

# **City Leadership Response\***

## **Case # 25-0047-I**

\*The OIG received City Leadership's response to the report on February 11, 2026. While the OIG strives to publish responses in full, the response contained multiple exhibits that included unredacted invoices and internal email correspondence with an Artscape vendor. Due to recent Maryland Public Information Act concerns, the OIG did not include those exhibits when publishing City Leadership's response and made minor redactions. The OIG did include the economic impact report which the response labeled as Exhibit 1. If those other exhibits are sought by the public, the OIG recommends contacting City Leadership or the Law Department directly.



CITY OF BALTIMORE  
MAYOR BRANDON M. SCOTT

February 11, 2026

Isabel Cumming  
100 N. Holliday Street  
Baltimore, MD 21202

RE: OIG Case #25-0047-I

Dear Inspector General Cumming,

**Introduction**

This response addresses the February 3, 2026, report issued by the Office of the Inspector General (OIG), Case No. 25-0047-I. The report only presents a single formal recommendation: *that the City develop standard operating procedures for events such as Artscape to better define roles and responsibilities among participating entities and to ensure cost-effectiveness in vendor selection.* The City acknowledges this recommendation and notes that substantial progress toward that objective has already occurred.

In 2025, after four consecutive years of disruption, the City successfully relaunched Artscape under a fundamentally restructured model that included a new date, location, and operational framework. The result was not merely a return of the festival, but a decisive economic recovery for the City. Artscape 2025 generated an estimated \$8.5 million in economic activity (See Exhibit 1). The 2025 festival attracted more than 100,000 attendees, one of the largest crowds in recent history, continuing a pattern of approximately 15 percent year-over-year growth since the festival's reinstatement. These outcomes reflect careful planning, strong execution, and responsible stewardship of public resources.

Like cities nationwide, Baltimore strategically deployed American Rescue Plan Act (ARPA) funding to stabilize industries disproportionately harmed by the COVID-19 pandemic. The arts and tourism sectors experienced severe and well-documented economic losses. Artscape 2025 was a deliberate investment aligned with federal guidance and the City's broader economic revitalization strategy. Artscape is one of several ARPA-supported

initiatives designed to restore economic activity, and reestablish Baltimore as a cultural destination.

Throughout 2024 and 2025, the City undertook a comprehensive restructuring of Baltimore’s arts and culture governance framework. This included establishing the Mayor’s Office of Arts, Culture, and Entertainment (MOACE) and reevaluating the City’s contractual relationship with the Baltimore Office of Promotion & the Arts (BOPA), now Create Baltimore. These reforms were happening concurrently with the Artscape 2025 planning cycle and have significantly redefined oversight, authority, and operational responsibilities. The transitions were substantial. Nevertheless, in the midst of the arts evolving landscape, the City and its partners delivered a safe, fiscally responsible, and economically impactful festival during a period of structural change.

Today, MOACE is a fully established and funded office within City government, and a new contractual agreement with Create Baltimore provides clearer lines of accountability and coordination. The governance framework that the report implies was lacking has since been formalized and strengthened.

Although the report’s sole recommendation only concerns standard operating procedures to facilitate coordination between partners, it attempts to raise questions about various aspects of the Artscape budget and utilization of ARPA funds that seem to insinuate impropriety where none exists. For that reason, the City will address those insinuations directly.

The sections that follow reaffirm Artscape’s clear eligibility under federal ARPA guidelines, respond to concerns regarding the use of ARPA funds, and explain the acknowledged administrative oversight related to the modification of the grant budget. Artscape 2025 was consistent with both federal guidance and the City’s recovery objectives.

### **Eligibility Under ARPA**

The City of Baltimore was awarded \$641 million in ARPA State and Local Fiscal Recovery Funds (SLFRF) in March 2021. The funds were intended to address the negative health and economic impacts resulting from the COVID-19 pandemic, which includes lost revenues as individuals remained indoors, businesses closed and public gatherings ceased. In July 2021, Mayor Brandon Scott established the Mayor’s Office of Recovery Programs to centrally monitor and report on the use of these funds to the U.S. Department of Treasury—the federal agency responsible for overseeing these funds.

