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Arts and Culture Means Business in North Central Minnesota

New Study Shows Strong and Growing Impact of Nonprofit Arts and Culture on North Central Minnesota's Economy

SAINT PAUL, MN: We have known for a long time that the arts and culture are important to North Central Minnesota. 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 Region 2 Arts Council and Minnesota Citizens for the Arts that shows the nonprofit arts and culture sector is also a substantial industry in North Central Minnesota, generating **over \$3 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. It kicks off a new centralized, 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.

Creative Minnesota: The Impact and Health of the Nonprofit Arts and Culture Sector found that **39 nonprofit arts and culture organizations support the equivalent of 62 full time jobs** in North Central Minnesota. Over **68,457 people attend** nonprofit arts and cultural events annually in the region. Additionally, nearly **8,000 local K-12 students and 240 student groups were served**, and **1910 classes, workshops, lectures and readings** were offered to the public.

Creative Minnesota is a snapshot of the health and impacts of nonprofit arts and culture organizations in 2013 and looks at their spending and their audiences as well as other indicators of the sector's health and impact on the economy. **North Central Minnesota is "punching above its weight" in terms of local economic impact. While the region was 11th ranked in population in 2010 among the eleven regions studied, it ranked 10th in size of its economic impact from the arts and culture.**

The most recent comparable statewide economic impact study of the arts and culture sector was 2006's *The Arts: A Driving Force in North Central Minnesota's Economy*, conducted just before the Great Recession and also just before the Legacy Amendment was passed in Minnesota. The Legacy Amendment created dedicated funding for the arts and culture as well as for conservation. **The new report showed a growth in the economic impact of the arts and culture in this region of over \$1M since the last report, in addition to an increase in attendance of 10,000 people since 2006.**

Sheila Smith, Executive Director of Minnesota Citizens for the Arts, said “It is a testament to how much Minnesotans care about arts and culture that, although Minnesota is just now crawling out of the Great Recession, the nonprofit arts and culture sector seems to have shown resilience and even growth in this period.”

Terri Widman, Executive Director of the Region 2 Arts Council, said “Communities that have support for the arts experience vibrancy through opportunities to engage in artistic activities. The benefits of nourishing an artistic climate often include the attraction of visitors, an economic impact to local businesses and improved quality of life. We provide the resources to support the arts for people of all ages, ethnicities and abilities with the goal that the arts will continue to thrive in our region.”

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

“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).

“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, Executive Director of Minnesota Citizens for the Arts.

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, the 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.”

The report references data about **39 arts and culture organizations** in North Central Minnesota: including: Belle Thalia Creative Arts Space; Beltrami County Historical Society; Bemidji Area Community Band; Bemidji Chorale; Bemidji Community Theater; Bemidji First City of Arts Studio Cruise; Bemidji Sculpture Walk; Bemidji Symphony Orchestra; Bemidji Woodcarving Club; Blackduck Community Education; Blank Canvas Gallery and Education Center; City of Blackduck; City of Park Rapids; Clearbrook-Gonvick Summer Recreation; Clearwater County Historical Society; Depot Preservation Alliance; Headwaters School of Music & the Arts; Heartland Concert Association; Hope House; Jackpine Writers' Bloc; Lady Slipper Scenic Byway; Lake of the Woods Art Guild; Lake of the Woods County Historical Society; Loon Opera Company; Mahnomen County Historical Society; Mask and Rose Women's Theater Collective; Nemeth Art Center; North Beltrami Heritage Center; Northern Artist Association; Northern Exposure to Lifelong Learning; Northern Light Opera Company; Northwoods Writers Group; Park Rapids Area Community Band; Park Rapids Lakes Area Arts Council; Paul Bunyan Playhouse; Pequana Playhouse; Red Bridge Film Festival; Watermark Art Center and Region 2 Arts Council.

Caveats

This study did not analyze the reason for the growth in the sector between 2006 and 2015. The growth is likely a combination of factors:

- Overall growth of these numbers since 2006 was driven in large part by the addition of hundreds of new small and medium organizations to the study. However, it may also reflect increased public funding for arts & culture, growth of organizations' individual impact or the addition of new organizations to the sector.
- It is important to note that the Cultural Data Project (CDP), which was the source for about a third of the data about participating arts organizations in 2015, did not exist in 2006. The CDP gives us much more detail on the economic activities of nonprofit arts & culture organizations than we had in the past.
- In addition, more nonprofit arts & culture organizations participated in this new study, not only because of the existence of CDP but also because it includes grantee data from the Minnesota State Arts Board (MSAB), Regional Arts Councils (RACs), and Minnesota Historical Society (MHS), and the previous study did not.
- It is notable that the Arts and Culture Fund of the Legacy Amendment, passed by voters in 2008, also came into play during this period, which has increased the number and type of grantees from the MSAB and RACs by 75% (from 1219 in 2008 to 2139 in 2012), and also increased the grants made by MHS. Separate from this study, it has been confirmed that attendance at arts events funded by the Minnesota State Arts Board and Regional Arts Councils has increased by 21% (from 10,421,608 attendees in 2008 to 12,612,314 in 2012) since the passage of the Legacy Amendment (*source: Minnesota State Arts Board*).

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/ 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. 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 @MNCitizen.
- **The McKnight Foundation:** www.mcknight.org
- **Target:** <https://corporate.target.com/corporate-responsibility>
- **Bush Foundation:** 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
- **Americans for the Arts:** www.AmericansForTheArts.org

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