

# IMPACT OF NONPROFIT ARTS AND CULTURE ORGANIZATIONS

## 2019 CREATIVE MINNESOTA STUDY RESULTS

Minnesota continues to set itself apart from surrounding states with a robust nonprofit arts and culture economy that extends from the mountains of the Arrowhead to the plains of Southwest Minnesota. No matter where you live, artists and organizations are offering access to arts, history and culture and injecting energy and color into their local economies. Our understanding of the number of organizations offering access to the arts continues to grow as does their economic impact.

### OVERVIEW OF THE FIELD

#### BY BUDGET SIZE

OVER \$10M	18
\$5–10M	7
\$1–5M	80
\$250K–\$1M	188
\$100K–\$250K	248
\$25K–\$100K	449
UNDER \$25K	913
<b>TOTAL ORGANIZATIONS</b>	<b>903</b>

#### SPOTLIGHT: MUSEUMS

History/historic preservation	212
Art museums	11
Humanities	4
Multi/interdisciplinary	8
Other (science, nature, children's, zoos)	21

**TOTAL MUSEUMS** 256

#### NUMBER OF NONPROFIT ARTS AND CULTURE ORGANIZATIONS 2016



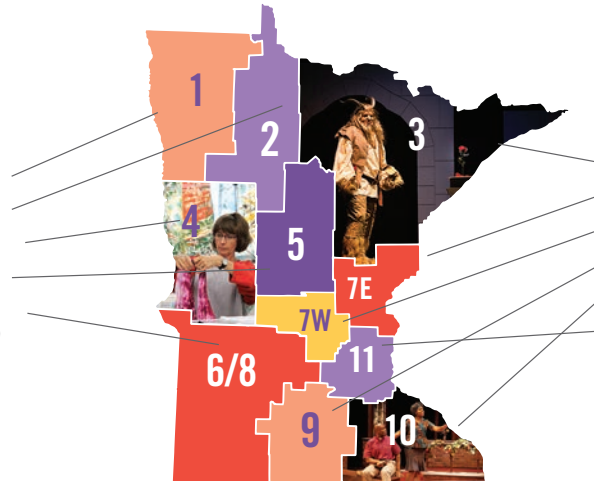
<b>PERFORMING ARTS</b>	<b>727</b>
MUSIC	380
THEATER	230
DANCE	97
OTHER	20
<b>ARTS MULTI/INTERDISCIPLINARY</b>	<b>272</b>
<b>VISUAL ARTS &amp; ARCHITECTURE</b>	<b>129</b>
LITERARY ARTS	36
MEDIA & COMMUNICATIONS	63
HISTORY & HISTORICAL PRESERVATION	290
HUMANITIES	9
<b>OTHER</b>	<b>377</b>
SCIENCE, NATURE OR CHILDREN'S MUSEUMS/ORGANIZATIONS	23
ARTS & CULTURE FUNDER OR SUPPORTING ORGANIZATIONS	24
ARTS & CULTURE PROGRAMS OF CITY/COUNTY GOVERNMENTS/ECONOMIC DEVELOPMENT AUTHORITIES	80
ARTS & CULTURE PROJECTS IN EDUCATION ENTITIES*	111
ARTS & CULTURE PROJECTS IN NONPROFIT SOCIAL SERVICE OR CIVIC ORGANIZATIONS	139
<b>TOTAL ORGANIZATIONS IN 2016</b>	<b>1,903</b>
<b>ADDITIONAL ORGANIZATIONS INCLUDED SINCE 2014<sup>(1)</sup></b>	<b>▲ 302</b>

\*K–12 public schools, colleges, universities, community education or library

# ATTENDANCE AT ARTS AND CULTURE EVENTS CONTINUES TO GROW IN EVERY CORNER OF THE STATE

## TOTAL ANNUAL ATTENDANCE BY REGION

RAC 1: 99,714  
 RAC 2: 155,963  
 RAC 4: 316,450  
 RAC 5: 302,690  
 RAC 6/8: 279,319



RAC 3: 1,541,470  
 RAC 7E: 284,855  
 RAC 7W: 647,640  
 RAC 9: 879,364  
 RAC 10: 1,024,876  
 RAC 11: 17,695,113

TOTAL ARTS & CULTURE ATTENDEES IN 2016

# 23,227,454

▲ THIS IS AN INCREASE OF 1,371,029 ATTENDEES SINCE 2014

### THE AVERAGE ATTENDEE SPENDS \$20.48 PER PERSON, PER EVENT

above and beyond the cost of the ticket. Arts and culture events bring people out of their homes and into communities where they spend money on food, drink, hotels, gas, souvenirs and other amenities.<sup>(2)</sup>

