



Abbeville Opera House Impact Study

This Study has been developed in order to gauge the current Economic Impact of the Opera House on the Abbeville County, vs its potential impact. Prepared by the Abbeville City's Community Development Department, this report will use several metrics to measure the Economic impact of the Abbeville Opera House.

About the Abbeville Opera House

The Abbeville Opera House has been a staple of the Abbeville Community since its construction in 1908. Originally, the Opera House played host to travelling theatre companies which performed vaudeville style acts and Broadway productions. With the advent of film, the demand for live performances began to fade and the Opera House would serve as a movie theatre until it was shut down in the late 1950's. Around that same time, a group of theatre supporters led by George Settles would begin the revival and restoration of the theatre as a venue for live performances. From the early 1960's to late 1970's a host of different groups would perform at the Opera House until a professional touring theatre company led by Michael Genevie established residence in 1979. Nearly 40 years later Michael Genevie remains the Executive Director of the Opera House and the positive influence of he and his wife Kathy cannot be overstated. To this day, the

Opera House remains a cultural landmark for Abbeville County with a tremendous economic on the local community.

Current Economic Impact

Visitor Spending Impact

Estimated Number of Attendees in 2017: **6,000**

Average People per Group: **2.5**

Number of Groups: $(6,000/2.5)$ **2,400**

Average Group Expenditure: **\$115** *(This includes \$50.00 for food/beverage, \$50.00 for tickets and \$15.00 for miscellaneous. This figure was obtained from similar tourism attractions)*

Yearly Hospitality Sales Tax Generated by Opera House
(Estimated) $(\$50 \times 2,400 / .02)$: **\$2,400**

Estimated Spending Impact: $(2,400 \times \$115 + \$2,400)$
\$278,400

Organizational Impact

Opera House Expenses

(Funds reinvested into the local Economy)

(Does not reflect entire Opera House Budget, just funds reinvested locally)

Personnel/Admin	\$70,100
Utilities	\$10,500
Productions	\$25,000
Miscellaneous	\$6,200
Total Expenses	\$111,800



Revenue
(Funds brought In)

Ticket Sales	\$100,000
Sponsors and Ads	\$10,000
Concessions	\$500
Grants	\$12,000
Total	\$122,500

Total Economic Impact

Attendee Spending Projection	\$278,400
Direct Opera House Expenditures (Not Counting Ticket Sales)	\$111,800
Total Current Impact	\$390,200



Economic Impact on Local Businesses

At this time, two local businesses have released sales information. Those business reported a 90.1% and 10% respective increase in sales when comparing a weekend without an Opera House performance and a weekend with one. While available data is limited in nature at this time, the City would expect other businesses to also receive a similar benefit.

Potential Additional Economic Impact (Visitor Spending Only)

Visitor Spending Impact

Estimated Number of potential attendees: **7,100**

Average People per Group: **2.5**

Number of Groups: $(7,100/2.5)$ **2,840**

Average Group Expenditure: \$145 *(This includes \$50.00 for food/beverage, \$80.00 for tickets and \$15.00 for miscellaneous. This figure was obtained from similar tourism attractions)*

Yearly Hospitality Sales Tax Generated by Opera House (Estimated): **\$2,840**

Estimated Spending Impact: $(2,840 \times \$145 + \$2,840)$

\$414,640

+ Impact from Traditional Theatre Performances **(\$290,200):**

= **\$704,840** in Potential Total Visitor Spending Impact

Methodology

In calculating the potential additional visitor spending impact, the number of attendees (7,100), was garnered by projecting 26 additional performances with 275 attendees each. This does not represent the capacity of the Opera House, but rather the figure was used as a reasonable conservative estimate. More than 26 additional performances/events could be held on an annual basis; ultimately, it would be the initial intent for the Opera House to host at least one event per week moving forward. Currently, other venues such as the Newberry Opera

House host 10-15 performances every month. The increase in the price of tickets was selected to better represent ticket cost for the types of acts (musical, comedic, etc.) which would perform during those 26 additional performances. The yearly Hospitality Tax Generated is taken by multiplying the number of groups by the estimated \$50 food and beverage expenditure and then multiplying that figure by .02.

Furthermore, this study does not take into account the current or potential impact on the Hotel Industry in Abbeville. However, it is reasonable to assume that the increase in number of performances at the Opera House would result in increased occupancy at Abbeville’s hotels.

Estimated Costs

The first step in preparing the Opera House to become a more active and diverse venue would be to enlist the assistance of an industry expert who is experienced in Theatre renovations (currently underway). Some issues which will need to be addressed include lighting, sound, concessions, lobby area, restrooms, the stage, backstage, the roof, HVAC, and potentially the third floor. These costs could exceed \$1 Million to suitably address and the City is currently pursuing funding options such as the Penny Sales Tax, potential Grants, and utilizing Hospitality Tax Dollars.

1.	SOUND SYSTEM FOR THE HEARING IMPAIRED	\$ 20,000.00
2.	STAGE DRAPERIES	\$ 26,000.00
3.	AISLE LIGHTS	\$ 5000.00
4.	HVAC	\$ 75,000.00
5.	BACKSTAGE DRESSING ROOMS	\$ 50,000.00
6.	AUDITORIUM SEATING	\$ 8500.00
7.	PAINTING AUDITORIUM AND DRESSING ROOMS	\$ 9000.00
8.	HOUSE LEFT BOX SEAT CEILING	\$ 1750.00
9.	LIGHTING – DIMMER RACK AND CONTROL BOARD	\$ 90,000.00
10.	AUDITORIUM & BALCONY CARPET AND SEATS	\$ 3550.00
11.	CONCESSIONS AREAS	\$ 18,000.00
12.	STAGE FLOOR	\$ 8200.00
13.	LIGHTING AND SOUND BOOTH EQUIPMENT	\$ 75,000.00
14.	STAGE MICROPHONE & AMPLIFICATION SYSTEM	\$ 50,000.00

15.	OPERA HOUSE MUSEUM	\$ 50,000.00
16.	BACKSTAGE AND AUDITORIUM ROOF	\$ 250,000.00
17.	REST ROOMS	\$ 50,000.00
18.	SPRINKLER SYSTEM FOR AUDITORIUM AND BACKSTAGE	\$ 60,000.00
19.	OPERA HOUSE THIRD FLOOR RENOVATION	\$ 150,000.00

Conclusions

The Abbeville Opera House is a storied venue which has hosted events from Vaudeville, to movies, to theatrical productions and everything in between. However, the Opera House is currently being severely underutilized as a venue. The above estimate shows that over \$400,000 is being left on the table in potential economic impact from additional performances, much of which would directly benefit local businesses, the City of Abbeville, and Abbeville County as a whole.



While a key component of this study and the potential impact of the Opera House involves additional and diversified performances, it is not the intention moving forward to overshadow or eliminate the Opera House's role as a Theatre. Rather, the intention is to compliment the theatre productions with a lineup of diversified performances which will introduce the Opera House to a segment of the population which at this time does not attend shows at the Opera House; nor is likely to without these changes.

For the economic health of the area, it is critical that the Opera House be allowed to reach its full potential as an economic generator. As Greenwood and other surrounding areas continue to invest and differentiate themselves, it is absolutely essential that Abbeville invest in its own unique features; especially those which have the potential for a major economic impact.

