

# **The Economic Impact of Arts and Cultural Enterprises on Local Economies And the Role of the Cultural Entrepreneur**

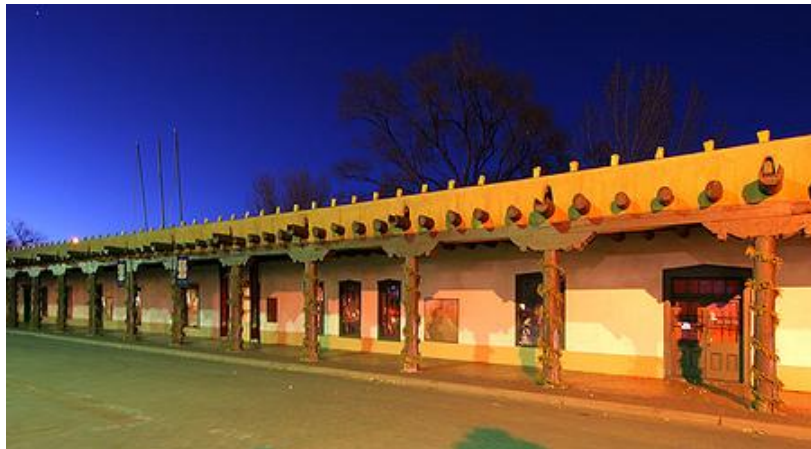


Presented by  
Thomas H. Ageson  
Executive Director  
Museum of New Mexico Foundation

New Mexico Economic Development Course  
May 18-21, 2009  
Silver City, New Mexico

# Arts and Cultural Industries Create

- Jobs
- Income across a broad spectrum of the community
- Tax Revenues
- New capital for our local economies
- Sustainable economic development
- Attract Investment by other industries – “The Creative Class”
- And...they enhance our quality of life



Palace of the Governors, Santa Fe

# Cultural Economy

## Local

UNM's Bureau of Business and Economic Research (BBER) Reports

**UNM Study for Santa Fe:** [www.unm.edu/~bber/pubs/SFCoArtsES.pdf](http://www.unm.edu/~bber/pubs/SFCoArtsES.pdf)

**UNM Study For Bernalillo County :**

<http://www.unm.edu/~bber/pubs/berncoarts.pdf>

**New Mexico MainStreet:** <http://www.unm.edu/~bber/pubs/mainstreet.htm>

## Regional

New England Foundation for the Arts Studies: <http://www.nefa.org/pubs/>

## National

Finland, Denmark, UK, Canada, Australia, Latvia, Etc.

UN Creative Economy Report 2008: <http://unctad.org>

## Global

UNESCO “International Flows of Selected Cultural Goods and Services”, 1994-2003.

Globally: 7% of the World's GDP

Growth is at a 7% Rate of Growth

Global Export Trade was US \$39.3 Billion in 1994 and rose to 59.2 Billion in 2002.

# Economic Impact

## **Philadelphia, PA**

### **Regional arts fund proposed**

Philadelphia Business Journal - by Peter Van Allen Staff Writer

In the region, arts-and-culture organizations are considered a key economic driver, contributing \$1.3 billion in annual spending, sustaining 40,000 jobs and fueling tourism, according to the Greater Philadelphia Cultural Alliance, which has 360 member organizations.

## **San Francisco, CA**

### **Why the arts matter**

James E. Canales

Tuesday, February 3, 2009

**San Francisco Chronicle**

- In the Bay Area, the arts create more than 31,000 jobs and generate \$1.2 billion in economic activity every year.
- The arts produce \$105 million in local and state tax revenue for the Bay Area (far more than the government spends on the arts).
- Surveys report that 93 percent of parents believe that the arts are essential to a well-rounded education.
- Ten million new jobs in the next decade will be in the "creative class," according to economist Richard Florida. These are jobs that involve imagination and ingenuity which are best developed by experiencing the arts.

# ECONOMIC IMPACT

## of the Arts in Maryland

## MARYLAND STATE ARTS COUNCIL

An Agency of the Maryland Department of Business and Economic Development;  
Division of Tourism, Film and the Arts

### TOTAL IMPACT EXCEEDS \$1 BILLION IN FY 2006

The arts play an important role in the quality of life Maryland offers its citizens. This is as true for citizens living in small towns and rural areas as it is for those who live in our major metropolitan areas. Since the arts make our cities and communities better places to live and work, they are often an important factor used by businesses in their decision to locate in Maryland. The Maryland arts industry (arts organizations and arts audience activities) contributed \$970 MILLION to the State's economy\* in FY 2005, and \$1.05 BILLION in FY 2006.

FY 2005	FY 2006	AREAS OF IMPACT
11.4 million	13.1 million	People attended arts events
\$308 million	\$335 million	Direct spending on goods and services by audiences and attendees at art events
\$154 million	\$165 million	Direct spending by arts organizations on goods and services
\$462 million	\$500.4 million	Direct spending total generated by combined audience spending and arts operations
\$970 million	\$1.05 billion	Total economic impact generated by combined audience spending and arts operations
13,101	13,762	Total full-time equivalent jobs generated by the arts industry
\$350.3 million	\$371.6 million	Salaries from total arts related employment
\$35.1 million	\$37.3 million	Generated in state and local taxes by the arts industry

Every \$1 of direct spending of the arts industry generated a total \$2.10 in expenditures on goods and services in Maryland.

## **Rochester, NY**

### **Artists' creative energy may drive our economy**

Brian Sharp Staff writer

December 18, 2007

City Hall is banking on the idea that it can turn arts and culture into dollars and jobs. Separate proposals aim to commission more public art across Rochester and to launch a marketing campaign that promotes the city's arts and cultural institutions. "The benefits are twofold," said Mayor Robert Duffy. "First, just the step to help beautify our city and to demonstrate an appreciation for art. ... No. 2 is it's an economic driver." Monroe County's nonprofit arts and cultural organizations --- including theaters, orchestras and museums --- and their audiences pump an estimated \$199 million into the local economy annually, according to a national study released in June. The proposed arts policy, in discussion since the 1990s, would create a public art fund by taking all capital projects on which the city spends \$1 million or more and setting aside 1 percent of the investment for art. Architectural enhancements count, but officials also might require that at least 25 percent of the fund be spent on commissioned works.

## **Cincinnati, Ohio**

### **Tax levy in works for Museum Center**

By Lauren Bishop

April 23, 2009



As the Cincinnati Museum Center at Union Terminal seeks support for a Hamilton County tax levy in November for a proposed \$120 million restoration and renovation project, officials today will announce the results of a study that says the center generates \$87 million annually for the regional economy.

The center commissioned the University of Cincinnati's Economics Center for Education & Research to conduct the study, at a cost of \$24,300, in part because it had been six years since the UC researchers last studied the Museum Center's economic impact.

And as officials begin fundraising for the 76-year-old art deco National Historic Landmark, they hope to demonstrate that the center has broad economic and educational benefits.

## **Stone Mountain, Georgia**

Village of Stone Mountain, Ga.

Creative Economies Project

1. Google "arts incubators" and read about several successful efforts in other cities. Look up Buford Arts Incubator ([www.thecolony-arts.com](http://www.thecolony-arts.com)) and the articles by Americans for the Arts specifically focused on this concept.
2. Google "creative economies" to understand the larger but inclusive concept which adds cultural and historic preservation, educational centers and crafters. Take a look at the Georgia Made Georgia Grown website. ([www.gamadegagrownproducts.org](http://www.gamadegagrownproducts.org))

## **HARDWICK, Vermont**

### **Uniting Around Food to Save an Ailing Town**

By MARIAN BURROS

Published: October 7, 2008

THIS town's granite companies shut down years ago and even the rowdy bars and porno theater that once inspired the nickname "Little Chicago" have gone.