The U.S. Department of Treasury issued guidance with various categories for the use of ARPA funds. In recognition of the fiscal challenges faced by local jurisdictions due to the COVID-19 pandemic, Treasury identified “Provision of Government Services,” as one of the eligible uses of ARPA SLFRF. According to guidance published by Treasury, “Government services generally include any service traditionally provided by a government. . . In order to use funds under government services, recipients should

first determine revenue loss. They may, then, spend up to that amount on general government services.”<sup>1</sup>

The City of Baltimore has a long history of providing financial support for Artscape, and funding has historically come from a combination of sources. Artscape has been a cornerstone of Baltimore’s cultural scene since 1982 and has become one of the largest free arts festivals in the country. In addition, the festival generates jobs, innovation, and public art which enhances the value of the festival’s footprint. Artscape was canceled in 2021 and 2022 due to the COVID-19 pandemic. Efforts to reinvigorate the festival in 2023 and 2024 proved challenging as the festival was a smaller scale in 2023 and the festival was impacted by weather in 2024—resulting in economic loss for the City. Due to the City’s long-standing practice of providing funding to Artscape, this project was categorized as eligible under “Provision of Government Services.”

While direct return on investment is not a necessary metric in determining eligibility or in justifying the City’s decision to invest ARPA funds in an eligible project, in this context it is worth restating that Artscape 2025 resulted in approximately \$8.5 million in economic activity. This success is a notable outcome when compared to the economic losses posed by the cancellation or disruption of the event over the previous four years.

### **Concerns about Funding Uses**

The report prepared by the OIG identified three areas of concern for the use of ARPA funds: the purchase of alcohol, the VIP reception, and securing musical talent.

First, like many other festivals, Artscape includes live music on multiple stages – from local musical artists to national talent. There is a long history of featuring nationally known musical artists at Artscape. Musical artists help generate greater interest in the event and attract more visitors to Artscape, which increases economic activity and the success of the festival overall. As previously noted, Artscape 2025 attracted more than 100,000 attendees, continuing a pattern of year-over-year growth since the festival’s return.

Secondly, per documentation maintained by the Baltimore Civic Fund (BCF)—the fiscal agent for this grant agreement—about \$26,000 in ARPA funds were used for limited purposes for the VIP reception, to include facility rental, room set-up, decor and signage. Create Baltimore (formerly known as BOPA) solicited sponsorships and used internal funds to cover costs associated with the bar at the VIP reception (See Exhibit 2). Finally, ARPA funds were not directly used to purchase alcohol. As noted in exhibit 14 included in report 25-0047-I, the contracted booking agent, [REDACTED], was instructed in writing (See Exhibit 3) that federal funds may not be used to purchase alcohol as determined by the Code of Federal Regulation. The items outlined in your report were listed in the musical artists’ contracts (known as “hospitality riders”), however, neither the City nor the booking agent paid for hospitality riders, and this information was communicated in writing to the artists’ management (See Exhibit 4).

The City is only responsible for technical riders, which includes band backline, lighting, staging, and audio requirements. It is common industry practice for artists to utilize a singular hospitality rider agreement for all of their commitments, rather than tailoring a new rider for each appearance that reflects differences in the type of event or restrictions facing the booking party. Therefore, it is similarly common practice for artists and their team to waive provisions in their normal rider agreement that cannot be accommodated when necessary. This often occurs during festivals that may have limited facilities, like Artscape, or when artists agree to appearances booked by parties that are not typical entertainment venues or companies. As such, a hospitality rider agreement, or specific provisions therein, being included in an artist booking agreement does not mean that those provisions were ultimately fulfilled. In the case of Artscape the hospitality riders were not fulfilled.

Relatedly, it is necessary to note that these booking agreements have specific confidentiality agreements. According to the agreement between [REDACTED], [REDACTED], “The Civic Fund and the Contractor acknowledge that certain information received under this Agreement, including, but not limited to, information provided by the City for this project and non-public information concerning the disclosing party’s business, methods, programs, activities, services, donors, or finances (“Confidential Information”), is confidential and proprietary” (See Exhibit 5).

