

The Arts Economy in Northfield: Further Recommendations

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In partnership with the Northfield Arts and Culture Commission

Executive Summary

In this paper we report recommendations to the city of Northfield on how to further develop as an arts and cultural destination. We formed these recommendations after conducting a literature review of studies as well as 39 interviews with various civic, business, community, and arts organization leaders (in addition to 26 interviews in the interim report). We have also investigated other successful “arts towns” and found that Northfield’s unique cultural assets—such as the historic downtown, two colleges, compelling history, location on the Cannon River, and enthusiastic arts presence in the form of organizations and working artists—often outnumber the assets of other towns. To move forward, Northfield’s artists, organizations, colleges, businesses, and government bodies should operate as a collective by synthesizing marketing, data-collection, and planning efforts.

Key Findings:

- *A majority of interviewees commented on missed opportunities for collaboration between art organizations, artists, businesses, city government and the colleges.*
- *The arts leadership in Northfield does not feel that the arts have been marketed adequately.*
- *Of the 28 respondents to our business survey, 11 businesses never monitor differences in daily sales in relation to art events in Northfield.*
- *Both business owners and art organizations would like to see a Comprehensive Community Calendar developed to assist in event-planning and coordination of package deals.*
- *In comparison to other successful “art towns,” Northfield has just as many, if not more, artistic and cultural resources in place.*

I. Introduction

The arts have long been recognized for their role in endowing a town with cultural enrichment, but until recently the arts had never received much recognition as a tool for economic development. Now, an increasing number of small cities with rich art and cultural offerings, including Stillwater, Winona, and Lanesboro, MN, and Door County, WI, have gained the label “arts town” due to the high number of tourists drawn in by the experience the arts provide. The associated activity, such as money spent on gas, food, and lodging, represents an economic input to the city that has caught the attention of civic and business leaders who are concerned with their region’s economic development. Further, it has become increasingly understood that a vibrant arts and cultural scene serves not just as a draw for tourism, but more significantly as a key component to developing a “creative economy.”

Our report makes the case for the arts’ important role in Northfield’s economy. In times of economic hardship, arts are often the first thing to be cut from public budgets and school programs. As Northfield thinks about its future, the arts should be seen as an investment in not just an enlightened community but also a competitive economy. At the end of this report are six recommendations that can be implemented immediately to better secure the future of the arts in Northfield.

To deliver this report without mention of the flurry of activity surrounding the arts in Northfield in the spring and summer of 2011 would be tantamount to covering the better half of a painting. February marked the beginning of the first stage of research by St. Olaf students, which consisted of a qualitative exploration of the economic impact of the arts in Northfield. Then, in April, Riverwalk Arts Quarter hosted the

first annual Arts Town meeting, “Growing the Arts.” The meeting articulated current arts initiatives in Northfield, such as the development of a new website to feature Northfield artists, and built support for the idea of Northfield as an arts destination.

As interviews with a variety of community members continued this summer, Riverwalk Arts Quarter (RAQ), Riverwalk Market Fair (RMF) and northfieldarts.org received \$5,000 each from the Economic Development Authority for marketing purposes, while RAQ, Northfield Arts Guild (NAG), and Arts and Culture Commission (ACC) all discussed their role in helping Northfield’s artists achieve their goals. Meanwhile, the City Council considered prioritizing the economic development and active marketing of Northfield “as a recreation, tourism, arts and conference destination, in order to attract visitors and enhance opportunities for Northfield residents” (Clough 2011:1).

Despite this outbreak of activity in the past six months, businesses, city government, and arts organizations are not yet in agreement about what role each group should play to successfully establish Northfield as a destination for arts and culture. Our interviews garnered a wide variety of recommendations regarding leadership, marketing, and funding of the arts, but everyone agreed on the importance of the arts for Northfield’s identity. As one interviewed professor explained it, “Life is a much more creative enterprise these days than it ever was.”

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II. Methodology

Our report represents the second stage of an investigation into the economic impact of the arts in Northfield. The first stage was conducted by a team of six students in St. Olaf Sociology/Anthropology Professor Chris Chiappari’s spring semester course, “Ethnographic Research Methods.” The group wrote an interim report, entitled “The Economic Impact of the Arts in Northfield,” reporting the results of 26 interviews with Northfield citizens. Interviewees were chosen from four categories: artists, participants, promoters of the arts, and art organizations. The report’s main findings were that very little economic data had been collected, and a need exists for improved collaboration between artists, arts organizations, city government, and businesses.

ACC Chair Philip Spensley and Sian Muir, Director of Management Studies at St. Olaf College, co-wrote a grant proposal for two students to continue the project over the course of nine weeks through St. Olaf’s CURI (Collaborative Undergraduate Research and Inquiry) program. By using the interim report from the spring as a starting point, we were able to maximize the utility of our research for the community. Each action was designed to inform a series of recommendations for the long-term collection of hard data, development of an arts town brand, and the role of each group moving forward.