Facing a Main Street dotted with vacant stores, residents of this hardscrabble community of 3,000 are reaching into its past to secure its future, betting on farming to make Hardwick the town that was saved by food.

With the fervor of Internet pioneers, young artisans and agricultural entrepreneurs are expanding aggressively, reaching out to investors and working together to create a collective strength never before seen in this seedbed of Yankee individualism.

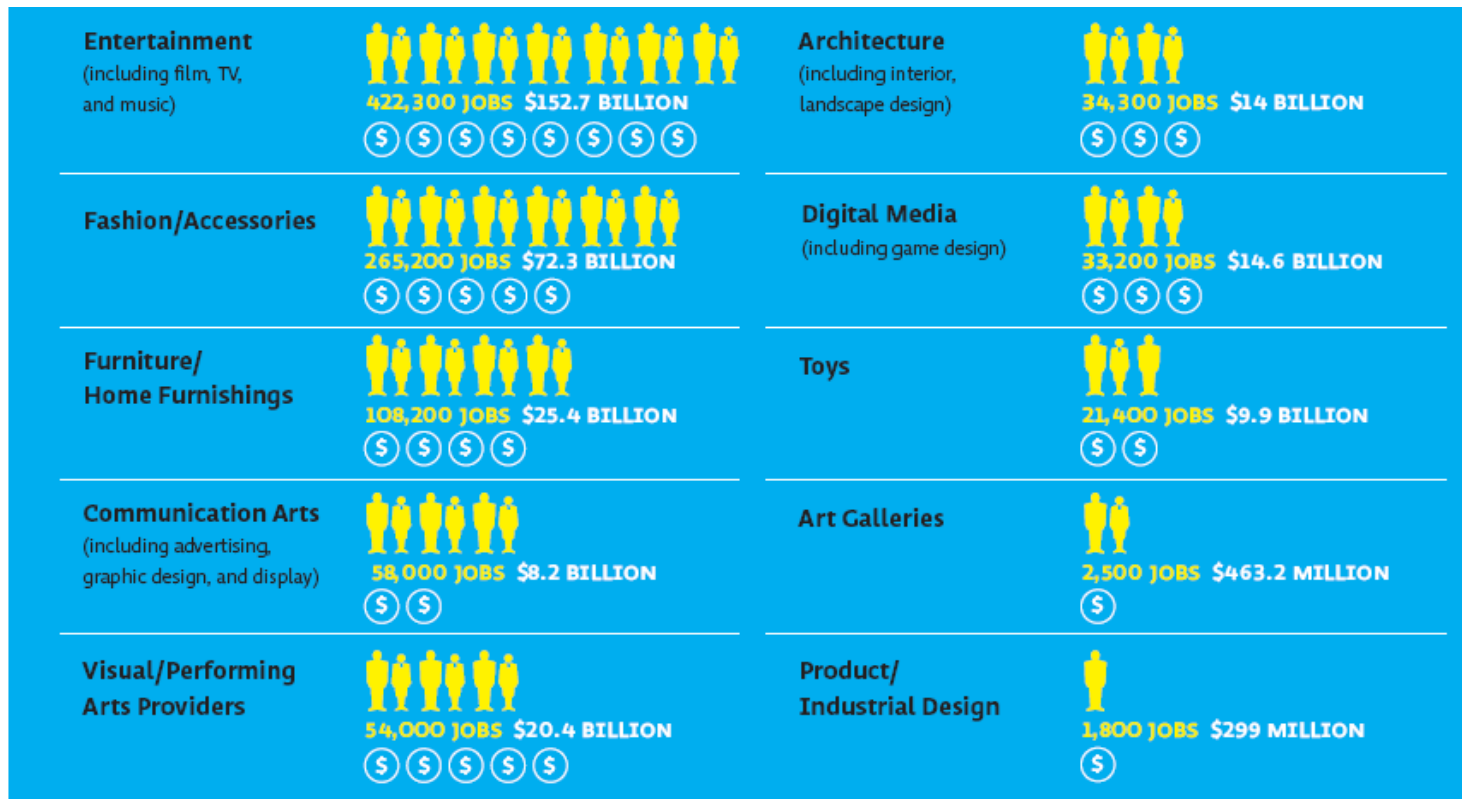
Rob Lewis, the town manager, said these enterprises have added 75 to 100 jobs to the area in the past few years.

# L.A.'s Creative Economy

by Susan Martin

## —Artists and Designers Drive the Largest Segment of Jobs and Sales Revenues in the Region—

Otis College of Art and Design, Los Angeles, released today a **Report on the Creative Economy of the Los Angeles Region**. Prepared by Jack Kyser, Chief Economist of the Los Angeles Economic Development Corporation (LAEDC), the key findings are stunning—including **one million direct and indirect jobs** generated by the creative industries in Los Angeles and Orange Counties. The creative industries lead the pack, surpassing the two long time “traditional” leaders—International Trade and Tourism. The Report puts real numbers to creativity. In 2005, the creative economy accounted for 894,000 direct and indirect jobs in Los Angeles County alone and generated 140.5 billion in sales/receipts and more than \$3.4 billion in state tax revenues. Centered on new ideas and new approaches, it is clear that education is critical to maintaining competitiveness in a global economy increasingly built on innovation, sustainability, and good design.





## **Lansing, Michigan**

### **Crafting Industry Could Lift State's Economy**

Stephanie Antonian Rutherford, BC Enquirer

January 24, 2007

There are tens of thousands of crafters working in Michigan making everything from quilts, to wooden fish decoys, to pottery and a new study shows their work could help the state's sinking economy. But a program in Calhoun County has been looking into how craft workers and artists can improve the local economy for years.

Eftekhari said the partnership gives local artists resources such as marketing and technical services, professional development programs and grants to more than 60 arts and cultural organizations and hundreds of Michigan artists. The council has been recognized on the state and national level for being the only program in Michigan to boast a strategic economic plan involving local artists.

## **Greensboro, North Carolina**

### **City aims to create cultural Mecca**

Tuesday, August 26, 2008

By Donald W. Patterson

A consultant's report recommends that the city spend \$14 million during the next decade to create an expanded cultural district downtown. "The bottom line is the opportunity to increase the tax base and expand the footprint of downtown," said April Harris , executive director of Action Greensboro , a community development organization. "Those are the two key points."

Added City Manager Mitchell Johnson , "We need downtown to be more than Elm Street. That was the goal."

**The**  
**PUTNAM COUNTY NEWS**  
**and RECORDER**

New York State Council on the Arts Announces Cultural Blueprints Sessions Across New York. Fourteen Public Forums will identify arts development strategies for state and regions

**THE**  
**ANN ARBOR NEWS**

ARTS AND CULTURE CAN BOLSTER LOCAL ECONOMY

Editorial, *Ann Arbor News*, 10/28/07

A project called "Community & Culture" aims to strengthen individual artists and cultural groups while at the same time bolstering the local economy.

*Amber Waves*

*The Economics of Food, Farming, Natural Resources, and Rural America*

**Arts Employment Is Burgeoning in Some Rural Areas**

Tim Wojan

## **RIVERSIDE, CA**

### **Mayor wants to promote Riverside as 'City of the Arts'**

Mayor Ron Loveridge and 32 other leaders want the city to commit to making Riverside the main Inland arts destination and to increasing public awareness of the arts and cultural offerings here. They will ask the City Council on Tuesday to approve a campaign to "brand" Riverside as the "City of the Arts."

## **Latest News**



THE ANN ARBOR NEWS

**Ann Arbor, Michigan**

**New county arts effort launches next week**

**Posted by Bob Needham**

**October 12, 2007**

A new effort to guide the development of the arts in Washtenaw County formally launches next week. Organizers hope the "Community and Culture" initiative will identify the biggest needs and concerns facing the creative arts locally - and will find ways, including funding, to meet those needs.