Any information that is protected from disclosure under the Maryland Public Information Act should not be released to the public without appropriate redaction. This could include trade secrets or confidential, commercial or financial information, especially of individual artists. Therefore, the City requests that the Office of the Inspector General work with the Law Department before sharing such information publicly to protect the City from potential liability.

### **Budget Preparation and Modifications**

In the last quarter of calendar year 2024, the Recovery Office prepared a grant agreement for \$1,600,000 (0.25% of the total \$641 million ARPA award) for Artscape 2025, which was approved by the Board of Estimates (BOE) on December 18, 2024. Typically, when grantees prepare budgets for ARPA projects, they provide the best estimates and assumptions available at the time that the grant is executed. As programs or services begin, there is often a need to modify the budget to increase or decrease line items or to add new line items as warranted. In the template grant agreement that the Recovery Office developed with the City’s Law Department, there is a provision that allows grantees to request budget modifications in writing. If the dollar amount of the request is below 25% of the total grant, then the request may be approved in writing by the Chief Recovery Officer. If the request exceeds that amount, the grant agreement must go back to the Board of Estimates for approval.

This approach to budget modifications was developed and instituted by the Recovery Office in consultation with the Law Department. The BOE budget modification threshold is

not required by City policy or by the federal government. The objective of this provision in the grant agreement is to ensure that modifications above the Recovery Office's self-determined and voluntary threshold are reviewed and documented, with clear rationale for the modification.

For the \$1,600,000 grant for Artscape, changes at or below 25% (\$400,000) could have been approved in writing by the Chief Recovery Officer per provisions in the grant agreement. Because the proposed shifts between line items were above 25% (\$582,809.02 or 36%), the request should have been subject to Board of Estimates action per Recovery Office policy. Due to an administrative oversight, a budget modification for the Artscape 2025 grant was not submitted to the BOE. The Chief Recovery Officer was not aware until after the grant expired that a written budget modification request had been received but was not elevated. To reconcile the grant agreement, the Recovery Office will resubmit the grant agreement with a revised budget reflecting actual costs to the BOE for retroactive approval for transparency and accountability.

### **Applicable Procurement Rules**

Under the "Provision of Government Services" eligible use of ARPA, Treasury has established "streamlined reporting and compliance requirements."<sup>2</sup> There are several provisions in the Code of Federal Regulations (2 CFR 200) that Treasury deemed are not applicable to ARPA funds expended under this category. According to Treasury's SLFRF Final Rule Frequently Asked Questions, FAQ 13.15, "given the purpose and very broad scope of eligible uses of the revenue replacement funds, only a subset of the requirements in Subparts D and E of the Uniform Guidance [2 CFR 200] apply to recipients' use of such funds."<sup>3</sup> "General Procurement Standards" (2 CFR 200.318) and "Competition" (2 CFR 200.319) are not applicable under this use category. Therefore, competitive procurement was not a requirement for Artscape 2025.

### **Conclusion**

In conclusion, Artscape 2025 was an economically impactful investment that advanced the City's recovery goals, and delivered measurable results for residents, businesses, and Baltimore's arts community. ARPA funds were deployed in accordance with federal guidance, the festival was executed responsibly during a period of significant structural transition, and governance reforms are already underway to improve our processes moving forward. While the City acknowledges the value of continued process refinement, the report does not undermine the impact, or public benefit of Artscape 2025.

The City remains committed to transparency, fiscal responsibility, and building on the demonstrated success of this revitalized festival.

### **Exhibits**

Exhibit 1: Artscape 2025 Economic Impact Analysis Report

Exhibit 2: Invoice for alcohol at VIP Reception Paid for by Create Baltimore

Exhibit 3: Email to [REDACTED] Regarding Purchase of Alcohol

Exhibit 4: Email from [REDACTED] to Artist Management Regarding Purchase of alcohol.