Our research process did not include the collection of hard data, but rather an intensive search for the best methods to collect such data. If we were to attempt to report an economic impact of the arts after two months of research, we would most certainly report an inaccurate number. We instead sought the best practices for Northfield community leaders to calculate the economic impact of the arts in a long-term, sustainable fashion. As art events grow and change, the City can use our recommendations to gauge the progress of the arts and compare their impact from year-to-year. Essentially, the city’s ownership of this process will produce a higher awareness of the state of the arts in Northfield.

We intentionally broadened the pool of interviewees for the second stage of research to better understand

the current dynamics regarding arts development in Northfield. Among the 39 individuals interviewed were members of the Northfield City Council, Economic Development Authority (EDA), Northfield Downtown Development Corporation (NDDC), Northfield Enterprise Center (NEC), and the Convention and Visitors Bureau (CVB), a department of the Northfield Area Chamber of Commerce. Additionally, interviews with arts and marketing leaders from Lanesboro, Stillwater, and Winona, MN, and Door County, WI, allowed for comparisons between Northfield’s strategies in becoming an arts town and the strategies of established arts destinations.

Each individual interviewed was contacted either by phone or email and received a project information statement containing the details of how the interview would be used in our research. The interview format was marked by open-ended questions related to the role of the arts in economic development, responsibilities of government entities and citizen groups, and opinions on the branding of Northfield as an arts town. Interviewees were free to terminate interviews at any point in time and were guaranteed that their identities would not be revealed without explicit consent. Because this report will be available to the public, many individuals requested that identifying factors be eliminated from any statements of criticism.

Information gathered from our interviews was supplemented by an electronic survey distributed to Northfield businesses. The survey was designed to capture a snapshot of current Northfield business practices regarding arts events, such as cross-promotion, extended store hours, and monitoring of sales data. We used an answering system of “Always,” “Sometimes,” “Rarely,” and “Never” in order to easily perceive which measurement practices were or were not currently in use. In addition, open-ended questions allowed business owners to provide their opinion on collaboration between businesses and arts organizations. Individuals from the CVB and NDDC gave us feedback on the survey before distributing it via their membership mailing lists. There were 28 respondents to the survey, 17 downtown businesses and 11 from other areas of Northfield. See Appendix A for full results.

In order to determine which entities were best suited to take on each of our recommendations, we developed a “Northfield Arts and Culture Ecosystem” (Appendix B). The model shows three sectors active in either producing cultural products or in decision-making roles: the Creative Cluster, which consists of enterprises or individuals producing cultural products directly or indirectly; the Creative Workforce, or individuals trained in cultural and artistic skills who drive the success of leading industries (which may be unrelated to the arts); and Creative Community, the geographic locations and other community entities involved in arts and culture decision-making. We derived our model from the example given in the article “Creative Economy Research in New England: A Reexamination,” revising it to better fit Northfield’s unique situation (DeNatale and Wassall 2006:10). Due to the evolving nature of Northfield’s arts scene, the model will likely need annual updates to remain relevant.

As an accompaniment to this ecosystem, we compiled an event directory and a calendar of annual arts and culture events in Northfield (Appendix C), including key events at the two colleges, by collecting information from interviewees, the Northfield Entertainment Guide, and various organizations’ websites. The calendar serves to demonstrate both the vast amount of cultural activity happening in Northfield on a regular basis and the need for a Comprehensive Community Calendar to list all of these events alongside other tourist-drawing events (sporting events, college events, etc.) in one document.

In addition to making this report available to all community members, we presented our findings to the EDA at its meeting on July 28, 2011, and to the City Council at its meeting on August 2, 2011.

III. Theoretical Basis

1. The Creative Class

Richard Florida's 2003 book *The Rise of the Creative Class* introduces the concept of the "creative class," which includes anyone who uses their creativity as a primary factor in their work's economic contribution. Representative occupations range from artists to educators, designers to lawyers, or writers to doctors. Florida argues that the creative class "has shaped and will continue to shape deep and profound shifts in the ways we work, in our values and desires, and in the very fabric of our everyday lives" (xxvii). If regions successfully tap into society's creative reservoir, they will foster sustainable economic growth. Florida ranks regions based on 3 T's: technology (innovation and high-tech industry), talent (creative capital), and tolerance (openness to varied peoples and lifestyles).

The concept of the creative class is relevant to discussions of Northfield's arts because a lively arts community directly affects all three measurements. A creative region is attractive to innovative, high-tech industries and knowledge workers (technology). Having more artists in town directly effects the level of creative capital (talent). Finally, an artistic community will naturally become a more tolerant place. Investing in the arts and culture of Northfield is an investment in creative competitiveness.