ECONOMIC IMPACT OF AUDIENCES ALONE IN 2016

# \$594 MILLION

▲ THIS IS AN INCREASE OF \$31M PER YEAR SINCE 2014

THERE ARE

# 5,577,000

PEOPLE IN MINNESOTA<sup>(3)</sup>

ON AVERAGE EACH MINNESOTAN ATTENDS ARTS & CULTURE EVENTS

# 4 TIMES PER YEAR



MILLIONS OF STUDENTS SERVED

# 894,496

K-12 STUDENTS IN MINNESOTA<sup>(4)</sup>

# 5,312,484

TOTAL STUDENTS SERVED\* IN 2016

ON AVERAGE EACH YOUNG PERSON ATTENDS ARTS & CULTURE EVENTS

# 6 TIMES PER YEAR



\*Youth attendees include those who are 18 and under

# NONPROFIT ARTS AND CULTURE ORGANIZATIONS' IMPACT ON MINNESOTA'S ECONOMY CONTINUES TO GROW

TOTAL DIRECT EXPENDITURES BY  
NONPROFIT ORGANIZATIONS 2016

**\$902 MILLION**

TOTAL ARTS AND CULTURE RELATED  
SPENDING BY AUDIENCES 2016

**\$594 MILLION**

TOTAL  
ECONOMIC  
IMPACT

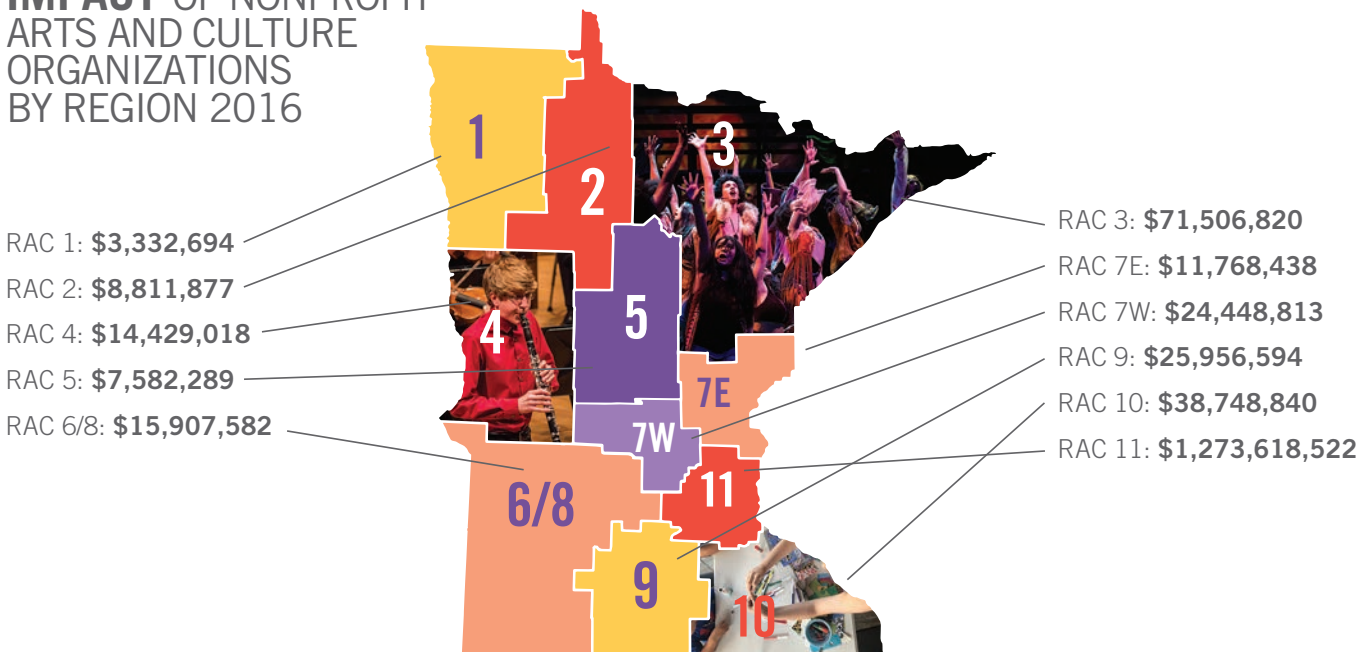
**\$1.5 BILLION**



ECONOMIC IMPACT INCREASE  
SINCE 2014 STUDY

**\$114 MILLION**

## TOTAL ECONOMIC IMPACT OF NONPROFIT ARTS AND CULTURE ORGANIZATIONS BY REGION 2016



# MINNESOTA'S ARTS ECONOMY OUTSHINES ALL SURROUNDING STATES

Americans for the Arts' *Arts and Economic Prosperity*<sup>(5)(6)</sup> studied the economic impact of nonprofit arts and culture organizations and their audiences in Minnesota and surrounding states in 2015 and also in 2010.