**REUTERS**

**Detroit, Michigan**

### **The New Economy Initiative Announces Support for Michigan's Economic Transition**

\$11 million in grants to support key pieces of southeast Michigan's Economic Transition. The New Economy Initiative (NEI) today announced a first wave of \$11 million in grants to organizations driving economic change in southeast Michigan. "In the face of this terrible economic crisis, NEI is dedicated to helping our community respond and look forward," said Steve Hamp, chair of the NEI governing council. "We want the community to know NEI is working to help lay the building blocks for economic renewal." These grants are examples of how our region can build on its strengths, and overcome barriers to economic opportunity," said John Austin, executive director of NEI. "Together they contribute to creating new jobs, and a more diverse industry-base in the region."

Santa Fe's Arts and Cultural Industries  
Generated over \$1 billion in revenues  
Representing just under 20% of  
the County's Gross Domestic Product

*BBER Study, Executive Summary*



New Mexico Museum of Art, Santa Fe

Santa Fe's Arts and Cultural Industries  
employed 12,567 people  
representing  
17.5% of total employment in Santa Fe county  
and paid \$231.5 million in wages and salaries.

*BBER Study, Executive Summary*  
(N.B. Europe's Creative Sector Employment = 2.6%)



Georgia O'Keeffe Museum, Santa Fe

“the funds that the A&Cs inject into the economy create new jobs and new sources of income on a net basis.”

“By BBER estimates, the \$814 million that the A&Cs and cultural tourism bring into Santa Fe may account for as much as 39% of the total inflow of money (new capital) into the local economy...”

*BBER Study, Executive Summary*



Canyon Road in Santa Fe created through  
Zoning for Arts and Crafts District

- **Cultural Industries:** Music, Performing Arts (Theater, Dance), Literature, Visual Arts, Museums, Craft, Film, Cultural & Heritage Festivals and Markets, Culinary, and Culturally based education, Architecture, Healing Arts, Design, Publishing.
- **Creative Industries:** All of the Above plus New Media, Software, Advertising, Marketing, Fashion, Design, Publishing, Licensing software (e.g. games) driven primarily by markets
- **Cultural Creators:** Musicians, Dancers, Composers, Writers, Artisans, Artists, Teachers, Designers, Actors, Chefs, Architects.
- **Cultural Producers & Marketers:** Producers, Directors, Publishers, Promoters, etc.
- **Auxiliary & Support Services:** Hotels, Shops, AV, Recording, Technicians, Publishing houses, agents, photo agencies, galleries, etc.



Lensic Theatre, Santa Fe

# **Cultural Workforce**

## **Top Ten Occupations in New England**

“The Creative Economy: A New Definition” 2007

New England Foundation for the Arts

1. Designers
2. Librarians
3. Visual Arts and Related Works
4. Advertising
5. Architects
6. Writers & Authors
7. Editors
8. Producers and Directors
9. Musicians, Singers and Related Work
10. Library Assistants, Clerical



# Cultural Enterprises

- Cultural enterprises are commercial ventures that connect creators and artists to markets and consumers. They create, produce and market cultural goods and services, generating economic, cultural and social opportunities for creators while adding cultural value for consumers.
- Cultural enterprises, both nonprofit and profit, adopt a business approach to their activity and deploy financial and cultural capital (creativity, talent, cultural traditions, knowledge and intellectual property) in a strategic fashion.
- Cultural enterprises are diverse in nature and size. They range from micro and SME to large firms. Cultural enterprises operate in the following fields: performing arts, museums, music, literature, publishing, film, photography, folk art, design, architecture, education, cultural and creative tourism, new multimedia, etc. They include, for example, publishing houses, production companies, photo agencies, markets, galleries or museum enterprises.

# Cultural Capital

- Cultural capital can include traditions, music, skills, dress, stories, art, decorations, feasts and celebrations, food, place, dwellings (antique, historic), etc.
- Individuals carry forward traditions while communities often have a legacy of creative talent that form its cultural capital.
- Organizations, e.g., museums, libraries, performing arts, are repositories of cultural capital made available to the public.
- Educational organizations that foster cultural creativity and advance traditions build community cultural capital.

# Cultural Enterprise Entrepreneurs

- Cultural Enterprise Entrepreneurs are cultural change agents and resourceful visionaries who generate revenue from a cultural activity. Their innovative solutions result in economically sustainable cultural enterprises that enhance livelihoods and create cultural value and wealth for both creative producers and consumers of cultural services and products.

# Cultural Organizational Entrepreneurs

- Cultural Organizational Entrepreneurs are cultural change agents and resourceful visionaries who create programs and/or organizations that contribute to the enhancement of people's lives culturally. They create cultural value in the community, small and large, through their entrepreneurial approach to cultural change. These programs and organizations require ongoing philanthropic support and subsidy, some of which is created by cultural enterprises.

# Common Characteristics of a Cultural Entrepreneur

- **Cultural Entrepreneurs do have common characteristics around the globe. Their values are similar in terms of their attitudes towards authentic culture.**
- **Passion:** Every entrepreneur has a passion for the culture, a community's traditions and talents and especially for the creators, be they innovators, masters or cultural workers.
- **Vision:** The cultural entrepreneur has a vision for the enterprise that encompasses the “wholeness” of the enterprise. The entrepreneur sees the problem and the solution, the need and the talent to create the market link as the whole picture.
- **Innovative:** The entrepreneur thinks out of ordinary ways to achieve solutions and build markets while able to adapt commonly accepted market strategies into the new enterprise.
- **Vision-Leader:** The cultural entrepreneur is a vision-leader who has the passion to see the vision through to the development of the cultural enterprise-persistent, determined, committed to the vision and creates commitment to the vision.
- **Servant-Leader:** The entrepreneur has a deep sense of service to the creators and cultural workers as well as to the consumer. There is a total, selfless dedication to the cultural beneficiaries.

- **Market Creator:** Often the cultural entrepreneur has to create new cultural markets rather than entering into an existing market, making the entrepreneurial effort a twofold challenge.
- **Resourceful:** Acts as though the resources will arrive to achieve the mission.
- **Net worker:** Maintains a wide network of people who will support the vision and create strategic partnerships with investors, opinion makers, market makers and creators.
- **Sustainability Innovator:** Creates a whole cloth of sustainability, weaving together economic, social, environmental and cultural values.
- **Mission-Market Balanced:** Creates an enterprise that is both mission-driven and market-focused.
- **Problem Solver:** Problems are not obstacles but challenges that must be met and solved.
- **Market Savvy:** Can create market intelligence through observation, analysis, create analogous scenarios to commercial markets and cultural markets, adopt and adapt and extrapolate it all into a new cultural enterprise vision.

# What Does a Cultural Entrepreneur Do?

- The Cultural Entrepreneur creates a vision for a cultural enterprise that bridges a market need with cultural traditions, cultural experiences and cultural innovations, enhancing the livelihoods of cultural creators and workers and enriching the consumer.
- The Cultural Entrepreneur identifies and gathers cultural capital, partnering it with people and financial capital, creating a financially sustainable enterprise.
- The cultural entrepreneur holds the passion to muster the resources and the people to make the enterprise a reality and sustainable.

