

February 7, 2020

TO: Members of the House Appropriations Committee

FROM: Karen Mittelman
Executive director, Vermont Arts Council

RE: Arts Council appropriation

Thank you for this opportunity to discuss the work of the Vermont Arts Council. We are grateful for the legislature's strong support for our work.

The Arts Council receives the majority of its revenue (75%) from two sources: the National Endowment for the Arts and the State of Vermont. The NEA requires that state governments match the federal dollars allocated to state arts agencies, dollar for dollar. Our General Fund allocation, therefore, allows the Arts Council to secure substantial federal funds each year that are distributed to organizations, schools and communities in all 14 Vermont counties.

When I met with the Committee last year, I outlined our main program priorities for the biennium: Ensuring broad access to the arts (or, closing the "Arts Opportunity Gap"); Cultivating creative placemaking; and Energizing Vermont's creative economy. These three strategic priorities continue to guide the Council's work.

Closing Vermont's "Arts Opportunity Gap"

We know there are many barriers to participation in the arts for all Vermonters – transportation challenges, lack of physical accessibility, and economic, cultural, and social barriers. The Council works to expand access to the arts and cultural activities for all people, regardless of age, ability, income, race, ethnicity, geography, sexual orientation, or religion.

Update:

Many of the projects we fund directly serve artists and individuals coping with addiction, illness, trauma, or disability – and other groups who are often marginalized and may lack access to arts experiences. For example:

- Arts Impact grants enabled Champlain Community Services to provide performing arts workshops for high school students with intellectual disabilities, and supported Norwich University's Shakespeare programs for veterans coping with trauma.

- Head Start arts integration grants deliver the proven benefits of arts-integrated learning to Vermont’s most vulnerable students, and provide resources to teachers in classrooms across the state.
- On average, more than half the Council’s arts education funds are awarded to schools with more than 40% of their students in the free/reduced price lunch program.

The Council also serves as a statewide resource for arts organizations working to meet ADA accessibility requirements.

Our Spotlight Gallery and newsletters are important vehicles for broadening public awareness of Vermont’s diverse artistic landscape. *I Am a Vermont Artist*, an interview series launched in 2019, asks artists to reflect on how being in Vermont affects their creative process, and how their art is shaped by their gender, age, ethnicity, race, disability or cultural background. The series—and an accompanying exhibition—has featured more than 20 artists, from members of the Afropop group A2VT to Korean-American painter Misoo and spoken word poet LN Bethea.

Cultivating Creative Placemaking

Creative placemaking celebrates downtowns, villages, or regions through the arts, bringing new energy and inspiration to public spaces. Through grants, convenings and workshops, the Arts Council supports projects that bring artists and community members together to re-envision community places and forge a sense of identity and belonging.

Update:

In addition to our regular [Animating Infrastructure grants](#), which support creative placemaking, the Council is one of several private funding partners for the *Better Places* program proposed by the Agency of Commerce and Community Development. This program would establish a scalable, 50/50 matching community grant program that strategically coordinates the efforts of state, nonprofit, and philanthropic funders to support place-based economic development projects like public art, walking and biking trails, community parks, and farmer’s markets.

Better Places would:

- Streamline and integrate grantmaking of multiple funders – so grants are more accessible and communities achieve immediate results.
- Combine crowdfunding and placemaking to help communities improve themselves and enable local residents to invest their dollars on projects they find valuable within their community.
- Improve the livability of our communities, making our places more walkable, vibrant, creative, and socially connected.
- Empower local leaders to play an active role in shaping their communities, building social capital, local pride, and community leadership.

Energizing Vermont's Creative Economy

A growing body of nationwide research tells us that the creative sector - the people and businesses that produce and distribute creative products and services - provides a powerful springboard for economic growth. Creative enterprises are particularly critical to the economic viability of rural states like Vermont. A recent report from the National Governors Association called on rural states to invest in arts and culture as drivers of economic change. (*Source: [Rural Prosperity through the Arts and Creative Sector: A Rural Action Guide for Governors and States](#), National Governors' Association, Jan. 2019*).

Update:

In 2019, the Vermont Creative Network released a [strategic action plan](#) for the creative economy of the Northeast Kingdom. This work built on decades of national and local research on the creative sector. Following the NEK study, our team of economic development experts analyzed economic data, and listened to hundreds of Vermonters to define the strengths, economic potential, and growth opportunities in Vermont's creative economy statewide. Key findings include:

- Creative industries provided 30,404 jobs across the state in 2018.
- Vermont has a higher share of jobs in creative industries (7% of all employment) than the average across the United States. The majority of those jobs are in Design, Specialty Foods, and Visual Arts and Crafts.

(*Source: Report from Mt. Auburn Associates to the Vermont Arts Council, 2019*)

Critical needs in the sector include: nurturing entrepreneurship and creative skills; aligning education and training with available creative-sector jobs; connecting artists to broader markets; and encouraging partnerships and synergy between creative businesses and other economic sectors.

By many indicators, the concentration of creative talents and businesses that Vermont offers is impressive for a small, rural state. Our research also demonstrates that there is significant untapped potential in the sector – in other words, Vermont's creative economy requires a boost in order to continue to grow. We are now developing a statewide strategic action plan (to be released in late 2020) designed to spark investment and promote economic growth by leveraging the state's creative assets.

Key Budget Issues in FY2021

Federal funding. We can project with reasonable certainty that our allocation from the National Endowment for the Arts, which comprises 37.5% of this year's budget, will increase. Over the past three years we have seen our annual allocation increase from \$708,900 to \$717,200 to \$717,735. The NEA doesn't announce their annual allocations to state agencies until late

March. This presents us with the likelihood of a perennial funding shortfall that must be met with state funds in order for us to secure full federal funding.

Last year, the state legislature approved a special, one-time allocation of \$5,000 to help us to match the NEA funds. For next FY, the Finance Commissioner has adjusted our allocation in the Governor's budget from \$717,735 to \$724,300, to reflect the NEA increase.

Support for Vermont's Creative Economy.

For several years, since the Vermont Creative Network was established in 2015-2016, the Arts Council has devoted substantial staff time and resources to the Creative Network, the NEK study and the statewide strategic action plan, including securing an \$80,000 grant from a regional foundation. Our Deputy Director allocates at least one-third of her time to this project.

This is important work, with exciting implications for Vermont's economic future. At a time when our communities face formidable economic and demographic challenges, we believe that development of the creative sector offers powerful solutions. However, while we remain committed to completing the strategic action plan in 2020, it is clear that moving forward, the Arts Council will lack the resources to implement many of those action steps. We look forward to working with the state legislature and potential private partners in the future to map out strategies for investing in Vermont's vibrant creative economy.