While not all states were studied, **Minnesota was shown to have double the arts economy of Wisconsin** (despite very similar population sizes), **11 times the arts economy of North Dakota** and over **12 times the arts economy of South Dakota**. The arts and culture clearly set Minnesota apart.



## TOTAL ECONOMIC IMPACT



## POPULATION



## ECONOMIC IMPACT PER CAPITA

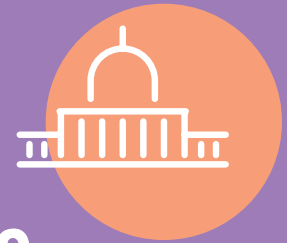


State population: United States Census Bureau for 2015, the year the studies were done.

Not all states were studied. This comparison includes impact from nonprofit arts organizations and audiences only and does not include artists and creative workers or for-profit businesses.



# PUBLIC INVESTMENT IN ARTS AND CULTURE IS A CATALYST THAT INCREASES GOVERNMENT REVENUES



LOCAL GOVERNMENT REVENUES 2016



**\$32.5 MILLION**

STATE GOVERNMENT REVENUES 2016



**\$125.6 MILLION**

TOTAL GOVERNMENT REVENUES 2016

**\$158 MILLION**

From the spending of nonprofit arts and culture organizations and their audiences



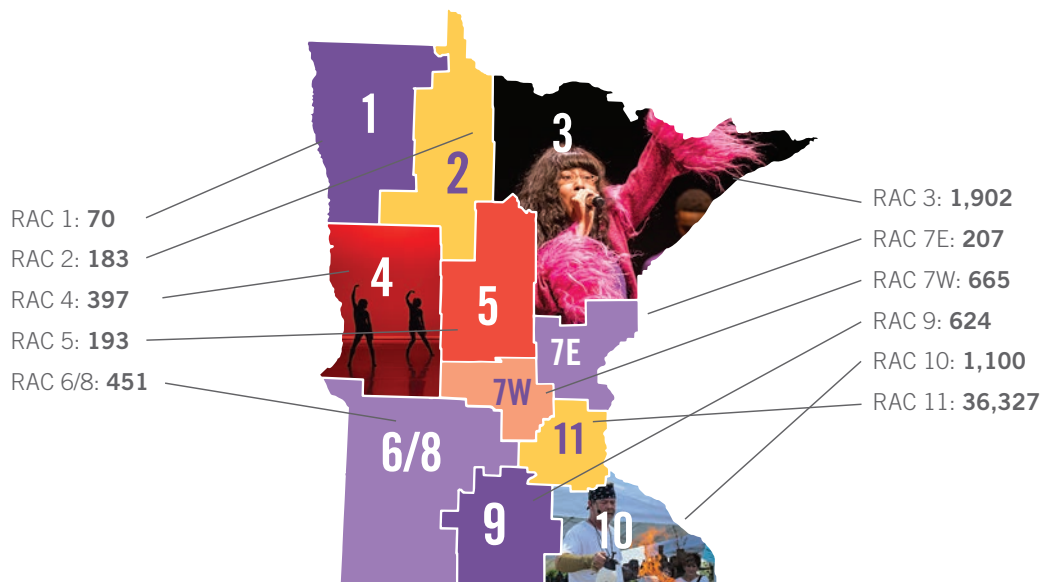
GROWTH IN GOVERNMENT REVENUES SINCE 2014

**\$19.5 MILLION**

Revenue to State and Local Government includes all funds collected by Minnesota's city, county and state governments, schools and special districts created by the spending of nonprofit arts and culture organizations and their audiences in the community. It's not exclusively tax revenue (e.g., income tax, sales tax, property tax); it also includes license fees, utility fees, filing fees, etc.



