



CREATING THRIVING REGIONS THROUGH ARTS AND CULTURE:

Tips and
Considerations
for EDDs



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For decades, artists and creative workers have been involved in planning and economic development. One of the most notable initiatives tying the arts to economic development was the Work Projects Administration as part of President Franklin D. Roosevelt's New Deal. Thousands of creative workers across the country built sculptures, developed literacy projects, and gave performances. The program hired thousands of artists who completed over 2,500 murals and over 17,000 public sculptures.

By the turn of the twenty-first century, arts and culture industries outperformed other key economic industries such as construction and utilities. A National Endowment for the Arts (NEA) report summarizing data collected through the U.S. Arts and Cultural Production Satellite Account, a joint effort between the NEA and the Bureau of Economic Analysis, highlighted that in 2022 the arts and culture sector added \$1.1 trillion in value to the U.S. economy. In addition, arts events tend to create ripple effects for the local economy, boosting small business.

Economic Development Districts (EDDs) can play an important role in promoting arts and culture throughout the regions they serve. These regional organizations are uniquely positioned to facilitate arts and culture initiatives for economic development in a variety of ways. This resource highlights ways EDDs can leverage their organizational expertise and partnerships to support arts and culture-based economic development in local communities and throughout a region.

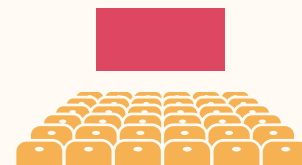


In the most recent Arts and Economic Prosperity report from Americans for the Arts, survey respondents demonstrated the significance of arts and cultural events in other ways:



89% of arts attendees agreed the activity or venue they were attending was a source of community pride.

86% of arts attendees said they would feel like the community lost something if that event or venue wasn't there.



86% of arts attendees felt it important that future generations also have cultural experiences.

Strategic Partnerships

EDDs interested in building relationships with the creative sector can first play the role of a convener and facilitator. They can leverage existing relationships with other agencies and stakeholders, and reduce barriers for artists and other creatives in accessing funding, resources, and work opportunities. A good starting place for making the connection with the region's creative community is to engage artists in municipal initiatives. Planners and economic developers may already be fully aware of the arts and culture their communities have to offer, but if the EDD can connect to local arts agencies, it could lead to more meaningful relationships between artists and their surrounding communities.

Arts agencies are defined differently depending on their location and scope. The primary role of many arts agencies is to funnel public funding and private donations into various programs at the local level. These organizations may also be membership-based, develop arts advocacy initiatives, or even manage their own gallery spaces. Rural and suburban communities may have volunteer-led groups that apply for state grants, while smaller metropolitan areas tend to have more advocacy coalitions and grantmaking organizations to funnel philanthropic dollars. The National Assembly of State Arts Agencies maintains a list divided by regions; each agency's contact information, staff, and leadership can be found [here](#).

Securing and Distributing Funding

EDDs can work with local arts agencies to apply for state and national funding, including placemaking grants from the National Endowment for the Arts.

Municipalities interested in securing arts funding have a variety of tools at their disposal. Arts funding can come from a variety of sources, including taxes (TIFs,

hotel/motel taxes), parking meter revenue, and percent-for-art ordinances. Additionally, arts and culture can act as an economic multiplier; Americans for the Arts found that audiences spend an additional \$38.46 per person per event, creating a significant ripple effect on local economies. For example, when people attend

a performance at the local theater, are they patronizing a local restaurant? Hiring childcare or pet care? Buying a nice finishing piece for their outfits? All these business interactions add up and create economic impact.





- [Art House 360](#), an arts incubator in Verona, WI, sought funding for its new home at a historic site that needed environmental remediation. [Part of the funding came from a TIF and lease agreement](#) approved by the city council for the site that had been vacant for three years. Thanks to the city's investment, the organization pays \$1 for rent a month while it leads maintenance and capital improvements.
- In Texas, the municipal and state [Hotel Occupancy Tax \(HOT\)](#) is 7% and 6%, respectively. At the state level, this also applies to short-term rentals like Airbnb and motels. The HOT is a marginal tax rate charged to guests that gets allocated to several buckets, including arts funding.
- The Boston City Council recently considered establishing [parking benefit districts](#) to generate additional revenue. Districts like this have been implemented across Massachusetts, but [Brookline Village](#) stands out for using revenue to support the creation of more public art.
- In Washington State, Pierce County's [percent-for-art ordinance](#) allocates one percent of the public construction budgets towards public art.

Cultural Planning

One can think of cultural planning as urban or regional planning for artistic and cultural assets. The success of either scope of planning is contingent on multiple revenue sources, strategic partnerships, and meaningful community engagement. Arts programming and cultural assets look different depending on the location, which can make regional cultural planning difficult. However, there are a few universal ideas that can be effective across typologies and projects that can be scaled to cater to different communities. One of these ideas is implementing a cultural plan advisory board made up of artists, community members, business owners, nonprofit leaders, and municipal agencies. Another idea is facilitating the development of cultural districts and artist live-work spaces that can act as incubators for new creative businesses. The Metropolitan Area Planning Council (MAPC) is the EDD covering 101 municipalities in Greater Boston. Its work ranges from municipal technical assistance and creative placemaking collaborations to public art installation and research initiatives.