Exhibit 5: Confidentiality Provision from the Contract between the Baltimore Civic Fund and [REDACTED]

# **Exhibit 1**

# ARTSCAPE



Source: Mollie Miller, Artscape 2025: Unapologetically Baltimore in Photos, BmoreArt, [https://bmoreart.com/wp-content/uploads/2025/05/DSC\\_6200.jpg](https://bmoreart.com/wp-content/uploads/2025/05/DSC_6200.jpg)

## Artscape 2025 Economic Impact Analysis Report

### September 2025



GREATER BALTIMORE COMMITTEE

## Background

For over 40 years, **Artscape** has been Baltimore's largest free outdoor arts festival, celebrating the city's vibrant culture and generating a significant economic impact. In 2025, the festival underwent its most notable changes yet, moving from its traditional July dates to **Memorial Day weekend** and shifting its location to the area under the Jones Falls Expressway, and activating City Hall and the War Memorial Plaza. Despite these changes, the event's economic significance remained strong and creating lasting memories.

To measure this impact, the **Greater Baltimore Committee (GBC)** was commissioned by the Baltimore City Office of Promotion & The Arts (BOPA) to conduct an **economic impact analysis** of the 2024 Artscape festival. This study aimed to provide a quantitative assessment of the festival's contribution to the local economy, including its effects on businesses, job creation, and city revenues.

The analysis followed a comprehensive methodology:

- **Review of Survey Data:** GBC analyzed visitor survey responses to understand spending habits on food, lodging, entertainment, and other local purchases.
- **Analysis of Visitation Data:** The study included an assessment of attendance figures, using estimates from BOPA and visitor data from Visit Baltimore to gauge the festival's reach and market segmentation.
- **Estimation of Total Festival Spending:** Using the data from the surveys and attendance figures, GBC estimated the total spending generated by attendees.
- **Economic Impact Analysis Using the Lightcast Impact Scenario Model:** GBC used the Lightcast Input/Output model to conduct a detailed analysis of visitor spending and overall economic impact. This model traced the economic flow across various industries to measure the **direct, indirect, and induced effects** of the Artscape festival on Baltimore region.

Economic impact analyses are crucial for events like Artscape. They provide a clear, data-driven assessment of an event's economic impact on the community, highlighting its broader effects beyond just attendance and revenue. By quantifying the festival's return on investment through job creation and increased business activity, these reports help articulate the need for continued support, ensuring Artscape remains a vital driver of cultural and economic growth for Baltimore for decades to come.

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## A. Survey & Visitor Data

Attendance at Artscape saw an increase from last year, the second consecutive year of growth since the festival was canceled in 2022; this was according to visitor data provided by Visit Baltimore through the analytics software Placer.ai, which analyzes cellular data that is used to estimate the attendance year over year. Placer.ai attendance data is used for sampling and to measure growth. The analytics are supplemented with city findings which provide definitive attendance rates for the weekend. Announcements from the mayor’s office are consistent with this growth noted in data, in which recorded crowds of over 100,000 attendees – the highest total since after the COVID-19 pandemic.

Visitor Trends	2023	2024	2025
Estimated Attendance	44,100	50,900	59,800
YoY Growth	n/a	+15.7%	+14.9%
<i>Source: Placer.ai</i>			

Based on surveying conducted by BOPA filled by both attendees, vendors, performers, and volunteers, **Artscape attendees had an overwhelmingly positive experience**. Out of 212 respondents which identified as attendees during the event, **92%** rated their time as excellent, good, or fair, marking a **7.5% increase** in satisfaction from attendees last year.

The survey highlights several key findings:

- **Safety:** **93%** of attendees felt completely or somewhat safe at the festival's new location.
- **Repeat Visitors:** **71%** of attendees were repeat visitors, showing strong loyalty.
- **First-Timers:** The new location also left a great impression on first-time attendees, with **over half** of them describing their experience as excellent.

The survey found that **65% of respondents were Baltimore City residents** with the remaining coming from the larger region or out of state. fWhat’s also clear is that **first-time attendees not only spent more money, but they were also more likely to be out-of-state visitors**, which is a significant benefit to the local economy.