# Essentials for Starting a Cultural Enterprise

**There are five essential steps to starting a cultural enterprise. These are common to every enterprise. Existing enterprises grow by a similar path of development when they introduce new cultural products or services as well as a new enterprise.**

- 1. Entrepreneur with a Vision:** Every new enterprise needs its champion who has the vision and passion for the venture. The entrepreneur sees the connection between the creators and the markets.
- 2. Cultural Capital:** A rich resource of cultural capital that can be converted into an enterprise. Added to cultural capital must be committed human and financial capital.
- 3. A Market:** Ultimately, an enterprise serves a need that consumers have, realized or not. The enterprise must find that market and fill the need of the consumer. Understanding the potential of the market is first and foremost in the vision yet ultimately it is the end point at which the viability of the enterprise will be determined.
- 4. Network:** A network of people in the cultural field as well as marketing, production and finance. This includes people who will help fund the enterprise. This team is committed to supporting the development of the cultural enterprise.
- 5. Business Plan:** The entrepreneur, often with the help of professionals, creates the business plan that lays out the vision, mission and values of the enterprise; defines the product or service; describes the marketing mix strategy of product, pricing, promotion and distribution; outlines the need for human capital; lays out the production and packaging plan; and has a full five year financial plan that includes Profit and Loss Statements, Balance Sheet and Cash Flow and sources of funds.



# Sustainability

**Sustainability has become an undefined cliché. The term is used most often in the environmental development field, and then it merged into economics and social sectors. Seldom is it used in the cultural sector. In fact, for cultural enterprises, we must use sustainability in a holistic way that is like a woven cloth where the weaving must be strong throughout and one weak strand will make the entire work unravel. A cultural enterprise must weave together all aspects of sustainability into a “whole” cloth.**

- Social Sustainability creates wide accessibility to arts and cultural heritage, increases civic participation and social responsibility; enhances the lives of artists and other creators, creates a positive impact on learning, all resulting in improving quality of life.
- Economic Sustainability occurs when both creator and producers livelihoods are sufficient to meet their essential needs and encourages young people to enter the field and the enterprise is profitable.
- Environmental Sustainability is achieved when consumption of natural resources does not exceed replenishment cycles nor does it contaminate our natural resources. Cultural industries are normally one of the more environmental sensitive industries.
- Cultural Sustainability is achieved when the creator and producer of cultural products and services results in the continuation and innovation of cultural traditions.

# Examples of Cultural Entrepreneurs

**Global Center for Cultural Entrepreneurship**

[www.culturalentrepreneur.org](http://www.culturalentrepreneur.org)



## VISION

We envision a world in which cultural entrepreneurship creates cultural value and economic wealth, self-determination, and cultural diversity in communities across the globe. We envision a world in which cultural entrepreneurs are catalysts for cultural innovation through their cultural enterprises. Toward this vision, we are creating the globe's first networked community of cultural entrepreneurs, cultural investors, and cultural entrepreneurship educators.

## MISSION

GCCE cultivates thought leadership and advocacy to foster an environment in which cultural entrepreneurs can successfully scale their cultural enterprises. GCCE connects cultural entrepreneurs with the

1. Knowledge.
2. Technical assistance.
3. Market links and information.
4. Access to financial capital necessary to the success of their venture.

**Ms. Norma Naranjo, Owner**  
**The Feasting Place**

**The Feasting Place “Connecting Earth & Spirit”** invites you to step into a unique dining experience in Norma’s home located in San Juan Pueblo. The Feasting Place brings people from across the globe to experience a traditional Native American Style Feast Meal and Horno-Baking Demonstrations. Customers leave with baked goods, a memorable educational experience and new friendships.

**Theresa True, Owner**  
**Ancient Story Teller Tours**

A Native American owned business committed to educating visitors about Northern New Mexico and the history of the Pueblo people. Ancient Storytellers offers customized cultural tours to each Pueblo in Northern New Mexico. Some of the tours include Pueblo Feast Meal and Horno- Baking Demonstrations, pottery demonstrations, drum demonstrations, storytelling, traditional dancing, traditional cooking, adobe making and restoration, Native American art shows, historical pueblo sites, and much more. Ancient Storyteller Tours participates in local, national and international trade shows such as the world travel markets in London, Italy and Germany. [www.ancientstorytellers.com](http://www.ancientstorytellers.com)



# HANDMADE *in* AMERICA

**Austin Boleman**

Untitled

clay, glass, natural material



HandMade in America's mission is to celebrate the hand and the handmade, to nurture the creation of traditional and contemporary craft, to revere and protect our resources, and to preserve and enrich the spiritual, cultural and community life of our region.

Rebecca Anderson, Executive Director

As Executive Director for HandMade in America, Becky oversees operations and programs that involve 3,000 citizens and 20 regional partnerships and serves as a consultant for cultural and economic development projects related to crafts.



**Little Chief Fry Bread Mix** is made with top quality ingredients, ensuring the best products. Lisa Little Chief was given this recipe by her Great Grandmother to share with future generations.

### **Competitive Advantages**

- Made by a Native American-owned company
- Made from an original family recipe
- All natural. No preservatives. Top-quality ingredients
- A unique treat for all family members
- Successfully marketed for more than ten years
- Multiple uses
- Makes loaves, balls, and other shapes

Economies  
Locally and Globally  
are revived with  
Arts and Cultural  
Investment

# What's Going On Around The Country?

- “Building a Creative Economy in Southwest Virginia; Art, Culture and Sustainable Development” A Conference. Appalachian Sustainable Development (ASD), <http://www.asdevelop.org>
- “Some 1,000 artists and arts organizations are now working in the Dumbo section of Brooklyn, courtesy of Two Trees Management. Operating on the principle that cultural ferment makes a neighborhood hot, Two Trees has offered creative people rents that they cannot refuse.” The Lords of Dumbo Make Room for the Arts, at Least for the Moment.” Going Coastal Blog, New York Times [New York] 9 March, 2008.
- Wong, Brad “Artspace debuts Central District lofts for Seattle's creative community. Painters, musicians, sculptors now have room to stretch.”, Seattle Post-Intelligencer [Seattle] 4 April 2008.
- Sandstrom, Karen. “Conference to Explore How to Capitalize on Arts Districts.” The Plain Dealer [Cleveland] 2 March 2008.
- Cookson, Brian. “Freight House District keeps Evolving into Trendy Hot Spot.” Kansas City Business Journal [Kansas City] 17 December 1999.

**Nonprofit looking to fund 'creative economy businesses'**

**Philadelphia Business Journal**

Friday, November 2, 2007

**Innovation Philadelphia** said Thursday it is launching a fund to make seed and early-stage investments in what it calls "creative economy businesses" in the Philadelphia area.

The economic-development nonprofit, which was formed and is mostly funded by the city of Philadelphia, said the Creative Economy Investment Fund will make investments ranging from \$25,000 to \$150,000. The investments will be debt, equity and combinations of the two, depending on the needs of the companies in which the fund is investing.

Innovation Philadelphia said it plans to invest in at least three businesses by the end of the year. Types of businesses in which it will invest include architecture, communications, design and merchandising, digital media, engineering, fashion design, music, video, film and film production. Also: graphic arts, information technology, interior and industrial design, marketing, multimedia design, photography, planning, product design and software development.

Investment applications and guidelines are on Innovation Philadelphia's Web site, [www.innovationphiladelphia.com](http://www.innovationphiladelphia.com)



# Boston Business Journal

Massachusetts now has creative economy liaison

by Naomi R. Kooker Journal staff

Thursday, April 12, 2007

The Massachusetts creative economy -- industries that include education, film, software, tourism, museums, art and design -- is now an official arm of the state's Executive Office of Housing & Economic Development. The creative economy has pumped upwards of \$4 billion into the state's economy over the past five years.



February 2, 2009

*"As a whole new economy based upon creativity and innovation emerges – dawn of the "Creative Age" – the importance of reinventing our business strategies, our corporations, our communities, our schools and more is critical. We need to redesign our high school and college curricula to focus on preparing students for this new competition"* Joyce M. Gattas and John M. Eger.

## A 21st-Century Profile: Art for Art's Sake, and for the U.S. Economy, Too

By SAM ROBERTS

Published: June 12, 2008

In 2005 nearly two million Americans said their primary employment was in jobs that the census defines as artists' occupations -- including architects, interior designers and window dressers. Their combined income was about \$70 billion, a median of \$34,800 each. Another 300,000 said being an artist was their second job.