2. The Artistic Dividend

Markusen and King's 2003 report *The Artistic Dividend: The Arts' Hidden Contributions to Regional Development* augments the traditional, organizationally-focused approach of most economic impact studies by taking a look at the individual artist and the myriad ways that he or she contributes to a region's economy. One of the most significant economic contributions of individual (often self-employed) artists is their generation of exogenous income. Examples include a visual artist marketing their work over the internet or at arts fairs across the country, or a musician or dancer touring with a performing arts group. The resultant income from such

activities is then "respent" in their home region, a true addition to the town's economic base.

Other contributions that are often unaccounted for in economic impact studies include artists' engaging in the private sector by enhancing the design features of products or marketing efforts, or artists' developing the artistic potential of others through teaching their craft. These "hidden" contributions are difficult to measure and do not lend themselves easily to numerical data. Yet, they are integral to understanding the importance of the arts in Northfield's economy.

The approach taken by Markusen is to sketch out the dimensions of a given region's "art worlds" – a term coined by sociologist Howard S. Becker to illustrate the cooperative element of arts creation. What are the organizations, institutions, networks, and connections that a region offers to artists? Answering this question for Northfield not only involves developing a picture of the arts eco-system but also conducting in-depth interviews with the town's individual artists. Doing so highlights what support systems are in place and what is lacking. Research continues to show that because of our fast-integrating world economy, firms are drawn to pools of skilled, talented labor rather than the other way around. Ensuring that creative individuals have compelling reasons to work and live in Northfield is essential to the town's economic development.

3. The Multiplier Effect

Many economic impact studies, such as the highly influential report *Arts & Economic Prosperity III* (AEP) conducted by the non-profit organization Americans for the Arts, use input/output models that rely on detailed expenditure and attendance data from the arts and culture industry. The "input-output" model is an economic technique pioneered by economist Wassily Leontief to illustrate the interdependence of different sectors in a given economy. These models take into account the "multiplier" effect, which states that an initial direct expenditure on, for example, an arts event, stimulates other economic activity throughout the region. The initial dollars are "respent" multiple times, so that the impact of the initial direct expenditure is multiplied. One of the most important

findings by the report is that non-local audiences (visitors to a region) spend more than local audiences (the region's residents) in relation to an arts event or attraction.

However, the "multiplier" concept sometimes leads to overblown claims about the economic impact of the tourism brought in by an arts event or attraction, leading to poorly-informed policy or investment decisions. We spoke with a St. Olaf Economics Professor about whether the AEP report's claims about the multiplier effect pertained to Northfield. He estimated that Northfield's multiplier is around .7 or .8, much less than the numbers used by AEP. Northfield's relatively low multiplier is due to the rapid "leakages" that occur as a result of Northfield's small size and close proximity to the Twin Cities.

However, this reality should not dissuade one from recognizing the important economic contributions of tourism. Beyond the immediate spending that occurs, tourism generates free word-of-mouth advertising and "buzz" about the region. The presence of a vibrant artistic community has many hidden implications, as discussed in Markusen and King's report, and building a reputation as a creative economy will help attract and retain a creative workforce, as discussed in Florida's book.

4. The Nature of Tourist-related Spending

Arthur H. Sterngold's 2004 article "Do Economic Impact Studies Misrepresent the Benefits of Arts and Cultural Organizations?" criticizes the nature of many economic impact studies, such as AEP, for not taking into account the substitution effect when measuring arts-related spending. He writes, "To properly assess economic impact, the analysis must distinguish between expenditures that represent true additions to regional demand (i.e., exogenous spending increases) and expenditures that represent diversions of dollars from other regional uses" (6). He says that economic impact studies should only take into account economic activity that actually increases a region's "economic pie" rather than merely redistributes the pie among the various pieces.

We took Sterngold's criticisms into serious consideration when developing our recommendations for data-collection. Sterngold indicated several economic impact studies that take the substitution effect into account, including the 2001 study "A Guide for Undertaking Economic Impact Studies: The Springfest Example" by Crompton, Lee, and Shuster. The authors provide an example of properly revised methodology with their study of "Springfest," an annual 4-day festival in Ocean City, New Jersey. In order to calculate a realistic impact of the arts events in the community, the authors developed a survey for attendees that would confirm if they were from out of town, whether or not they would have visited Ocean City had the event not occurred, and how much money they spent within Ocean City.

The authors intend to "offer a generalizable model for undertaking economic impact studies that tourism professionals can use to conduct similar studies in their own communities" (Crompton et. al. 2001:79), so we have adapted their audience survey tool for use in Northfield (Appendix D). The survey will filter out "time-switchers" (visitors who would have come to Northfield at a different time but changed their timing to coincide with the given event) and "casuals" (visitors who are in Northfield for a reason other than the event, but who decide to attend the event while here) to ensure that the survey only takes into account the economic contributions of those who would not have come to Northfield if it were not for the event. If implemented at the various arts and culture events in Northfield, the data will form an important part of the overall picture of the economic impact of the arts.

"[The Creative Class] has shaped and will continue to shape deep and profound shifts in the ways we work, in our values and desires, and in the very fabric of our everyday lives."