Attendee Characteristics	Average Spend	% Primary Purpose Artscape	% Out of State	% Total Responses
First time	\$105.89	72%	21%	28.8%
1 – 2 times	\$77.64	93%	7%	13.2%
3 – 4 times	\$98.68	84%	12%	15.5%
5 – 5+ times	\$105.63	90%	5%	42.5%
All attendees	\$100.64	83%	11%	100%

These first-time visitors also showed greater racial diversity. White and Caucasian alone attendees made up **20%** of this group, which is **12 percentage points lower** than repeat visitors. This difference was driven primarily by an increase in Black/African/Afro-Caribbean attendees, who were **11 percentage points more represented** among first timers. Additionally, a quarter of first-time visitors came to Baltimore for other attractions besides Artscape. This new visitor traffic has likely benefited the broader regional economy in addition to their economic contributions to Artscape.

<b>Attendee Data Continued</b>	<b>In-State</b>	<b>Out-of-State</b>
Percent of Total	88.7%	11.3%
Average Spending	\$95.44	\$139.92
Visited for Another Event	75%	25%

The survey data also highlights the value of coordinating Artscape with other major city events. Comparable to first-time attendees, those in attendance traveling from out of state, or the non-Maryland residents surveyed, visited for something other than Artscape and were likely to spend more than In-State visitors. Looking at out-of-state attendees:

- **75%** came to Baltimore specifically for Artscape.
- **25%** were in town for another event, such as a live show or sporting event, and attended Artscape as a secondary activity.

These findings suggest that creating a "cross-pollinating" event landscape could be a powerful strategy. By aligning Artscape with other city attractions, Baltimore can attract out-of-state visitors who might not have attended the festival otherwise, ultimately driving more traffic and capturing more revenue to the city as a whole.

Additional research from Placer.ai, a location analytics platform that uses aggregated cellular data to analyze visitor trends, further expands upon the survey's demographic and spending findings. This research, enriched by **Experian's Mosaic consumer segmentation system**, provides a deeper look into the Artscape audience segmentation.

The data shows that over half of attendees fell into three primary Experian Mosaic profiles:

- **Thrifty Habits:** Largely a group of low-income, older individuals.
- **Suburban Style:** A diverse group of suburbanites with modest to high middle incomes.

- **Singles and Starters:** Young, single people and young families who enjoy a city lifestyle and have modest incomes.

This research highlights the diverse visitor base of Artscape and provides valuable insights into the spending patterns and lifestyles of its attendees. This information can be used to inform future marketing and programming efforts, helping to tailor outreach to attract and develop curated experiences to engage these specific audience segments.

<b>Top 5 Groups – Experian Mosaic Profiles</b>	<b>Population – 70% of Artscape Visits</b>
S – Thrift Habits	16.3%
D – Suburban Style	21.5%
G – Young City Solos	8.5%
O – Single Starters	11.9%
R – Aspirational Fusion	6%

This event segmentation is further supported by demographic data outlined in the survey. Of respondents who completed the survey, almost 70% had a college degree or higher, suggesting a highly educated group of attendees with income segmentation consistent with research provided by the Experian Mosaic Profiles analysis. Of those respondents listing their annual income, 61% earn above the Baltimore metropolitan’s per capita personal income (ACS 5 Year Estimates, 2023) with 39% earning below this threshold.

Furthermore, survey data indicates an overrepresentation of female attendees with 65% of respondents listing their sex/gender as Female/Woman and 33% listing their sex/gender as Male/Man, the remaining 1% listed their sex/gender as non-binary. Of note, this Female/Woman representation is 13 percentage points higher than the Baltimore metropolitan’s area current representation and indicates a high attendance rate compared to regional statistical data.

Other qualitative data in the survey found that the new location of Artscape was not without its challenges. Several attendees expressed concern that holding festival events at the **Baltimore War Memorial** on Memorial Day weekend was insensitive to veterans. They felt that the festivities failed to appropriately honor those who have served and fallen in battle, finding the activation of the space to be disrespectful. Additionally, concerns around accessibility were captured across multiple responses. Several attendees found that the food vendor layout and main stage were not accessible by wheelchairs due to crowds and other immovable obstacles, obstructing one’s ability to move throughout.