Center for A Urban Future  
www.nycfuture.org  
December 2005

#### BROOKLYN DESIGNS A MARKET

**Brooklyn Designs**, a project of the Brooklyn Chamber of Commerce, has emerged as a successful model for showcasing new designers along the same lines as the Creative Industries Development Service (CIDS) in the United Kingdom, even though CIDS is aimed at supporting all of London's creative industries, while Brooklyn Designs is singularly focused on the design industry. Part of the challenge for emerging and even established creative entrepreneurs is tapping into the marketplace and accessing new audiences for their products.



When the Chamber identified a growing sector of furniture and home designers, it created Brooklyn Designs as a way of showcasing these businesses. The show provides access to a growing audience of more than 4,000 buyers, architects and consumers. Participation in Brooklyn Designs also gives designers access to editors from top design magazines like Interior Design and Metropolitan Home, who serve on the jury to select entries into the show and provide a critical audience for designers aspiring to launch a product from Brooklyn to international prominence. Brooklyn Designs offers the opportunity to get a product to market with minimal investment. In addition to participation in the show, participating designers who are also members of the Chamber have access to services including help finding space, employment assistance, business advice and evaluations on business development. Karen Auster, coordinator of Brooklyn Designs, often assists designers in helping them to evaluate how to balance the business end of their design work. According to Auster, she finds that, “as a creative person they often need help to gauge how much of their time they need for business tasks, how much for the creative part.”

Center for A Urban Future  
www.nycfuture.org  
December 2005

## LEARNING FROM LONDON

As New York takes on the challenges facing its creative sector, industry leaders here can look to London and other UK cities for some useful models.



### ***Creative London***

Aligning and rationalizing the resources available to support creative work is no easy task. But in London, for the first time, all of the highest-level creative stakeholders in the city—arts, business, higher education and government—have begun to collaborate around a common mission to support creative industries. The field is being assessed and assisted as a whole, not in distinct parts. The coordinated effort began in 2003, when London Mayor Ken Livingstone set up a commission to undertake a major assessment of the creative industries in London. Spearheaded by the London Development Agency (LDA), the equivalent of New York City's Economic Development Corporation, the commission brought together business executives from creative industries, government officials and leaders of arts and cultural organizations to identify the economic potential of the city's creative sector, as well as the major barriers that might impede its future growth.



CreateAustin



Arts and Culture Matter Here

## Austin, TX

### City of Austin to rethink artistic direction

Daily Texan Online

Published: Tuesday, January 23, 2007

"**Create Austin** is a planning process engaging the entire community in creating a vision and plan about future cultural development," Kitch said. "This plan will enhance and improve the cultural vitality of our community." According to research conducted by TXP, an economic analysis and public policy consulting firm, Austin's cultural sector in 2004 involved \$2.2 billion in annual economic activity, 44,000 jobs and \$48 million in the city's tax revenue. "The cultural sector is an important piece in our regional economy," Wynn said. "We will work together with the community and the city staff to create a plan and move it forward."

## New Orleans, LA

### Lower Garden District warehouse being converted into film studio

The Times-Picayune

January 25, 2009

A dilapidated warehouse in the Lower Garden District is quietly being transformed into a \$32 million independent film studio. Second Line Stages began construction of the 90,000-square-foot complex -- which includes three sound stages, a 49-seat digital screening theater and nearly 50,000 square feet of space for offices and production support -- earlier this month.





# Dallas

- The Dallas Arts District is among the most significant in the United States. The City of Dallas showcases the spectacular cultural, performing, visual and culinary arts of Dallas and Texas—one which had the potential to attract visitors to the city, entice locals to the downtown area, instill local pride, educate and stimulate an overall appreciation for the arts, and create international awareness of the new Dallas and its developing role as a cultural and culinary icon.
- The *Dallas City Arts Festival*, held in the **Arts District** each June, is a free arts festival showcasing dance, a variety of music and cultural performances, a juried art show, culinary demonstrations, wine tastings, complimentary admission to world-class museums, exciting exhibits and interactive children's activities .



# Baltimore, Maryland



## **A new vision for arts district**

### **City unveils 30-year plan to transform 100-acre area north of Penn Station into a regional crossroads of culture**

By Edward Gunts October 30, 2008

City officials plan to unveil a multiphase plan today to transform a 100-acre arts and entertainment district north of Pennsylvania Station into a \$1 billion "cultural crossroads" for Baltimore over the next three decades.

"Up until now, we have seen it as a typical neighborhood revitalization struggle, with some housing revitalization and some Main Street-type revitalization on North Avenue," said Joseph McNeely, executive director of the Central Baltimore Partnership, one group working with the designers. "This time we're thinking bigger."

"We're going back to seeing the area the way it was 100 years ago - as a regional center," said Dale Dusman, pastor of St. Mark's Lutheran Church and president of the Charles North Community Association. "We don't want this to be a neighborhood that you drive through. We want people to spend time here. We want to bring back the spirit that used to be here. We want it to be an asset for the whole region."

Beacon, New York  
The New York Times  
A City Reborn as a Haven for Art  
March 26, 2009

EVEN before it opened six years ago in a former Nabisco cracker box factory, Dia:Beacon, the largest museum of contemporary art in the country, had set in motion a cultural makeover in this once-forlorn river city. The mere anticipation of its arrival turned empty storefronts into gleaming galleries and coaxed residents of Williamsburg, Brooklyn, and other artistic enclaves in New York City to relocate here.



Dia:Beacon, during renovation.  
Photo: Michael Govan.

the  
**Chattanooga.com**  
Chattanooga's source for breaking local news

Chattanooga, TN

### **CreateHere Has Brought 24 Artists To Chattanooga**

posted April 21, 2009

The not-for-profit, public-private group, **CreateHere** begins its second year of operations to further aide Chattanooga's cultural renaissance through artist recruitment, art grants and other economic resource programs. Offering housing, moving and work space incentives, CreateHere has brought 24 artists to the area generating an economic impact of \$3.8 million in an effort to bring new life to once depressed areas of the city through home sales, officials said.

EXPERIENCE  
creativity.

EXPLORE  
nature.

EXPAND  
horizons.

# Indianapolis, Indiana

- The Indianapolis Cultural Development Commission was created in 2002 to support and encourage an environment where arts and culture flourish and to let the world know about the city's vibrant cultural scene.
- The Commission created six cultural districts, a public art program, and a fast track funding program. *The Fast Track Funding Program* was created to give a financial boost to organizations that develop and market local cultural and artistic events and activities that support cultural tourism for the city.



# Paducah, Kentucky

[www.Paducaharts.com](http://www.Paducaharts.com)

Historic area was revived with city leadership and a private community bank.

Tools: Code Enforcement

Result: Home ownership: Live/work spaces. Artist Relocation Incentives

Result: ROI. For every city \$1, \$11 spent in private investment



# Manitou Springs, Colorado

Manitou Springs ("Manitou," a Native American word for "spirit") began as a popular and successful health resort in the 1800s. After the turn of the century, tourists began to replace health seekers and due to various reasons, including the advent of the automobile, visitation declined.

In the 1980's came a revival in Manitou with the formation of a National Historic District (one of the largest west of the Mississippi). This spurred the restoration of many commercial buildings and older homes. The Commonwheel Artist's Coop, showcasing work from 40 local artists, began to prosper along with the Business of Art Center, a non-profit business incubator for artists, providing subsidized studio space, art classes, workshops, and business programs.

Tourists have rediscovered the charms of all the traditional attractions. People come to Manitou to enjoy the mineral springs, museums, galleries, zoos, parks, dinner theatres, stage shows, as well as rafting, fishing and other outdoor activities.