Richard Florida

IV. Findings in Northfield

1. Town Profile

Northfield, MN

Location: One hour south of the Twin Cities on the Cannon River

Population: 20,000

Assets: Two colleges, Historic downtown, Jesse James story, Northfield Arts Guild, Northfield Historic Society, Riverwalk Arts Quarter, Riverwalk Market Fair, Art.org

Many of our Northfield interviewees admit that when people from elsewhere think of Northfield, they most likely think of either Jesse James or one of the two colleges. Both are unique aspects of the town, but they only form a small part of the many strengths and vast resources of Northfield. Northfield boasts a beautiful geographic location on the Cannon River, prime agricultural soil, and an historic downtown that remains lively and exciting, to name only the town's physical assets. Northfield also has a highly intellectual, well-educated population, a top-notch public education system, and an intangible feeling of safeness and community.

In addition to all of this, Northfield's arts and culture organizations are vibrant and growing. Northfield increasingly receives recognition for the strength and uniqueness of its art programs from grant-distributing organizations. The Northfield Arts Guild receives \$40,000 in grants from either the McKnight Foundation or Minnesota Legacy Funds each year, while Riverwalk Arts Quarter and Riverwalk Market Fair have brought in over \$50,000 in outside grant money from the Southern Minnesota Initiative Foundation (SMIF) since 2008.

Recent investments by the EDA have also proven hugely beneficial to the arts in Northfield. The \$15,000 recently given for various arts marketing efforts has already shown a return via the Riverwalk Market Fair securing a \$15,000 sustainability grant from SMIF. Northfield's current investments in the arts are thus a tremendous strength and should be maintained if not increased. As one art gallery owner

observed, "Northfield gave SMIF \$4,000 once and now it's come back to them fivefold."

Beyond these grant-securing bodies, Northfield has an enormous amount of activity originating from smaller organizations. A number of our interviewees recalled stories of how they or someone they knew moved to town or decided to retire here because of the swirl of activity in the arts and culture sector. In fact, four individuals considered Northfield to already be widely recognized as an arts town within Northfield; the current challenge is to market Northfield as such to out-of-towners.

The Northfield City Council's recent list of proposed economic development priorities indicates that the city has begun to closely consider its role in the development of the city's arts economy. The list shows promising support for Northfield as an arts destination with the statement that "the City should build on assets like the historic and aesthetic character of the downtown, the Cannon River, arts and history programs and events, and local foods and farmer's markets" (Clough 2011:1). This developing interest in the arts as an economic asset is another vital strength of Northfield's arts economy.

"Northfield gave SMIF \$4,000 once and now it's come back to them fivefold."

2. City Council

Considering that Jennifer Radbourne's interviews with arts leaders of two towns in "Regional Development through the Enterprise of Arts Leadership" found that "City Council emerged as crucial to the level of arts and cultural activity in the region, with most respondents citing some aspect of council activity as a contributing factor in terms of economic contributions, supportive staff, and carrying out planning and management for the arts" (Radbourne 2003:218), we were particularly interested in the Northfield City Council's role in the arts. Consequently, we asked a number of interviewees who

were familiar with the Council's activities about their opinions on the Council's current policies toward the arts.

In terms of supporting the arts in general, four of the interviewees thought that the City should dedicate one percent of its budget to supporting the arts, but did not suggest specific guidelines for how the money would be distributed. Three additional interviewees did not think a one percent budget would be useful without very specific spending guidelines designating the money for public art, matching grants, and helping organizations put on art events to bring people downtown. One non-profit leader said, "It would be nice to see the city directly financially supporting the organizations that put on special events downtown."

Six of the interviewees said the City should lead the Arts Destination goal, but had different ideas about what "leading" meant. Two of the six mentioned financial support, two mentioned that the ACC should lead the actions toward this goal, and two more said that the City should at least be involved from an inspirational standpoint if there is no money available to support the initiative.

Interviewed council members tended to respond that the Arts Destination goal needs to be led by Northfield citizens. Four members thought that community groups should take the leadership role and approach the City Council on a need-by-need basis. Other interviewees, including a representative of Carleton who is unaffiliated with the arts, saw this sort of hand-to-mouth funding as "unsustainable."

Many interviewees felt that the Northfield City Council should discuss how to endorse the arts on a long-term basis, either with financial support or inspirational support. Financial support may not currently be possible, but what is possible is an official adoption of the goal to become an Arts and Culture Destination, which would be hugely beneficial. As reported in "Building Creative Economies" by Americans for the Arts, "It is common for creative economic initiatives to be embedded into broadly-conceived community planning. The community planning then positions the initiatives for funding from sectors that would otherwise ignore cultural development" (2003:8).

3. Colleges

Many of our interviewees mentioned that further collaboration between the Northfield community and the two colleges would help further develop the arts community. While Northfield is widely known as a college town, some of our interviewees felt that both campuses are somewhat isolated from Northfield. In the spirit of making the most of existing resources, further college-community integration would not only help the arts community but also be a catalyst for the town's economic development in general.