**B. Economic Impact**

Analyzing the spending habits of Artscape attendees reveals a significant economic impact on the city. The total estimated spending from the event was an impressive **\$8,530,470.00**, representing a substantial **30% increase** over the previous year.

On an individual level, the average spending per respondent was **\$142.65**. Key spending categories included:

- **Retail:** Attendees spent an average of **\$53** on retail items from vendors at Artscape, a **4% increase** from last year.
- **Food:** Spending on food saw some of the most significant growth, nearly **doubling** from the previous year. This substantial increase, combined with survey feedback on wait times, options, and availability, suggests that further investment in food offerings could be a major driver of future spending. Macroeconomic factors like inflation and increase in food/service costs may also explain this category’s growth.
- **Live Shows and Sporting Events:** Despite no baseball being played over the weekend and an insignificant volume of live performances and shows, this category saw a notable increase from the year prior. Additional research will be needed to determine which events drove this spending but, importantly, this spending showcases a willingness to support live events outside of those at Artscape.
- **Retail Businesses:** Though spendings rates for those who solicited retail businesses outside of the festival were at comparable rates, meaning that visitors likely spent the same amount per retail transaction inside vs outside the festival, survey data indicated that less visitors spent at retail businesses outside of Artscape, ultimately resulting in an overall decrease per visitor. This may be partially explained due to the new location with fewer establishments nestled around the adjacent area as compared to the Mount Vernon and Station North area, where the festival is usually held, may help explain the marked decrease.

<b>Spending Category</b>	<b>Average per Respondent</b>	<b>Total (Estimated)</b>
Food and Drinks	\$51.90	\$3,103,330.65
Retail Shopping from Vendors	\$53.02	\$3,170,706.92
Retail Shopping – Businesses	\$8.92	\$533,136.29
Parking	\$5.99	\$358,076.61
Live Shows or Sporting Events	\$9.52	\$569,001.82
Lodging	\$11.20	\$669,878.15
Rideshare Services or Taxis	\$2.11	\$126,339.56
<b>Total</b>	<b>\$142.65</b>	<b>\$8,530,470.00</b>

<b>Year Over Year Changes</b>	<b>2025 Estimates</b>	<b>2024 Estimates</b>	<b>Change</b>
Food and Drinks	\$51.90	\$31.00	67%
Retail ... from Vendors	\$53.02	\$51.00	4%
Retail ... Businesses	\$8.92	\$21.00	-58%
Parking	\$5.99	\$4.00	50%
Live Shows or Sporting...	\$9.52	\$4.00	138%
Lodging	\$11.20	\$9.00	24%
Rideshare Services or Taxis	\$2.11	\$ 4.00	-47%
<b>Total Average</b>	\$142.65	\$129 <sup>1</sup>	11%
<b>Total Spending</b>	\$8,530,470.00	\$6,560,543.00	30%

A detailed economic analysis of Artscape estimates shows that the festival's total economic impact stood at approximately **\$8.8 million for 2025**. This figure represents a significant impact on the broader Baltimore economy.

While the total economic impact and the subsequent breakdowns in sales, earnings, and employment are captured below in distinct analyses, the output figure represented, total value of goods and services generated by businesses, showcases resounding economic generation. Additionally, the event is estimated to have generated around **\$1,047,190.00** in local, state, and federal taxes, further underscoring its financial benefit to the region.

<b>Impact by Year</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Estimated Economic Impact	<b>\$12.1 MM</b>	<b>\$6.7 MM</b>	<b>\$8.8 MM</b>

A direct year-over-year comparison is not encouraged across previous years, as each economic analysis is derived from different software, a direct comparison of the raw data between them is not possible. However, the final, estimated output figures can be reliably compared year over year to track the festival's economic growth and impact.

Below is the estimated analysis showing the effect on sales, earnings, jobs, and tax revenues. These impacts are capturing the direct, indirect, and induced effects of event of vendor and attendee spending as it circulates through the regional economy:

- **Total Sales (Output):** The total economic output generated was **\$8,880,219.27**.
- **Total Earnings (Labor Income):** The event supported **\$2,859,509.31** in labor income.