One of MAPC's more recent cultural planning projects was a multi-jurisdictional assessment of the variety of risks arts spaces face due to booming development from the health sciences industry. The goals of "Making Space for Art" were to streamline cultural infrastructure policy, identify tools to integrate that policy into existing municipal guidelines, collect and share data through accessible means, and strengthen partnerships between the participating cities of Boston, Cambridge, and Somerville. MAPC facilitated stakeholder engagement, conducting interviews and focus groups with the creative community, synthesized policy recommendations, and initiated the development of a digital platform to coordinate the planning of and the protection/expansion of cultural infrastructure throughout the service area.



- The [Columbia Gorge Arts and Culture Alliance \(CGACA\)](#) is a coalition of arts, culture, and economic development entities dedicated to promoting the cultural assets of Columbia Gorge, OR. [The Mid-Columbia Economic Development District](#) helped CGACA apply for and administer grants for internal organization and promotion.
- [Networks Northwest](#) supports the [Northwest Michigan Arts & Culture Network \(NWMIArts\)](#), an organization dedicated to strengthening the arts and cultural ecosystem throughout 10 counties in Northwest Michigan. NWMIArts was born out of a [regional arts and culture framework](#) developed by Networks Northwest as an initiative of the region's regional prosperity plan. NWMIArts advocates for the region's creative community, connects artists to each other and their communities, and provides opportunities for capacity-building.

Enhancing Quality of Life

In 2022, nonprofit arts organizations and their audiences generated over \$150 billion in economic activity, contributing \$1.1 trillion to the U.S. economy. Agencies like Americans for the Arts and the National Endowment for the Arts are longtime proponents of the economic value of the arts, but there is much more value to incorporating arts and culture into the community than only focusing on its economic value. Although it is more difficult to measure, arts and culture is essential to improving the quality of life of a community and its inhabitants. According to the NEA, arts and culture can elevate significant community assets, add activity and enthusiasm to a place, and connect people to where they live in new ways.

For example, [The Northwest New Mexico Council of Governments \(NWNMCOG\)](#) recently worked with several strategic partners to develop [Coal Avenue Commons](#), a revitalized downtown corridor in Gallup, NM. The project centered on community-based design, with outcomes benefitting the local creative economy, the city's international heritage tourism industry, and local residents and businesses.

Conclusion

For years, arts advocates have emphasized the value of economic impact. Countless studies have been written demonstrating how cultural programming, public art, historic preservation, cultural districts, community celebrations, and heritage tourism all play a role in not just attracting new residents and businesses, but also significantly enhancing quality of life. From facilitating strategic partnerships to providing technical assistance and capacity-building networks, EDDs can play a huge role in amplifying the impact the creative sector is already making. Starting or leveling up a region's arts and culture may seem daunting as there are many routes to take, but one of the most effective ways to implement arts and culture for economic development is to start small. Get to know the local arts agencies – they are the ones who will likely know the most about their respective creative communities. Work with these artists to help tell the story of the region and try to find innovative ways to fund their work. When artists thrive, communities thrive.

Additional Resources + Best Practices

- Americans for the Arts Social Impact Explorer Fact Sheet
- The Role of the Arts in Economic Development (National Association of State Arts Agencies)
- The Economic Impact of Local Arts and Culture Businesses (Forbes)
- Arts, Culture & Creativity (American Planners Association)
- Guide for Business Districts to Work with Local Artists (Springboard for the Arts & International Downtown Association)
- Arts & the Economy (National Governors Association Center for Best Practices)
- Arts and Culture in Economic Development Policy (Congressional Research Service)
- Rural Placemaking: More About the Place, Less About the Making (Daily Yonder)

Organizations to Follow

- Americans for the Arts
- National Endowment for the Arts
- Mayors' Institute on City Design
- National Assembly of State Arts Agencies
- CAIR Lab

Photos in this resource were captured and provided by NADO Research Fellow Dan Deutsch.



This case study was written by NADO Research Foundation Graduate Research Fellow Dan Deutsch.

This resource is offered through the Economic Development District Community of Practice (EDD CoP), managed by the NADO Research Foundation to build the capacity of the national network of EDDs. To learn more, visit: www.nado.org/EDDCoP. The EDD CoP is made possible through an award from the U.S. Economic Development Administration, U.S. Department of Commerce (ED22HDQ3070106). The statements, findings, conclusions, and recommendations in this resource are those of the author(s) and do not necessarily reflect the views of the U.S. Economic Development Administration or the U.S. Department of Commerce.