**Miramont Castle Museum**

# Bisbee, Arizona



Bisbee, Arizona, 90 miles southeast of Tucson, is a historic copper mining town. It was once of the richest mineral sites in the world until the large scale mining operations became unprofitable in the mid 1970's. Many artists found Bisbee an ideal, attractive, and inexpensive location to settle and pursue their artistic endeavors.

Today, Bisbee has evolved into an attractive artist colony and retirement community. There are several museums, art galleries, theatres, gourmet restaurants, coffee houses, book stores and specialty shops in well-preserved turn of the century Victorian structures.

# Silver City, New Mexico



Silver City Museum

Silver City is a historic mining, ranching and agricultural community in Grants County, New Mexico, nestled alongside more than 3 million acres of the Gila Wilderness. In contrast to other mining communities which eventually became ghost towns, Silver City continued to thrive by expanding its economy to include copper mining, cattle ranching, and lumber milling.

Today, Silver City's western small-town atmosphere and rich cultural heritage has been preserved. Silver City enjoys an active tourism industry, a vibrant arts community, an annual bicycle race, rodeos, conferences, scenic lakes and parks, music festivals, and the Silver City Short Film Festival.



# Davenport, Iowa

- Downtown Davenport, Iowa, a city of 100,000 people, is experiencing a boon of recent cultural investments. Along the Mississippi River, all within a five block corridor, is the new Figge Art Museum, the River Music Experience and an innovative arts warehouse project recognized by locals as simply “Bucktown” which houses retail shops, cooperative galleries, artist studios, cultural organizations and loft-style condominiums.
- DavenportOne, a municipal improvement district, is working to encourage entrepreneurial culture and promote the idea of advancing home-grown companies that will create more opportunities in the greater Davenport area.



The Figge Art Museum, designed by David Chipperfield, represents a key cultural investment into Davenport's historic downtown.

# Mystic Maritime Gallery



John Mecray, "Columbia vs. Shamrock"

The first U.S. art gallery in a museum shop (Mystic Seaport Museum) to offer the work of contemporary artists creating a new market and eventually spawning six for-profit maritime art galleries. Artists' prices increased, in some cases, more than ten fold over a fifteen year period.



Created traditional New England clambakes at  
Mystic Seaport, resulting in a profitable catering business.

# America's Cup



Mystic Maritime Graphics secured the official license to publish America's Cup graphics and distributed them globally using the work of American and Australian artists.



# Santa Fe International Folk Art Market



In 2004 the first folk art market was created. From its inception, it was the most important gathering of international folk artists and collectors. An excellent example of creating a cultural market.

# Museum of New Mexico Foundation Licensing Program

The Museum of New Mexico Foundation's licensing program was established in 1998 to generate essential revenues to help support acquisitions, exhibition development, and educational outreach programs at the Museum of New Mexico.



## **Spanish Diamond Buffet**

by The Romweber Co. Adapted from a Spanish traveling desk, a *vargueño*, in the collections at the Museum of International Folk Art, Santa Fe.

## **Arrow Pot**

Design by Nambe

The pot that inspired this piece comes from Acoma Pueblo, ca. 1900 and is part of the collections of the Museum of Indian Arts & Culture, Museum of New Mexico, Santa Fe.





Museum of New Mexico Foundation

[www.newmexicocreates.org](http://www.newmexicocreates.org)

[www.worldfolkart.org](http://www.worldfolkart.org)

[www.shopmuseum.com](http://www.shopmuseum.com)

**new mexico creates**

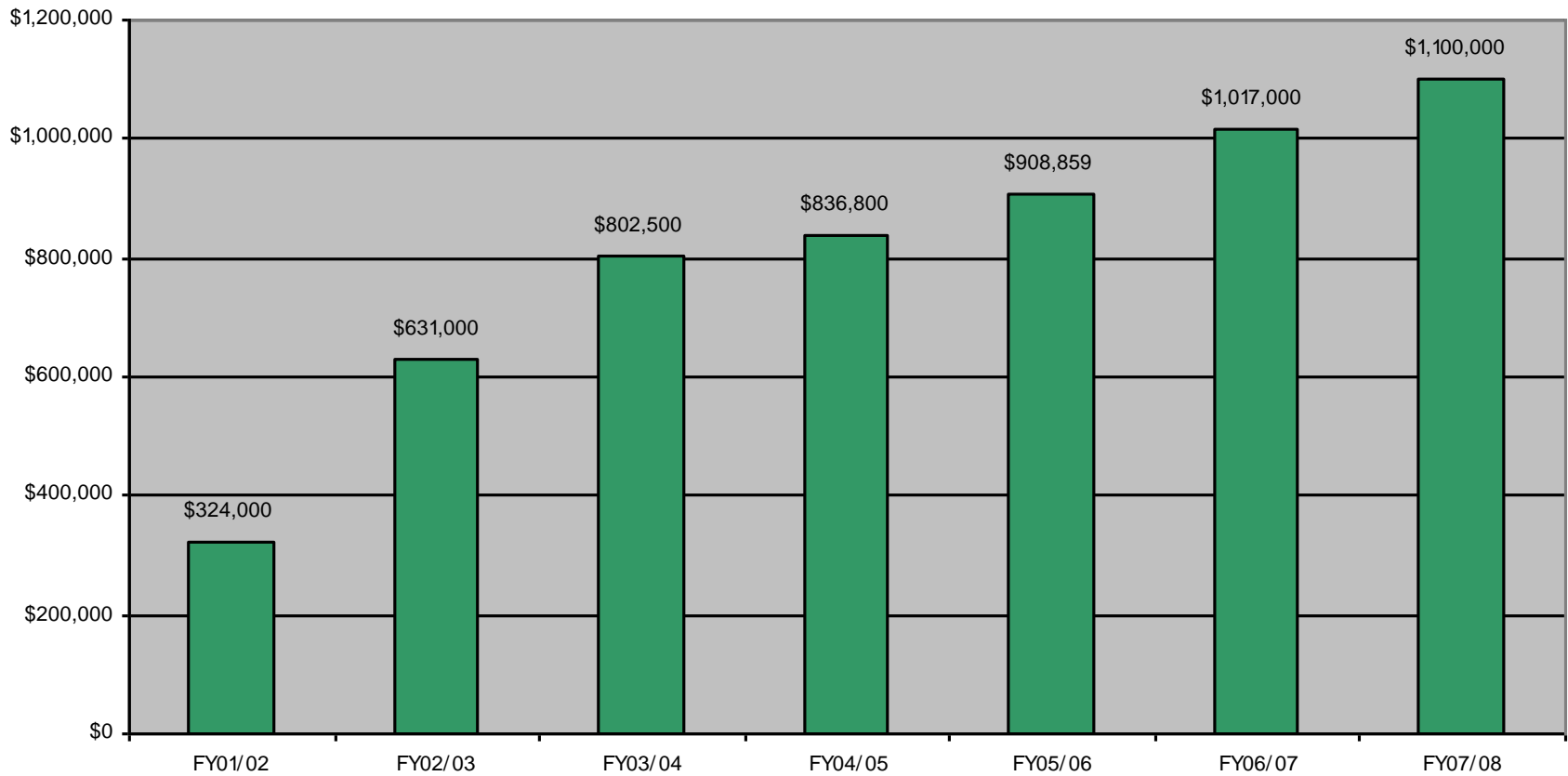
bringing you the true art of the state



Barbara and Joseph Cerno  
Acoma Pueblo

An innovative initiative that purchases (over \$1 million) and markets the work of New Mexican artists and artisans through the Museum of New Mexico Foundation's Museum shops, creating a statewide economic development impact and support for the Museum of New Mexico.