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<sup>1</sup> Note that this year did not include an option to catalogue public transit in this year’s spending survey.

- **Total Jobs (Employment):** The event created or supported the equivalent of **33** full-time jobs.
- **Total Tax Revenues:** The event generated an estimated **\$1,047,190.00** in total tax revenues.

	Output	Earnings	Jobs		Effect on Taxes
<b>Direct</b>	\$6,051,122.87	\$1,901,967.20	13	Local	\$498,325.00
<b>Indirect</b>	\$2,148,017.64	\$721,435.83	4	State	\$412,212.00
<b>Induced</b>	\$681,078.76	\$236,106.27	16	Federal	\$136,653.00
<b>Total</b>	\$8,880,219.27	\$2,859,509.31	33	Total	\$1,047,190.00

### Conclusion and Results

The 2025 Artscape festival had a significant and lasting impact on Baltimore's economy. As the nation's largest free arts festival, Artscape brought in thousands of visitors, which translated into a major boost for the city's hospitality, retail, and food industries. Artscape is on a positive trajectory, attracting a growing and diverse audience. The festival's ability to draw significant attendance, especially from new visitors, is a major win for the future.

**First-time attendees** not only **spent at the highest rate** but were also more likely to be **out-of-state visitors**, bringing new dollars into Maryland's economy. This group also showed greater racial diversity, with a higher proportion of people of color compared to repeat visitors.

To maximize economic impact, Artscape should **continue to target first-time and out-of-state attendees**. Additionally, efforts to re-engage returning attendees are crucial, as the data suggests they are more likely to be local. By focusing on both attracting new visitors and maintaining the loyalty of its base, Artscape can build on its recent successes and become an even more powerful economic driver for the city.

Looking at the impact analysis, money spent on accommodations, dining, and transportation created a ripple effect, increasing revenue for local businesses and generating sales tax for the city. This surge in economic activity not only supported existing jobs but also created new employment opportunities in the arts, entertainment, and related industries.

Beyond the immediate financial benefits, the festival helped solidify Baltimore's reputation as a cultural destination, attracting future events and investments. By highlighting local artists and creative talent, Artscape contributed to the city's long-term revitalization and economic growth.

## Appendix – Methodology

### Lightcast Input-Output Model

The Lightcast Input-Output (I-O) model is a comprehensive economic analysis tool used to quantify the economic impact of a particular event, industry, or organization. It works by tracing the flow of money through an economy to estimate both the direct and indirect effects of an economic activity.

The model is based on the idea that every economic transaction has a ripple effect, creating a chain of related transactions. Input-Output model used for the Artscape 2025 economic impact analysis measures the festival's influence on Baltimore City through four key metrics:

**Output.** Represents the total value of goods and services generated by businesses in Baltimore as a result of Artscape, including spending on accommodations, dining, retail, and transportation.

**Employment.** Measures the number of full-time and part-time jobs created or supported across different sectors, such as hospitality, entertainment, and local arts, due to the festival's activities.

**Labor Income.** Accounts for wages, salaries, benefits, and other earnings received by workers employed in jobs generated by the festival, contributing to local household income.

**City Government Revenues.** Includes revenues collected by the Baltimore City government, such as sales and lodging taxes, resulting from increased economic activity associated with Artscape.

The model evaluates Artscape's economic effects through the following categories:

**Direct Effects.** Reflect the initial impact of visitor spending at the festival, including purchases made on-site, hotel stays, and dining expenditures.

**Indirect Effects.** Capture the changes in inter-industry transactions, such as local businesses increasing their purchases of supplies and services to meet the heightened demand from festival-related activities.

**Induced Effects.** Represent changes in household spending as employees earn additional income from jobs directly or indirectly associated with Artscape, leading to increased spending on local goods and services.

**Total Effects.** Sum the direct, indirect, and induced effects to provide a full picture of the economic impact that Artscape 2025 had on Baltimore City.