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## Arts and Culture Means Business in the City of Grand Rapids

### New Study Shows Strong Impact of Nonprofit Arts and Culture on Grand Rapids' Economy

SAINT PAUL, MN: We have known for a long time that the arts and culture are important to the City of Grand Rapids. They enhance our quality of life, bring diverse communities together, and make our area a magnet for jobs and businesses. A new study was released today by the City of Grand Rapids, the Arrowhead Regional Arts Council and Minnesota Citizens for the Arts that shows that, in addition to contributing to our state's excellent quality of life, the nonprofit arts and culture sector is also a substantial industry in the City of Grand Rapids, generating **over \$5 million in total economic impact annually**.

As the most comprehensive report ever done of the creative sector, *Creative Minnesota* is a new effort to fill the gaps in available information about Minnesota's cultural field and to improve our understanding of its importance to our quality of life and economy. Today's report release is the second wave of a concentrated effort to collect and report data on the creative sector every two years for analysis, education and advocacy. All of the research developed by the *Creative Minnesota* team will be available at [creativemn.org](http://creativemn.org).

*Creative Minnesota: The Impact and Health of the Nonprofit Arts and Culture Sector* found that **12 nonprofit arts and culture organizations** in Grand Rapids **support the equivalent of 139 full time jobs** in the city, and **86,381 people attend** nonprofit arts and cultural events annually.

**The City of Grand Rapids is "punching above its weight" in terms of local economic impact. While the region was ranked 14<sup>th</sup> in population in 2010 among the seventeen cities and counties studied, it ranked 4<sup>th</sup> in size of its economic impact per resident from the arts and culture, behind only the Twin Cities and Cook County.**

Sheila Smith, Executive Director of Minnesota Citizens for the Arts, said “Grand Rapids has something really special going on with the arts and culture compared to the rest of the state.”

"The value of creating community spaces and places for the arts and creative people extends well beyond standard economic gain ... it's about creating local rural economies that are humane, sustainable and diverse," said Sonja Merrild, Director of Grants, Blandin Foundation. "In a nutshell this is what is going on in Grand Rapids ... traditional economic actors are holding hands with creative people and vice versa. This is where magic can happen in small places."

**Twelve local organizations are part of the city study:**

- Northern Community Radio KAXE,
- Forest History Center,
- Itasca County Historical Society,
- Itasca Choral Society, Showboat,
- Grand Rapids Players,
- Grand Rapids Area Male Chorus,
- City of Grand Rapids arts and cultural programs,
- Itasca Orchestra and Strings Program,
- MacRostie Art Center,
- Reif Arts Council, and
- The Creativity Tank.

Local legislators were impressed by the strength of the arts impact on local economies:

"The arts, including music and theatre, have long been established economic entities in Northern Minnesota. It is a reflection of the diverse ethnic nationalities and culture of hard work that make us a unique and progressive region," said Minnesota State Representative Tom Anzelc.

“The arts play a crucial role in strengthening the economies in our rural region. Not only do arts and culture promote tourism and education, but they enhance the quality of life for our community members,” said Minnesota Senator Tom Saxhaug.

“The arts are vital to communities throughout our region and state,” said Minnesota State Representative John Persell. “The arts industry is an integral part of the economy and a significant portion of our economic development is premised on creativity. I support the arts as an investment in ourselves, our communities, and our state.”

*Creative Minnesota* was developed by a collaborative of arts and culture funders in partnership with Minnesota Citizens for the Arts (MCA). The report leverages new in-depth research made possible because of Minnesota’s participation in the **Cultural Data Project** ([culturaldata.org](http://culturaldata.org)). The first round of studies, released in February 2015, looked at the state’s eleven arts regions and at the state as a whole. This round is about cities and counties. *Creative Minnesota* is a snapshot of the health and impact of nonprofit arts and culture organizations’ budgets in 2013 and looks at their spending and their audiences as well as other indicators. **The other Northland cities that were studied include Virginia, Duluth, and Cook County.**

“We hope that arts advocates, legislators, local government officials and arts and cultural organizations will use this report to find new ways to improve their lives and economies with arts and culture,” said Sheila Smith.