"Enhancing 'Town/Gown' Relations" was listed as a key direction for the community in the 2008 Comprehensive Plan for Northfield, and the arts are an obvious avenue for this relationship to be built. One of the "Proposed Economic Development Priorities," prepared by consultant Tom Clough in May of this year, is to "Encourage graduates of local colleges and other highly talented and creative people to develop and grow businesses in Northfield." What better way to work towards this goal than to engage current students in the Northfield community? Members of the community and the colleges had many ideas for collaborative opportunities that would benefit all involved.

Carleton and St. Olaf both have thriving arts programs full of talented students trained by expert professors; top-notch theater, music, and dance productions and art shows; as well as renowned visiting artists. Many Northfield residents expressed the opinion that there is no reason that this wealth of artistic activity needs to be contained to the college campuses. The Northfield community could potentially be a "lab" of sorts for art in the real world. The colleges' music, dance, and theater programs could communicate with community arts organizations, such as the NAG or RAQ, to expand performance or exhibiting opportunities.

There could be an art gallery in town of student artwork; art students would experience what it's like to display and market their work, and even management-oriented students could participate in this venture. A St. Olaf graduate who was a member of several college bands recommended that the community and the Pause be in better communication with each other.

There are many talented musicians at both colleges who want more opportunities to perform, but they do not know how to get involved in the community. There should be an ongoing flow of information between the Pause and community organizations and venues.

While there are many opportunities for the Northfield community to include the college community, there are also ways that the colleges can better reach out to the Northfield community. “I would love to work more with the college dance departments so my students could be exposed to more,” said one community dance instructor. She also mentioned that her dancers currently travel to the Twin Cities for a variety of dance workshops even though there are wonderful dance resources on the nearby campuses.

One resident thought of the potential college-community relationship as an “arts reciprocity.” Many artists and organizations expressed the desire to use college spaces and facilities more often. College programming could be lined up to benefit both the students and the community. For example, if the college brings in a visiting musician, it could be arranged so that the artist also performs in a community recital. For these sorts of things to happen, there needs to be increased communication between the colleges and town when it comes to arts programming and planning.

Carleton’s Weitz Center for Creativity, which will open this fall, seems to be a step in the right direction. The center’s website says that the new facility will not only foster creative collaboration within the college but also “beyond campus, into the larger academic and arts communities.” In fact, the center’s directors have already engaged in talks with community arts organizations about the potential for sharing performance spaces and the possibility of a community film club.

4. Arts Ecosystem, Directory, and Calendar

The Northfield Arts and Culture Ecosystem and accompanying Event Directory and Calendar (Appendices B and C) show the abundance of arts and cultural activity occurring in Northfield and map out

the relationship between arts organizations, non-profit organizations, artists, businesses, and policy-makers. The process of creating this graphic and list of events led us to two important findings: Northfield has a plethora of artistic and cultural activity that most people have never seen represented in one document before, and the Ecosystem is in a state of flux.

Various Northfield arts organizations, government entities, and marketing bodies are considering changes in their mission at this time. In addition to the fact that this Ecosystem will likely have to be updated before the year ends to remain current, this state of flux makes this report especially timely. As they question which way to go next, we encourage Northfield leaders to stay open to the recommendations we have gathered from our literature review and Northfield citizens.

5. Measurement

Each interviewee associated with an arts and culture organization or hosting an arts event was asked about data they may have collected regarding the economic impact. Attendance figures were among the most common data to be collected. For example, the Northfield Public Library receives over 600 visitors each day, the Northfield Historical Society noted 19,000 visitors in 2010, and RMF estimated 12,000 visitors in its first year. Amongst our pool of interviewees, other measurements were not commonly kept.

It is worth noting that although few people had hard data to offer, many interviewees spoke of the intangible nature of the arts’ impact on Northfield’s economy. Some described it as an “amenity” adding to the economy via its enhancement of quality of life while others saw it as a driver in its own right. Despite differences of opinion in exactly how it impacted the economy, nearly every individual did indeed think it was a crucial aspect to Northfield’s economy. Therefore, it would be a worthwhile pursuit for community leaders to regularly track the impact of the arts on business’s financial performance and audience demographics and spending habits.

Our business survey showed that many Northfield

businesses have not attempted to calculate the impact of the arts on their businesses and do not use practices that would support the arts and potentially increase sales. For example, seven of the 28 respondents never monitor differences in daily sales in relation to Northfield art events and four of the 28 rarely do. Currently, 15 of 28 respondents never extend their hours to correspond with art events and 11 of 28 respondents do not display posters/promotions for art events. It is worth noting that of the respondents who did quantitatively monitor daily sales in relation to art events, 15 noticed an impact on sales “Always” or “Sometimes.” See Appendix A for the complete results of the business survey.