# JOBS SUPPORTED BY NONPROFIT ARTS AND CULTURE ORGANIZATIONS AND THEIR AUDIENCES 2016



## TOTAL JOBS SUPPORTED 42,118

**FTE Jobs Supported** means Full-Time Equivalent labor employed in Minnesota that is supported by the spending of nonprofit arts and culture organizations and their audiences. Two people working half-time would equal one FTE, for example.

**RESIDENT HOUSEHOLD INCOME  
GENERATED BY NONPROFIT ARTS  
AND CULTURE ORGANIZATIONS 2016**

**Resident Household Income Supported** means the personal income, which includes salaries, wages and entrepreneurial income paid to Minnesota residents.

# \$1 BILLION

# 10 YEARS OF LEGACY INVESTMENTS

In 2008, Minnesota passed the first-in-the-nation statewide referendum called the Clean Water, Land and Legacy Amendment to increase investments in the state's land, clean water, parks and arts and culture. The Legacy Amendment created a new Art and Cultural Heritage Fund, and gave the legislature the job of appropriating it. On the 10-year anniversary of the Amendment it is timely to look back at the impact the state's voters have had on the access to and the impact of the arts in the state.

Before the Amendment passed, in 2006, Minnesota Citizens for the Arts, the State Arts Board and Regional Arts Councils collaborated with the McKnight Foundation and Americans for the Arts on an economic impact study of nonprofit arts and culture organizations and their audiences in Minnesota. It used the same methodology as the current Creative Minnesota studies, which allows us to see how the arts sector has grown since the passage of the Legacy Amendment.

The state's investments from the Legacy Arts and Cultural Heritage Fund are primarily made by the 11 Regional Arts Councils and Minnesota State Arts Board system. The granting decisions are made by panels of members of the public, responding to applications from the public. Grantmaking is also done by the Minnesota Historical Society, and smaller direct appropriations are made by the legislature to children's museums and other nonprofit cultural organizations.



It's important to note that in this time period many other arts-supporting organizations have also invested in Minnesota's arts sector. It is also notable that we have greatly improved our methods of finding and accounting for nonprofit arts and culture organizations in the state, so some of the growth is real growth, and some is due to better data, particularly about smaller organizations.

**What a difference 10 years have made! We can document that many more Minnesotans are participating in the arts now. There are more nonprofit arts and culture organizations making a larger economic impact in our communities. Government revenues and jobs created by the arts have also increased significantly.**

## CHANGES OVER THE 10 YEARS OF LEGACY INVESTMENTS<sup>(8)</sup>

RESEARCH REPORTS	NUMBER OF ARTS & CULTURE ORGANIZATIONS INCLUDED IN STUDY**	ANNUAL ATTENDANCE	ANNUAL ECONOMIC IMPACT***	GOVERNMENT REVENUES GENERATED BY SPENDING OF ORGS AND AUDIENCES ANNUALLY	FTE JOBS SUPPORTED BY SPENDING OF ORGS AND AUDIENCES ANNUALLY
2006 <i>"The Arts: A Driving Force in Minnesota's Economy"</i>	428	14,487,592	\$839M	\$94M	22,095
2008: PASSAGE OF LEGACY AMENDMENT					
2015 <i>"Creative Minnesota"</i>	1,269	18,903,738	\$1,200M	\$127M	33,381
2017 <i>"Creative Minnesota"</i>	1,601	21,856,425	\$1,400M	\$139M	38,739*
2019 <i>"Creative Minnesota"</i>	1,903	23,227,454	\$1,496M	\$158M	42,118
<b>Change from 2006 to 2019</b>	<b>+1,475</b>	<b>+8,739,862</b>	<b>+\$657M</b>	<b>+\$64M</b>	<b>+20,023</b>

\*Revised figure 1.14.19

\*\*The 2006 study included all of the largest several hundred arts and culture organizations with the largest budgets and largest number of attendees, but available data on smaller organizations was less comprehensive.

\*\*\*Includes the impact of nonprofit arts and culture organizations and their audiences only, does not including impact of artists and creative workers.