The *Creative Minnesota* team includes **Minnesota Citizens for the Arts, The McKnight Foundation, the Minnesota State Arts Board, the Forum of Regional Arts Councils of Minnesota, Target, Bush Foundation, Mardag Foundation, and Jerome Foundation**, with in-kind support from the **Minnesota Historical Society** and others.

Kate Wolford, President of The McKnight Foundation said, “Like other entrepreneurs and small business owners, artists add significant economic and creative value across the entire state. Backed by hard data,

*Creative Minnesota* reveals important truths about how our state’s artists and arts and culture organizations are making dynamic contributions to our economic vitality and to our high quality of life.”

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#### **Notes on the Cultural Data Project and other Sources:**

This research was made possible by the state’s participation in the **Cultural Data Project**, [www.culturaldata.org/](http://www.culturaldata.org/) which is a web-based data system utilized by arts and culture grant makers in thirteen states and the District of Columbia. Many public and private grant makers in Minnesota require some or all of their arts and culture grantees to submit data to the CDP. Most CDP data is financial, though it includes information about services provided, numbers of participants, staffing and volunteers as well. CDP data in this report is from 298 arts nonprofits as they reported it to the CDP.

The CDP data was supplemented by the responses of 396 arts and culture nonprofits to a brief online financial survey and by 575 organization’s grantee data provided by the Minnesota State Arts Board, Regional Arts Councils and the Minnesota Historical Society. In addition, 3410 audience members completed a survey at arts and culture events around the state. Additional information came from the National Endowment for the Arts, the Tourism Marketing Council, Explore Minnesota, the Minnesota Department of Education and others.

Americans for the Arts (AFTA) was commissioned to calculate the economic impact research portion of this report as part of *Arts & Economic Prosperity® IV: The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences in the State of Minnesota*, Americans for the Arts, 2014 and the associated eleven regional Minnesota studies, which can be downloaded at [creativemn.org](http://creativemn.org). Additional data analysis was done by CliftonLarsonAllen using the data sources cited above.

#### **The Legacy Amendment**

The Legacy Amendment was passed by a statewide vote of the people of Minnesota in 2008 to dedicate a portion of the state’s sales tax to create four new funds for 1. land conservation, 2. water conservation, 3. parks and trails, and 4. arts and culture. The legislature appropriates the dollars from the Legacy Arts and Culture Fund to the Minnesota State Arts Board, Regional Arts Councils, Minnesota Historical Society and other entities to provide access to the arts and culture for all Minnesotans.

#### **Sponsoring Organizations**

- **Minnesota Citizens for the Arts (MCA)** is a statewide arts advocacy organization whose mission is to ensure opportunity for all people to have access to and involvement in the arts. MCA organizes the arts community and lobbies the Minnesota State Legislature and Congress on issues pertaining to the nonprofit arts and conducts original research. MCA works with over 40,000 arts advocates in Minnesota. 651-251-0868, [www.mncitizensforthearts.org](http://www.mncitizensforthearts.org) @MNCitizen.
- **The McKnight Foundation:** [www.mcknight.org](http://www.mcknight.org)
- **Target:** <https://corporate.target.com/corporate-responsibility>
- **Bush Foundation:** [www.bushfoundation.org](http://www.bushfoundation.org)
- **Mardag Foundation:** <http://www.mardag.org/>
- **Jerome Foundation:** <http://www.jeromefdn.org/>
- **The Minnesota State Arts Board:** <http://www.arts.state.mn.us/>
- **Forum of Regional Arts Councils of Minnesota:** <http://www.arts.state.mn.us/racs/forum.htm>
- **Minnesota Historical Society:** <http://www.mnhs.org/about>
- **Ideas that Kick:** [www.ideasthatkick.com](http://www.ideasthatkick.com)
- **Americans for the Arts:** [www.AmericansForTheArts.org](http://www.AmericansForTheArts.org)

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