6. Marketing

Four of our interviewees used the phrase “speak with one voice” when asked about how to effectively market the arts in Northfield. In addition to mentions of marketing with one voice by two Northfield arts leaders, a leader from another established arts town said, “the potential for speaking with one voice becomes easier when there are fewer clamoring for attention,” and a Carleton leader said, “If the city wants to pursue an Arts Town, it needs to combine resources and speak with one voice.”

As previously mentioned, an overwhelming number of interviewees felt that the body currently holding the privilege to spend the lodging tax revenue, the Convention and Visitors Bureau, has not used the funds effectively with regard to the arts offerings available in Northfield. To improve arts marketing, almost every interviewee recommended that various city entities combine their current resources. The organizations mentioned ran the full gamut of RAQ, ACC, EDA, NAG, CVB, NDDC, and Northfield City Council.

Our interviews yielded no consensus on a potential new branding of Northfield. “Arts town” was felt to be too unspecific; some also expressed concern that such a brand would send the message that Northfield only has visual arts. Other than the brands of “Arts town” and “Center for Arts and Education,” we received suggestions such as “Arts and Culture Destination,”

“Creativity by the River,” and “History and Creativity on the Riverfront.”

7. Comprehensive Calendar

While the results of the business survey showed that many businesses had underdeveloped practices regarding the arts, business owners’ lengthy responses to the question “Do you have any suggestions for better coordination between arts organizations and businesses?” indicate that they are interested in maximizing the impact of the arts on their businesses.

The most common theme in these answers was a general frustration over the lack of communication between businesses and art event hosts. One owner said, “In order for businesses to benefit from art related events, there has to be communication about what’s going on and when. A simple email from arts organizations giving a heads up to business owners would be helpful. Business owners could choose to extend their hours on those evenings/offer specials/etc.” Among those who expressed this opinion, several owners suggested creating a website that would include a comprehensive community calendar and promotional materials for art events as a way to improve this communication.

One business owner envisioned a committee consisting of one or two NDDC members and one representative from each college to oversee this community calendar, with the goal of facilitating improved communication between downtown businesses and art organizations/event hosts. In addition to helping businesses prepare for community events, the calendar could aid in long-term planning. Synergies can be created, and an environment of collaboration can be generated.

V. Comparison to Other Art Towns

1. Lanesboro, MN

Location: Southeast MN on the Root River

Population: 858

Assets: Commonweal Theatre Company, Over the Back Fence, Lanesboro Arts Center, St. Mane's Theater, Iron Pour, Art in the Park, Lanesboro Community Theater, Root River Bike Trail

Lanesboro, MN, first gained recognition as an arts town in 1996 when it was listed in John Villani's *100 Best Small Art Towns in America*. Its art offerings, in addition to the Root River Bike Trail, draw a spectacular number of visitors to the town each year. Lanesboro's population of 858 and location in Southeastern Minnesota, less than two hours away from Northfield, made it an excellent candidate for a comparative study of the two towns.

Our comparison relies heavily upon interviews with two leaders in the Lanesboro art community, one from the Commonweal Theatre Company and the other from the Lanesboro Arts Center. Both conversations centered on collaboration between art organizations, marketing strategies, government involvement, and methods for measuring the economic impact of the arts.

The Commonweal contact explained collaboration between Lanesboro art organizations as such: "We had four organizations, but we have three now: the Lanesboro Arts Center, Community Theater, and the Commonweal Theatre are the self-identified art organizations. The potential for speaking with one voice becomes easier when there are fewer clamoring for attention. Just as artists are incredibly creative, they are incredibly strong and opinionated."

Our contact at the Lanesboro Arts Center expressed a similar sentiment about the consolidation of art organizations in the community. She speculated that the overlap of art organizations in Northfield may actually be detrimental to its goal. "It sounds like you have a lot of committees and it would make more sense for you to be under an umbrella organization." She then identified The Lanesboro Arts Center as the

umbrella organization for a variety of arts offerings: Art in the Park, the Iron Pour, Over the Back Fence radio show, and St. Mane's Theater.

When asked about marketing strategies used by the Lanesboro Arts Center, our interviewee responded, "The Chamber of Commerce is excellent at what they do." In contrast, a number of our interviewees had a negative perception of the arts marketing done by the Northfield Area Chamber of Commerce and Convention and Visitors Bureau. Some said that the Chamber and CVB's efforts just aren't effective, while others saw no efforts to market the arts. One individual expressed discontent with their usage of the Northfield lodging tax funds by saying, "The CVB has a responsibility to do better."

Press releases about the Lanesboro Arts Center go to about 100 different newspapers and radio stations, with Rochester representing one of the largest targets. Almost every new exhibition at the center is accompanied by an interview on Rochester's KTTC News, 1500 postcards, and online and print advertising. In addition, the leader at the Commonweal described marketing as "a multifaceted approach" that included direct electronic and print marketing. "We participate quite significantly with Chamber efforts. We also cooperate with the Lanesboro Arts Center. I have roughly 2.5 people (full-time equivalent) on marketing," he explained. Northfield art organizations, by comparison, rarely have full-time employees on marketing.