# LOCAL CREATIVE MINNESOTA STUDIES 2017<sup>(7)</sup>



Creative Minnesota conducted 15 local economic impact studies in 2017 for communities across the state, ranging from the hills of the Iron Range to the prairies of Rock County, from the riverside community of Hastings to the booming arts community of Detroit Lakes. Everywhere we looked there was a significant impact from the arts and culture sector, regardless of the size of the community.

The 15 cities, counties and regions “opted in” to the project, so not all Minnesota areas have been studied. More information, as well as 17 previous local reports, are available at CreativeMN.org. Creative Minnesota may do another round of local studies in 2019 if funding is available. Minnesota cities or counties interested in being notified when another round is scheduled should contact [staff@artsmn.org](mailto:staff@artsmn.org).

## LOCAL ECONOMIC IMPACT OF NONPROFIT ARTS AND CULTURE ORGANIZATIONS AND THEIR AUDIENCES (not including the economic impact of artists and creative workers)

	TOTAL ECONOMIC IMPACT	RANK IN ECONOMIC IMPACT AMONG STUDY AREAS	POPULATION	TOTAL ATTENDEES	ECONOMIC IMPACT PER CAPITA FROM ORGANIZATIONS	RANK IN PER CAPITA IMPACT AMONG STUDY AREAS
<b>REGIONS</b>						
Iron Range*	\$12.3M	1	170,076	136,781	\$77.22	10
<b>CITY</b>						
City of Eagan	\$4.9M	4	67,509	104,845	\$72.15	11
City of Faribault	\$2.1M	10	23,700	80,140	\$88.67	7
City of Hastings	\$2.4M	8	22,687	48,696	\$103.94	5
City of Hopkins	\$11.2M	2	19,227	255,042	\$581.29	1
City of Hutchinson	\$2.2M	9	14,170	61,896	\$155.80	3
<b>COUNTY</b>						
Becker County	\$2.7M	7	33,567	72,197	\$80.44	9
Big Stone County	\$.16M	15	5,054	4,564	\$31.66	15
Clay County	\$6.6M	3	62,181	159,357	\$106.14	4
Hubbard County	\$.77M	13	20,679	23,865	\$37.24	13
Kanabec County	\$1.14M	12	15,908	31,797	\$71.66	12
Morrison County	\$3.2M	6	32,786	128,346	\$97.60	6
Otter Tail County	\$4.7M	5	57,679	100,249	\$81.49	8
Renville County	\$.49M	14	14,965	17,269	\$32.74	14
Rock County	\$1.7M	11	9,601	55,576	\$177.06	2

Population source: US Census

\*Itasca, Lake and St. Louis Counties, excluding Duluth



“ As a rural community seeking opportunities, we see the strength of arts and culture as a whole new period of our journey. This impact study should provide a look into the economy we can experience as we embrace the arts to brand our area, defining it as a desirable place to not only visit, but to live.”

– **Becky Parker**  
President of Big Stone Arts Council and President of the Ortonville Economic Development Authority Board

“ We were excited to partner with the Historic Holmes Theatre through the Creative Minnesota study to learn about the impact of the arts in Detroit Lakes. One of the goals of the city is to facilitate how the arts can have a larger impact on our community and region. We believe that the arts can help our city grow and be more attractive for businesses, residents and tourists.”

– **Kelcey Klemm**  
City Administrator for Detroit Lakes

“ I see investment in art as a win-win for my city. My citizens expressed interest in more art in our community. It's a quality of life issue for them. The double-win for my city is that art is also an economic development driver. It is my goal to make art an integral part of Moorhead's growth and plans to move forward. This study will help connect the dots between development and art.”

– **Del Rae Williams**  
Mayor of the City of Moorhead

“ One of the things that make Faribault so impressive is the number of artists and creatives who have chosen to make Faribault their home. I am excited for Faribault and our extended community to see the true economic and cultural impact of the artistic programming here, but also the important role residential artists and creatives play creating a strong, healthy community.”

– **Kristen Twitchell**  
Executive Director of the Paradise Center for the Arts

“ The Recharge the Range – Creative Communities Committee is excited to partner with Creative Minnesota on the “*Iron Range Creative Minnesota Study*.” This study reviews and analyzes current data and potential future trends on the importance of arts and culture as a growing segment of our region's economy.”

– **Mary Finnegan**  
Deputy Commissioner of Iron Range Resources and Rehabilitation

