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Arts and Culture Means Business in Southwest Minnesota

New Study Shows Strong and Growing Impact of Nonprofit Arts and Culture on Southwest Minnesota Economy

WILLMAR, MN: We have known for a long time that the arts and culture are important to Southwest 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 Southwest Minnesota Arts Council and Minnesota Citizens for the Arts that, in addition to contributing to our state's great quality of life, shows the nonprofit arts and culture sector is also a substantial industry in Southwest Minnesota generating **over \$7.3 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 **seventy nonprofit arts and culture organizations support the equivalent of 208 full time jobs** in Southwest Minnesota. Over **117,937 people attend** nonprofit arts and cultural events annually in the region.

Creative Minnesota is a snapshot of the health and impact 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. **The new report showed that compared to other regions of the state, Southwest Minnesota has the largest percentage of attendees that are non-local. That means that a larger percentage of people attending events in this region come from outside of the region, spending money that would otherwise not come to the area.**

Statewide, the most recent similar statewide economic impact study of the arts and culture sector was 2006's *The Arts: A Driving Force in 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. ***Creative Minnesota* found significant growth across the state since the 2006 study in almost every item measured, including the number of participating organizations.**

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.”

“Rural communities understand that in order to survive we must spend our money at home, said Greta Murray, Executive Director of the Southwest Minnesota Arts Council. “This report makes clear the impact that nonprofit arts activities have on our local economies. Activities like the Upper Minnesota River Valley Arts Meander have allowed artists to live in our region and support themselves as artists. The money they earn is spent locally to support their families. The money spent on food, gas and lodging by people who attend the Meander supports local businesses. It’s not hard to see how this is a win-win situation for all of us.”

Craig Edwards, New London City Council member, said, “The arts and culture have been our catalyst for creating a purposely connected community. We have used the arts as a vehicle for public engagement and have seen the revitalization of the main street of New London. Using the concept that our city is an “Arts Campus” we have identified the people, places and events that define the arts and culture of our town. The Arts Campus concept has helped develop a partnership of the arts, the merchants association and local schools. This partnership has created a strong backbone of cooperation that has turned the City of New London into a vibrant and inviting community. The economic benefits of this partnership are highly visible. Where empty storefronts once stood, there are now new businesses. The main street of New London enjoys a 100% occupancy rate. Coordinating arts events with the merchants has helped the merchants capitalize on these events and has helped create New London as an arts destination. **The arts have been an important means of survival in the changing rural economy.**”

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

State Representative Dean Urdahl, Chair of the House Legacy Committee, said, “As a past and current chair of the Legacy Committee in the Minnesota House of Representatives it has been my pleasure to witness the impact of appropriations from Legacy Amendment funding on our economy. In greater Minnesota our libraries and historical societies have certainly benefited. But in a larger sense money for the arts has spurred local projects throughout central and southwestern Minnesota. Certainly there have been immediate economic results, but long term I see even more significant impact. I’m aware of restoration of historic buildings that are intended to eventually become local art centers. We have just touched the surface of the legacy amendment’s future possibilities for economic growth.”

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 **seventy arts and culture organizations** in Southwest Minnesota including: Appleton 52 Wing Restoration Committee; Big Stone Arts Council; Blue Mound Area Theatre; Buffalo Ridge Chorale; Business Arts & Recreation Center; Chippewa County Historical Society; City of Belview; City of Glencoe; City of Granite Falls; City of Litchfield; City of Madison; City of Minneota; City of Pipestone; City of Walnut Grove (Laura Ingalls Wilder Pageant); Clean Up The River Environment; Cottonwood County Historical Society; Council for Arts and Humanities Rock County; Crow River Area Youth Orchestra; Crow River Singers; Cultural Awareness Organization; Dakota Wicohan; Danube Historical Society; Dassel Area Historical Society; Friends of the Auditorium; Friends of the Orchestra; Granite Area Arts Council; Granite Falls Historical Society (Andrew J. Volstead House Museum); Greater Litchfield Opera House Association; Greater Milan Initiative; Green Earth Players; Historic Hutchinson; Historic Worthington; Hutchinson Center for the Arts; Hutchinson Theatre Company; Kaleidoscope an Artists' Gallery; Kandiyohi County Historical Society; Lac qui Parle County Historical Society; Litchfield Community Theatre; Litchfield Opera House; Marshall Area Fine Arts Council; Marshall Area Stage Company; Meander Art Crawl; Meeker County Historical Society; Milan Village Arts School; Murray County Historical Society; New London Music Festival; Norway Lake Lutheran Historical Association; Pipestone County Historical Society; Prairie Arts Chorale; Prairie Arts Continuum; Prairie Dance Alliance of Southwest Minnesota; Prairie Wind Folk Music and Bluegrass; Redwood County Historical Society; Renville County Historical Society and Museum; Renville County West Area Friends of the Arts; Rhythm of the River; RiverSong Music Festival; Rock County Fine Arts; Southwest Minnesota Arts Council; Spellbound Theatricals Theater Laboratory; Swift County Historical Society; The Calumet Players; Upper Minnesota River Valley Regional Development Commission; Willmar Area Arts Council; Willmar Area Symphonic Orchestra; Willmar Community Theatre; Winsted Arts Council; Worthington Area Symphony Orchestra; and Yellow Medicine County Historical Society.

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.idWestthatkick.com
- **Americans for the Arts:** www.AmericansForTheArts.org

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