Cropp also identified St. Olaf and Carleton College as complicating factors in the arts destination goal. "The biggest difference is that Northfield is a college town. The presence of those institutions helps to define Northfield's character, whether it's good or bad. College towns have their own kind of identity," he said. The colleges also complicate efforts to capture the economic impact of the arts, which isn't a problem in Lanesboro. "Lanesboro was a very moribund community until the trail and arts came in. It was easy to demonstrate the power of arts as an economic driver because the economy was dead before that. It was a very clean, simple experiment."

Even though Lanesboro citizens clearly saw the

economic impact of the arts as the town was brought back to life after being a "sewer city" ("Historic Preservation"), Hal Cropp and other arts leaders have actively engaged in calculating the impact. Cropp said, "We looked at the sales tax lodging for the city the year before the theater opened in 1987 and compared it to sales tax revenues for lodging in 2000. The impact was hugely significant. There was \$36,000 in sales tax revenue in Fillmore County in 1987 and \$375,000 in 2000. Sales taxes here are 5% of the total so you can calculate the total revenue from that [\$7.5 million]. This revenue is probably a combo of bike trails and theater."

"The potential for speaking with one voice becomes easier when there are fewer clamoring for attention."

2. Winona, MN

Location: Southeast MN on the Mississippi River

Population: 28,000

Assets: Two colleges, Marine Art Museum, Minnesota Beethoven Festival, Great River Shakespeare Festival

Winona has only recently started coming into its identity as an arts and cultural destination; the "Big Three" (Marine Art Museum, Minnesota Beethoven Festival, and Shakespeare Festival) have all come into being within the last ten years. While all of them were primarily the vision of leaders in the business community, the Winona City Council helped out with seed money for both the Shakespeare Festival and the Marine Art Museum. All three have been hugely successful due to the appeal of professional-level performances and exhibits, which draw audiences from far outside the region. An interviewee who works with the Shakespeare Festival thinks that having a professional-level arts organization is the key to drawing in audiences from outside the region. While the colleges in Northfield put on first-rate theater productions, they are geared towards the college community; people are not likely to drive down from Minneapolis to see them.

Winona's outdoor recreation, such as parks, golf courses, campgrounds, and of course the river, have added to the "Big Three" and the other arts and cultural offerings to produce a vibrant mix of activities that have proven to be a strong tourist draw. A contact from the Minnesota Beethoven Festival says that Winona's beautiful location on the river is a major part of the visitor's experience when they come from outside Winona to see a Minnesota Beethoven Festival concert. Many of our interviewees from within and outside Northfield agree that developing our outdoor recreational activities would greatly help arts organizations grow their audiences; it would capitalize on the town's natural assets and add variety to what's offered to visitors.

"Visit Winona," the equivalent of a CVB, has played a crucial role in promoting Winona as an arts town. They spend as much on arts marketing, says our contact, as the Shakespeare Festival does for itself. Further, the town's residents seem to take pride in

Winona's new identity as an arts destination; the Shakespeare Festival has a huge volunteer corps. The business community definitely understands the economic value of the arts to the town. Attracting top executive talent is made easier by having something as prestigious as the Shakespeare Festival in town because creative, intelligent people love living in Winona.

A lesson to be learned from Winona is the importance of getting the entire community behind the efforts to develop as an arts town. Winona's government leaders, business leaders, and residents were all enthusiastic about developing its arts. Most importantly, the business leaders saw developing the arts as equivalent to economic development. The three artists who wanted to initiate the Shakespeare Festival did not originally have a location in mind; they decided on Winona because leaders in the business community had been trying to attract more arts events to the town.

Our contacts in Winona saw Northfield's location closer to the Twin Cities as potentially a hindrance for developing as a tourist destination. Having a "big name act" come perform in Northfield would be splitting that artist's audience, since more likely than not, the artist would also be performing in the Twin Cities. Thus, the key to Northfield's success is to develop arts offerings that are truly unique—something that will draw people away from the metropolitan area.

A contact from the Minnesota Beethoven Festival says that Winona's beautiful location on the river is a major part of the visitor's experience when they come from outside Winona to see a Beethoven Festival concert.

3. Stillwater, MN

Location: Southeast MN on the St. Croix River

Population: 18,000

Assets: Historic downtown, eight annual arts festivals/crawls, Victorian homes

Stillwater has been a popular "day-trip" destination because of its historic downtown, location on the St. Croix River, and extensive arts and cultural offerings. Stillwater's identity as an "arts town" did not happen overnight, but was the result of investments in the community over time. While maintaining the quaint, historic feel of the downtown has always been a priority for the city, it was never at the expense of growth. Tourism has always been recognized as an important economic driver, says a representative of the Greater Stillwater Chamber of Commerce. Thus, the downtown and other cultural landmarks have not just been maintained but heavily marketed. As different investments took place and Stillwater became home to a variety of businesses and activities, everything began to feed off each other, and excitement was created.