**Museum of New Mexico Foundation**  
*New Mexico Creates*  
**Purchases from New Mexico Artists and Artisans**



# Manchester Craftsmen's Guild

**Manchester Craftsmen's Guild** and Bidwell Training Center, Inc., were both founded in 1968. Manchester Craftsmen's Guild is a multi-discipline, minority directed, center for arts and learning that employs the visual and performing arts to foster a sense of accomplishment and hope in the urban community.

## **Its mission is to:**

- Educate and inspire urban youth through the arts and mentored training in life skills;
- Preserve, present and promote jazz and visual arts to stimulate intercultural understanding, appreciation and enhancement of the quality of life; and,
- Equip and educate leaders to further demonstrate entrepreneurial potential.



Manchester Craftsmen's  
Guild ceramics studio.

Photo courtesy MCG



09/11/2008

## Controversial deal keeps Art Basel in Miami Beach

Since its debut in 2002, Art Basel Miami Beach has become the center of a massive festival stretching from South Beach to Miami's Design District, encompassing dozens of smaller galleries and street-side art exhibitions. A draw for celebrities and international media, it attracts an estimated 40,000 visitors and 210 galleries from around the world



# Bilbao, Spain

## **From Industrial Ruins to Architectural Emblems**

A massive infrastructural transformation and urban regeneration process has turned Bilbao's wasteland of industrial ruins into a service-oriented and culturally attractive city. The flagship of the entire redevelopment is Frank Gehry's spectacular Guggenheim-Bilbao Museum. The museum brought \$147 million into the local economy in 2001 and another \$23 million in taxes, which represents about 4,415 jobs. 1.3 million tourists visited in the first year it was open.



Guggenheim Museum  
Bilbao, Spain

# How to Finance a Cultural Enterprise

**Financing a cultural enterprise can be done in different ways and often several sources of capital are combined and deployed in a cultural enterprise. Financial capital comes after the enterprise concept and business plan is developed. The business idea must be viable on paper before capital can be raised to finance the enterprise. Ten of the most common sources of capital are explained below:**

- 1. Enterprise Income:** Often the cultural organization has funds for investing in a new enterprise. If there is a current enterprise that is profitable and throwing off cash that can be invested in the expansion of an enterprise or to create a new enterprise.
- 2. Private Support:** The cultural enterprise may have a Board of Directors that can invest in the enterprise or private investors who are prepared to support the new endeavor. Social Venture Funds are now beginning to be formed and it is important that cultural enterprises are in fact viewed of equivalent value as a social enterprise creating cultural value as well as social value.
- 3. Grants:** When an enterprise is in a non-profit organization or is chartered as a non-profit corporation, it is possible to seek grants to use as zero-cost capital that finances the development of the enterprise. Foundations make grants of this form that are either straight grants or as Mission Related Investments (MRI) that carry a minimal capital cost if they are debt. Foundations will make a blend of investments that are sometimes part grant, part debt and part equity investment using a PRI.



4. **Membership:** By creating a membership in the organization to support the endeavor, an enterprise can be financed from start up through to the growth phase. Cooperatives often take this form of financing with each member contributing.
5. **Sponsorship:** Offering sponsorships of a market, a festival or a cooperative can raise new capital. Sponsorships are often viewed as marketing opportunities by other enterprises that want their name associated with the enterprise. Individual sponsors want to support the endeavor and do not expect a return for their support. This works best with a non-profit where the individual can take advantage of a tax deduction in those countries that allow them.
6. **Government Support:** Governments often have incentives for starting cultural enterprises. These can be marketing funds given by an economic development agency that wants to see the income of cultural workers to improve. Other times there are funds to support development in geographic areas such as rural or depressed urban areas. Cast as enterprise development, cultural enterprise development fits into more categories of governmental support. It is difficult to find funds just for culture alone unfortunately so one must be creative, innovative and entrepreneurial in developing these sources of funds.
7. **Special Events:** Linking special events to the vision of the enterprise can often raise capital. Launches of new products can be done in a fashion that raises funds, as can special invitation gatherings that have an entrance price. Auctions and lotteries also can raise capital for a venture.

8. **Passive Income:** Owning property that generates rent can be a source of regular capital to finance a venture. Rather than selling the property, the rental income can be a source of the capital needed to begin the new or next enterprise. Investment income from dividends and interest, should the sponsoring organization hold a portfolio, is also a source of fresh capital.
9. **Debt:** Debt can be in the form of a bank or private loan. Also, an established organization of substantial size can float bonds to finance part of a new venture. In some economies, non-profit bonds are tax exempt, that gives the enterprise a favorable rate of interest and tax breaks for the investor.
10. **Personal and Family Funds:** More often than not, micro and small enterprises are financed at the beginning with personal funds and/or those of the family. The entrepreneur's passion for the vision is such that initial steps must be taken and created for others to join in the vision. The entrepreneur not only invests time and talent, but personal funds to create the initial capital.

**Each of these strategies needs to be screened as to whether they are long or short-term and whether they are renewable in the future. Some of these sources of funds can be used for capital and others for operating funds and before seeking the capital the entrepreneur has to be able to explain the uses of the funds. The following chart creates a screen to be used when considering the kinds of capital required.**

# Financing Strategies

	Short Term Income Strategy?	Long Term Income Strategy?	Is It Renewable?	Does it Generate Capital Funds?	Does it Generate Operating Funds?
Enterprise	NO	YES	YES	YES	YES
Income Grants	YES	NO	SELDOM	YES	YES
Private Support	YES	YES	YES	YES	YES
Membership	YES	YES	YES	YES	Yes
Sponsorship	YES	NO	SELDOM	NO	YES
Government Support	YES	NO	SELDOM	YES	YES
Special Events	YES	SOMETIMES	YES	YES	YES
Passive Income	NO	YES	YES	YES	YES
Debt	YES	YES	YES	YES	NO
Personal/Family	YES	MAYBE	SOMETIMES	YES	Yes

# Selected Culture & Economic Development Tools

- CID's and BID's
- Film Production TIF / TIDD's Tax Rebates
- Filmmaker Gross Receipts Tax Deduction
- Film Investment Loan Program
- Tax Increment Financing Districts
- Certified Local Government Program (CLG)
- Local Historic Preservation Act
- Main Street Program
- Arts and Cultural Districts
- Quality of Life Incremental Tax
- Enterprise Zone Marketing
- Micro / SME Loan Fund
- Incentives for Job-Producing Enterprises
- Economic Development Corporations
- Tax Incentives for Business Expansion
- Neighborhood Stabilization Program
- Cultural Industries Office

# Actions Local Communities Can Take Now

- Seek out the cultural entrepreneur in their community.
- Promote understanding of cultural enterprise and cultural entrepreneurs and all they contribute to society.
- Create new capital for cultural entrepreneurs & cultural enterprises.
- Develop a cultural enterprise “venture capital fund”.
- Establish benchmarks for measuring investments in cultural entrepreneurs and their enterprises that take into consideration economic, social, environmental and cultural sustainability.
- Create partnerships (New Mexico Creates & City of Santa Fe: 477.6% ROI)

*Recreation and culture are the mortar  
between the bricks that create a  
community. They make people want to  
be here. Communities that are built  
without them are built without heart.*

# Appendix

# Artists' Centers

In general, the contemporary discourse on cultural and economic development policy undervalues the significance of space and place in the arts. Arts administrators and funders tend to think organizationally. But many artists and arts fans think instead of a place: a theater space, a gallery, a jazz club, an art crawl, or even an entire arts neighborhood that they love to visit and revisit. Ongoing access to spaces that offer novelty and serendipitous encounters with other artists and art lovers is a great gift for artists. It is not only the events and equipment that matter, but also the networks and friendships formed around them. We argue that “more and better” artists, to use the rather crass terminology of economics, emerge in and are attracted to towns and cities that offer a portfolio of dedicated spaces for learning, networking, exhibition, and sharing tools and workspace. Once there, they contribute to the host economy by exporting their work, contracting with businesses to make them more productive and profitable, stimulating innovation on the part of suppliers, and bringing income and energy to their neighborhoods.

