedent and concerns that it left "too many details to be addressed in agreements to be finalized later."

However, some powerful voices objected to the measure. The Portland Business Alliance opposed it on policy grounds ("in a challenging economy, the group supports measures that relate only to education"), and few business leaders publicly supported it although they may have done so privately, according to a [story in the \*Oregonian\*](#), Portland's major daily newspaper.

The free-market-leaning [Cascade Policy Institute](#) argued against it as unconstitutional and an "[im]proper function of city government to levy" such a tax. Further, "unlike the sciences . . . the categories of art have no black-and-white criteria with which to determine their success." Letting the city "take over responsibility for the artistic growth of children" let government "define what "art" is." Instead, if residents aren't satisfied with available art education, the institute suggested they should "support the arts on an individual basis."

This was precisely the advice to voters given by *The Oregonian*. Although it acknowledged in [an editorial](#) that support for arts was a good cause, the newspaper opined that "not every good cause deserves real estate on people's tax bills." If funding for arts education has withered, the editorial board concluded, that's because "art and music are low priorities." The newspaper conducted [a poll](#) the week before the vote that showed "weak support" for the proposed arts tax. Its data indicated 48 percent would or already had voted against the measure, and only 24 percent planned to support it.

Elway Research, which conducted the telephone poll, posed the following question: "There is a measure on the ballot that would assess each adult above the poverty level \$35, would you/did you vote for the arts tax?"

Shortly before the election, Portland television station KATU contracted with SurveyUSA to poll Portland residents, which showed more than 50 percent of voters were undecided. This poll, too, paraphrased the actual language of the ballot. SurveyUSA pollsters asked: "On the Portland City Arts Tax ballot measure, are you certain to vote yes, certain to vote no or not certain?"

The actual ballot caption and question read:

*26-146 Restore School Arts, Music Education; Fund Arts through Limited Tax.  
Question: Shall Portland restore arts, music for schools and fund arts through income tax of 35 dollars per year?*

In a post-mortem after the November election, Barry Johnson, former arts editor of *The Oregonian* who founded the online Oregon Arts Watch, asked Stuart Elway and Peter Bhatia, editor of *The Oregonian*, what went wrong. Elway "agreed that the problem with his poll was the question itself. 'The wording we used was just not accurate.'" He said the newspaper sent him the question it wanted polled, but contrary to the firm's usual practice, his pollsters did not include the actual ballot title. [[read full story](#)]. Johnson's critique of *The Oregonian*'s poll lay in its failure to include reference to other polls – CAN's own polling data was available, as were polls on other ballot measures that included the arts tax – which "should have cast some doubt on the accuracy of the Elway poll."

*Willamette Week*, Portland's alternative weekly paper, also weighed in against the measure in the weeks before the election, implying it was "being sold to voters" as support for education but what they were actually buying was a Trojan horse. The article cast doubt on whether the tax could deliver on its promise of "restoring all arts and music teachers." [[read full story](#)]. But as the measure's supporters point out, full restoration was never the goal: "The issue all along was that folks wanted a tax to *add* to something in schools, not to *replace* something," Wynde said. "The comparison must be what do schools look like with the tax compared to what they would have looked like without the tax. It's not a comparison to 2012-13; it's a different funding and staffing situation."

## **GOING FORWARD**



The campaign for arts education and access funding was long and at times difficult, but organization, coalition-building and seeking new horizons ultimately paid off for its organizers. Today, Portland has a problem most communities and arts organizations would love to share: [delivering](#) on its promise. “In the end, it was a value-driven proposition,” Damrosch said. “People can see the difference in their lives; it’s pretty basic.”

Not everyone is [happy](#), and some residents are [confused](#) because most taxes are added to property tax bills and the arts tax was not. Until the funds are actually distributed it won’t be possible to assess its reach or effectiveness. In the meantime, here’s some advice from the people who helped make it happen.

**CAN Executive Director Jessica Jarratt Miller**

“It was a true dance. The schools and arts campaign exemplifies how to work together. It was not about the arts and arts organizations but what [these funds] could make possible for the greater community.”

**Former Portland Mayor Sam Adams:**

“Portland has economy based on very small businesses; no big Fortune 500 base. We had to take a different route. We had to strike a balance. That meant getting meaningful support for education. I can’t overstate the importance of up-front work; this was years in the making. It took 5 years to get it to the ballot.”