The Chamber puts on numerous fairs throughout the year that are centered around artists, both local and from other locations. In addition to providing a venue for the arts, the fairs function as an advertisement of the entire town and what it has to offer. It is erroneous to suggest that an event is an economic loss if it does not generate an immediate financial impact beyond the resources invested. The Stillwater Chamber understands that the repercussions of a downtown event are long-term. Visitors eat at the restaurants, shop in the stores, and most importantly, get to know the community. If they enjoy their experience, they will come back, tell their friends, and generate the all-important "buzz" about the location. This effect cannot be measured, but the Stillwater Chamber understands that this does indeed translate into a positive economic impact.

Northfield would benefit from imitating the collaborative efforts of Stillwater. The Greater Stillwater Chamber of Commerce is holding a "Community Symposium" this year, consisting of five "residents" sessions and four "business" sessions overseen by a panel of 19 civic, business, and community leaders. The symposium will address three key questions:

"What do you love about this area?," "What do you believe needs to be improved or changed?," and "What businesses, services, or community amenities would you like to have?"

Our contact from the Stillwater Chamber said that a common vision is the spark that can make things happen. There needs to be a dialogue among not just civic leaders and arts organizations, but also business leaders, since they have the potential to put philanthropic efforts towards events or initiatives. Our contact from Stillwater made an observation about the demographic of "opinion-holders" that can be applied to understanding Northfield. There are three segments. The first is young people, who have no comments on public issues; they are simply growing up and living their lives. The second segment is middle-aged adults who are, effectively, the movers and shakers. They are the most involved in moving the community forward since they are concerned with earning an income and raising a family. The last segment is the elderly population, who used to be the movers and shakers. They are usually unhappy with how the middle segment is moving the community forward because they have fond memories of "how things used to be." While it is important for a community's decision-makers to hear everyone's opinion, the opinion that things should not change is harmful to a community's growth. Things cannot remain the same; things either move forward or backward.

4. Door County, WI

Location: Wisconsin's eastern peninsula on Lake Michigan

Population: 28,000

Assets: Peninsula Arts Association, Door County Art League, Peninsula Art School, Door County Community Foundation, five state parks, 12 lighthouses

Door County experiences a tourist boom every summer, largely due to the beautiful geographic environment. However, what keeps people coming back is that visitor expectations are most often exceeded, as determined by Door County's "Strategic Destination Marketing and Management Plan" of 2006. In addition to its beautiful geographic assets, Door County also has five state parks, 12 lighthouses, and a vibrant arts and cultural scene serving the community and tourist population.

We spoke with a representative from the Door County Art League, which is a non-profit membership organization based in Fish Creek that promotes visual arts through facilitating collaboration and promoting individual artists. The organization is 25 years old and began operating its own gallery within the last four years.

The Door County Convention and Visitors Bureau actively promotes the entire county as a tourist destination. There is also a Peninsula Arts Association that operates as an umbrella organization to help fund arts events. The Door County Community Foundation, established in 1999, is an excellent community resource that occasionally provides funds for arts initiatives.

Like many others from within and outside of Northfield, our contact in Door County believes that in order for Northfield to move forward, there needs to be driven individuals in the arts community who are willing to engage in dialogue with the city government and the business community.

VI. Recommendations

- Northfield arts organizations should consider consolidation with similar organizations to maximize resources and reduce overlap.
- The NDDC, ACC, and EDA should collaborate to collect data on the economic impact of the arts.
 - The EDA establishes what kind of data needs to be collected to inform economic decisions.
 - The ACC works with artists to collect this data, using an independent third party and a standardized survey such as the one we have derived from the Springfest study (Appendix D) to collect the data.
 - The NDDC encourages businesses to track sales data and volume of patrons on days when arts events occur and compare them with days when there are no arts events.
- The Northfield City Council should make the development of the arts one of its long-term economic goals.
- The Northfield City Council should develop a reciprocity between the EDA and ACC so that one business-minded person serves on the ACC and one arts-minded individual serves on the EDA.
- The NDDC should take on the responsibility of a Comprehensive Community Calendar, in line with its vision of downtown as “the place where we make connections with each other and share a social and cultural life” (“NDDC Mission, Vision, Goals” 2011) and because it has close connections with downtown businesses.
- The CVB should collaborate with RAQ and the NDDC to receive input on how arts leaders think the arts should be marketed.
 - In the case that a Request for Proposals to modify the use of Northfield’s lodging tax funds is released, proposals including improved marketing of the arts should be given special consideration due to their potential to increase tourism and hotel stays, thereby increasing the funds available for marketing.

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Appendices

Appendix A: Business Survey Results

Appendix B: Arts and Culture Ecosystem Model

Appendix C: Directory and Calendar

Appendix D: Audience Survey Tool

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