Ann Markusen  
The Arts Economy Initiative  
Project on Regional and Industrial Economics  
Humphrey Institute of Public Affairs  
University of Minnesota  
February 2006



# Academic Programs in Cultural Enterprise

- MA in Culture, Creativity, and Entrepreneurship at School of Performance and Cultural Industries (PCI), University of Leeds, UK (<http://www.leeds.ac.uk/paci/>)
- MA in Cultural and Creative Industries at King's College London ([www.kcl.ac.uk/pgp06/programme/80](http://www.kcl.ac.uk/pgp06/programme/80))
- Master in Management of Cultural Enterprises at Groupe ESC Dijon Bourgogne (Burgundy School of Business, Dijon-Paris, France) (<http://www.mastereculture.com/en>)
- MBA in Cultural Enterprises and Institutions (Empresas e instituciones culturales, Madrid, Spain) ([www.santillanaformacion.com](http://www.santillanaformacion.com))
- London Centre for the Arts and Cultural Enterprise (London, UK) ([www.lcace.org.uk/home.php](http://www.lcace.org.uk/home.php))
- Pasadena Arts and Design School (<http://www.artcenter.edu/>)
- Columbia College: Arts, Entertainment and Media Management, and includes a creative and arts entrepreneurship track (<http://www.colum.edu/academics/aemm>)
- Wake Forest University: Program for Creativity and Innovation and includes Arts Entrepreneurship curriculum (<http://www.colum.edu/academics/aemm/>)

- University of the Arts London Central St Martins  
(<http://www.csm.arts.ac.uk/courses/postgraduate/ma-design-studies.html>)
- University of London Goldsmiths (<http://www.gold.ac.uk/pg/ma-creative-cultural-entrepreneurship/>)
- Staffordshire University  
([http://www.staffs.ac.uk/study\\_here/courses/entrepreneurship-for-the-creative-and-cultural-industries-tcm4219556.jsp](http://www.staffs.ac.uk/study_here/courses/entrepreneurship-for-the-creative-and-cultural-industries-tcm4219556.jsp))
- United Nations Conference on Trade and Development “2008 Creative Economy Report” ([http://www.unctad.org/en/docs/ditc20082cer\\_en.pdf](http://www.unctad.org/en/docs/ditc20082cer_en.pdf))
- King’s College London: Creative and Cultural Industries (<http://www.kcl.ac.uk/>)
- University of Southampton, MA in Creative Cities ([www.geog.soton.ac.uk](http://www.geog.soton.ac.uk))
- Tom Borrup: Strategy professional in the Creative Economy  
(<http://communityandculture.com/wp/>)
- Lotta Lekvall, Natverkstan, Gothenburg, Sweden (email: [lotta.lekvall@natverkstan.net](mailto:lotta.lekvall@natverkstan.net))



WAKE FOREST  
UNIVERSITY

## Program for Creativity and Innovation

**The Program for Creativity and Innovation** at Wake Forest University, in Winston-Salem, North Carolina, is an initiative of the Office of Entrepreneurship and Liberal Arts within Wake Forest University's undergraduate Liberal Arts College. It brings creativity to the liberal arts campus as a program of study and focus for student citizens envisioning the future and faculty transforming research through new creative pathways. The Program for Creativity and Innovation has been helping to lay the foundations of entrepreneurial studies with imagination and to build bridges to other disciplinary areas across the campus and into the larger community. (<http://www.wfu.edu/creativity/>)

CarnegieMellon

### **First Double-Degree Masters Program in Arts and Cultural Management Offered by Carnegie Mellon and the University of Bologna**

Carnegie Mellon University's Institute for the Management of Creative Enterprises (IMCE) member from the US and the University of Bologna, Italy expanded their cooperation to include a double-degree masters program in international arts and cultural management. This partnership is the **only initiative** of its kind focusing on global cultural management, honing the skills of future leaders of arts institutions worldwide.

([www.artsnet.org](http://www.artsnet.org) and [www.gioca.unibo.it](http://www.gioca.unibo.it))

# Cultural Policy: What Is It, Who Makes It, Why Does It Matter?

by Caron Atlas

Cultural policy is both a product and a process, a framework for making rules and decisions that is informed by social relationships and values. It is not easily defined in the United States. In fact, for much of our history our government has had an official policy of not having a cultural policy, and has opted out of the international cultural policy dialogue led by UNESCO (United Nations Educational, Scientific, and Cultural Organization). But not calling something a policy does not mean there isn't any. Cultural policies — public and private, implicit and explicit — are made all the time. In the United States, policy and policymaking are more often implicit than explicit, and thus they are frequently invisible. This can be viewed as a manifestation of how culture is embedded in other aspects of life, and it may even at times protect culture that is vulnerable or at risk. But it prevents us, as a country, from being able to have a conversation about the value of art and culture within our society. And de facto or invisible policies can become undemocratic and unaccountable.

# Housing Strategies



## **Artspace has its day**

Wednesday, June 11, 2008

The doors to the Artspace project in downtown Buffalo have been open for several months, but Wednesday marked "Artspace Day" to commemorate the \$17 million project, which has been many years in the making. The Artspace Buffalo Lofts, the first local project by Minneapolis-based Artspace, took the vacant, but historic Buffalo Electric Vehicle Co. building on Main Street and converted it in to 60 loft units that were rented to area artists. The project marries residential space with artist's lofts and exhibition space. The Buffalo Electric Vehicle Building features 36 units while a second building that was constructed as part of the project has another 24 units.



## **New affordable housing will help Oakland artists stay put**

[www.insidebayarea.org](http://www.insidebayarea.org), By Cecily Burt, June 8, 2008

Oakland is home to a vast underground arts community, whose members often find the most affordable work and living spaces in warehouses in West or East Oakland. Still, the real estate boom has been tough for many artists and arts groups that were displaced by rising rents and new construction.

That will not be a problem for the future residents of the Noodle Factory in West Oakland.

In one of the few projects of its kind in the country, the Northern California Land Trust is turning an old industrial noodle factory at 26th and Union streets in West Oakland into permanently affordable spaces that will be sold to working artists at steeply discounted prices. The space already had been taken over as an underground artists collective.

# The Benefits of the Arts, Culture and Heritage

- **1. Personal Wellbeing**
  - Participating in ACH helps us learn and develop throughout our lives.
  - Participating in ACH helps build self esteem and positive self-image and helps us relax and have fun which are foundations for satisfaction with life.
  - Participating in ACH enhances physical and mental health and well-being.
- **2. Social/societal benefits**
  - ACH builds civic engagement and social cohesion.
  - ACH builds social relations.
  - ACH strengthens partnering and community self sufficiency.
  - ACH helps create a sense of identity, tolerance and pride.

- **3. Economic benefits**

- ACH stimulates urban renewal resulting in increased property values & tax revenues.
- ACH services as economic drivers generate significant employment and can be integral to community and regional economies.
- ACH attracts residents, particularly educated, creative people, and businesses and promotes a creative economy.
- ACH can provide the critical mass of tourism product to draw visitors.
- Investments in ACH increase expenditures in the community thus retaining & enhancing revenues.
- ACH reduces crime and social dysfunction reducing policy, justice and incarceration costs (Canadian Parks/Recreation Association 1997).
- ACH helps increase productivity and lower operating costs.

- **4. Environmental benefits**

- Reduction of greenhouse gases and protection of air quality.
- Restoration rather than demolition requires less energy & reduces waste.



©2009 Thomas H. Aageson  
Executive Director  
Museum of New Mexico Foundation  
Post Office Box 2065  
Santa Fe, New Mexico 87504-2065

505. 982.6366 ext. 110

[tom@museumfoundation.org](mailto:tom@museumfoundation.org)