**RACC Executive Director Eloise Damrosch:**

“We spent years and years in the early 1990s in earnest cultural planning. We thought we could find a dedicated funding stream that was not dependent government funding; we were naïve. So about every 5 years we would all get together and talk about where money comes from. . . . What we learned from polling from the beginning was that people remembered what they had in school - they had art teachers and music classes every day - and they see their kids with none of that today.”

**FM3 partner David Metz:**

“If you want to pass a measure, start two years ahead with basic research to see if it’s feasible.” If it’s a money issue, first consider how the funds will be used. Then, find out who will support funding and determine a funding mechanism that won’t set off alarm bells among the public. Then, “figure out how the measure will stack up against the opposing message.” Finally, get lawyers to write the initiative and then do more opinion research to qualify the language of the measure. “We are always looking for who supports and who opposes the potential measure and what message will help persuade

voters in the middle.”

Metz’s advice for campaigns:

- 1) Hire experienced and seasoned political professionals as advisors. “Arts advocates are wonderful, but you need people who will say this is or is not doable, and leadership who values their judgment and will listen. It does no one any good to go forward and fail.”
- 2) Don’t focus on process. “The less said about how groups apply or how decisions on distribution will be determined, the better. The more said about such things, the less confidence the public has in the measure.”
- 3) Focus on outcomes. “Explain how the community will be different if the measure goes forward than if it does not.”
- 4) Focus on access. “Those outcomes are the heart of the effort. Messaging about the mechanics of delivery ultimately matters little to the public.”

## **METHOD**

Every community is unique, no more so than in the ways it negotiates matters of public interest and concern. Portland’s achievement in 2012 of a voter-approved \$35-per-person income tax to support arts education and access reflects its distinctive character. The city is recognized as a center of technology, entrepreneurialism and citizen activism, all of which played a part in bringing the community together around this issue and also shaped my research for this study.

I approached the project on two fronts: personal interviews and documents. The campaign’s carefully calibrated planning efforts involved multiple voices and diverse communities of interest, all under the umbrella initially of the regional Creative Capacity Initiative. It created the nonprofit Creative Arts Network to organize the grassroots advocacy effort, led by Jessica Jarratt Miller, who generously spent hours talking with me and giving feedback on the study as it progressed. She also provided me with introductions to and email addresses and telephone numbers for many of the participants who played a role in, and viewed the outcome of, the campaign from slightly different positions. It took awhile to organize mutually agreeable times, but we managed, and the interviewee’s frankness about the misses as well as the hits adds valuable insight into the process and the outcome of this cultural initiative.

Media coverage mattered to the campaign, documenting its progress step-by-skeptical-step. However, CAN and its many partners also developed their own access routes, allowing them to control their message by speaking directly – through Facebook, Twitter

and direct email – to their stakeholders.

New media technologies completely changed the field of the campaign, as well as the method of research. Ease of access to archived articles, studies and blogs enriched my understanding of the evolution of the campaign and revealed the magnitude of the details involved in passing and implementing the new tax. A campaign extending across time (five years) as well as space (the three-county metropolitan Portland area) generated a substantial paper trail. Documents extended from targeted surveys and think-tank-style studies, to daily and weekly newspaper articles to blogs and tweets

Daily newspapers like *The Oregonian*, backed up by its *Oregon Live* website, dedicate reporters to cover arts and culture. Alternative publications, such as *Willamette Week*, and its online *WWeek*, offer a lively counterpart to the mainstream media with a mix of reporting, blogs and features. Local radio television also factor in. What makes Portland unusual is the depth of informed cultural reporting available, especially from *Oregon Arts Watch*, a dedicated website covering the spectrum of arts and culture. Its cohort of articulate writers and editors covered the complexities of the campaign from top to bottom.

CAN's multi-layered outreach campaign provided a dedicated source of information flow via its website. Over a five-year period, Miller and her staff compiled and collated a mountain of data about the state of the arts in Portland (particularly as it related to its schools) and uploaded it to CAN's website. The site also hosts an archive of all of its blogs, which alerted its growing ranks of volunteers and the community at large to events large and small. In addition, its "Knowledge Bank" aggregated an impressive collection of surveys and research compiled from studies funded by Americans for the Arts, the National Endowment for the Arts, academic studies as well as data collected specifically by the Regional Arts Culture Council about cultural conditions in the Portland region.

Even five years ago, the ability to seek out this range of materials would have been far more complex than this project proved to be. Search engines (like Google) certainly simplify the process, but equally important is how organizations today use their online sites to aggregate materials of interest to their stakeholders. All of this material, from mainstream to new media, archived online made it accessible from anywhere, anytime to anyone. Piecing it together required the insights of the individuals interviewed for the completed study.

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