

OHIO ARTS COUNCIL

STRATEGIC PLAN

*A plan to meet the cultural needs of Ohio's citizens
and maintain the Ohio Arts Council's leadership position.*

Draft
September 2010

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MESSAGE FROM THE EXECUTIVE DIRECTOR

As the French philosopher Henri Poincare once said, “It is far better to foresee – even without certainty – than not to foresee at all.” This fall the Ohio Arts Council is approaching the end of a strategic planning process that began nearly two years ago. And although much economic uncertainty still exists, we have done our best to listen to your suggestions, position the agency for long-term growth and success, and “foresee” to the very best of our ability – whatever the future may bring.

The planning process began with Listening Tour meetings in 14 Ohio communities between fall 2008 and winter 2010. We sat down with elected officials, community leaders, artists, arts administrators and everyday Ohioans and asked what they loved about their communities, how creativity and innovation were important and how the OAC could help. This summer we began working with experts from the Cultural+Planning Group to develop a plan that considers those conversations, addresses the unprecedented changes the OAC has recently experienced and positions the agency for a challenging and dynamic future. We gathered input from OAC Board and staff members as well as from groups of stakeholders representing every aspect of the agency’s work. We also conducted a statewide survey on average Ohioans’ opinions of the arts, culture and entertainment, gathering over 5,700 responses from all corners of the state. Finally, our planners met with key elected officials in the Governor’s Office and state legislature, as well as senior staff from other state agencies and other community leaders.

As the planning phase of our strategic planning process concludes, we can confidently say that this has been the most extensive and transparent planning process ever conducted by the agency.

Now, as we approach the final phase of work, we are coming back to you one last time to ask for your feedback on our draft strategic plan. Your input at this stage is critical to the comprehensiveness and strength of the plan, and we hope you will take a moment to review its short-term goals and long-term strategic initiatives in particular and share your thoughts with us. Please send comments via email to amy.mckay@oac.state.oh.us by next Friday, September 24, 2010. Thank you in advance; your support in this effort is deeply appreciated.

I hope you are enjoying the start of fall with all of the exciting new arts programming the season brings to our communities each year. Thank you again for all you’ve done so far to help guide the Ohio Arts Council in this process and point the way to a thriving and successful future for the agency. Best of luck in this new season!

With sincere regards,



Julie S. Henahan
Executive Director

PLANNING PROCESS AND FINDINGS

This chapter presents a description of the planning process and findings, including the main elements of stakeholder input. It is organized according to discussion groups and interviews with the OAC's core stakeholders, a statewide survey of Ohioans' cultural interests, and a priority-setting exercise conducted with the OAC's board and staff.

Planning Process

The OAC conducted extensive research and solicited stakeholder input in the development of this plan – more than for any prior strategic plan developed by the agency. This input began during 2008 and 2009, when staff conducted statewide “listening tours” in communities throughout Ohio. Additional planning activities were conducted between June and August 2010. A planning retreat with the OAC Board was held to define the overall parameters of planning. To assess the cultural interests of all Ohioans, a statewide opinion survey was conducted, with a total of 5,748 respondents from 87 of the state's 88 counties (see summary, page 6). Seven stakeholder discussion sessions comprised of representatives from a variety of agency constituent groups were held to engage grantees from throughout the state in planning. Interviews were conducted with staff in the Governor's Office and with key state legislators, senior staff in state agencies and other community leaders. Staff participated in planning roundtable discussions and interviews, and Board and staff members participated in a joint priority-setting exercise. Finally, a review of the agency's plans and studies was conducted to provide an understanding of the agency's programs and capacities, and to contextualize the challenges of the current situation.

Summary of Statewide Listening Tours

During 2008 and 2009, the Ohio Arts Council held a series of 42 meetings in 14 Ohio communities in order to foster dialogue with artists, arts organizations and citizens. These conversations revealed important information about stakeholder aspirations and perceptions about the arts in Ohio. Their findings include:

Heritage and Culture

- In each community the people are seen as essential resources—as part of the unique fabric of that community, as storytellers, as volunteers. They are respected and acknowledged for their giving natures, their spirit of cooperation and sharing their pride in their community.
- Each community has a tremendous amount of “pride of place”—there is recognition of the distinctive nature within each community, whether through history, architecture, or other unique community assets—particularly through arts and cultural institutions, which are seen as essential aspects of how the community views itself.
- Many cities visited by the Listening Tour were smaller cities and towns—citizens in each had respect and pride for small-town life and the benefits it offers for individuals and the community as a whole.

Creativity and Innovation

- The presence of universities, colleges and branch campuses within communities is seen as an important contributor to the creative culture of the area.

- Many knowledge-based business incubators have been successfully implemented and have brought extensive benefits to the community, including a broader tax base and the contributions of those who make up the knowledge-based and creative workforces.

Education

- Universities and branch campuses are seen as key community assets—both for adult education opportunities and for the presence of their educators within the community.
- There is an overwhelming belief that parents need to be better educated about the essential role that arts education plays in the development of young people’s minds, and in their ability to become creative thinkers and competitive participants in the 21st century workforce.
- Parents want their children to have well-rounded educations and hope that their children will live and work in Ohio.

Public Policy and Planning

- Each community recognizes the importance of support and leadership from elected officials. Those who implement broad-based community planning, recognize the contributions of different sectors to the success of the community and involve voices from all areas are seen as particularly effective.
- Where partnerships exist with convention and visitors bureaus, chambers of commerce, parks and recreation departments, and between arts organizations, the collaborations are seen as extremely beneficial. The communities without these partnerships aspire to develop and nurture such relationships.
- There is a strong desire for continued OAC presence in terms of grant dollars and other resources, including workshops and advice on a variety of subjects, such as marketing, promotion and cultural planning. The OAC is also seen as a vital facilitator to the continued collaboration within communities.

Community Revitalization and Stabilization

- Downtown revitalization efforts, even those in the planning stages, are seen as essential to community pride and the impression the community makes on visitors.
- Public art is respected for what it contributes to the overall fabric of the community and more is desired. Several communities specifically mentioned a hope for more interactive projects, especially those involving young people in the creation of the art.
- Loss of jobs and young people is a primary concern everywhere. Opportunities for creativity are believed to be particularly effective potential counteragents to these concerns.

Discussion Groups and Interviews

This section reports on the findings from discussion groups and interviews with core OAC stakeholders--including Board members, staff members, artists, grantees and legislators--conducted in Columbus during July and August 2010. These stakeholders were asked to identify the strengths of the OAC, including attributes that should be preserved. The Board valued the agency’s reputation as a leader in

the field and cited its experienced and seasoned staff as the key reason the agency receives high satisfaction ratings from constituents. Board members felt that the OAC has developed a comprehensive, thoughtful array of programs that respond well to the needs of its stakeholder groups and the citizens of Ohio. They noted that the agency has been a galvanizing force for the arts and that it has historically been highly adaptable to changing circumstances. OAC staff mirrored these sentiments and cited their strong connection to the artists and cultural organizations in the state.

Agency stakeholder groups praised the OAC for having adapted well to recent staff and budget cutbacks, retaining the core programs. Virtually all respondents spoke about the staff's high level of service and individual technical assistance to the field. Many noted the importance of the operating support they receive and felt that funding from the OAC constituted a "stamp of approval" that assisted their organizations in leveraging funding from other agencies. It was universally felt that educating constituents and stakeholders about the importance of arts and culture was a critical function of the OAC.

While many points of view were expressed by the various stakeholders, there were several areas around which a consensus emerged. Virtually all participants voiced the need for redoubled efforts to share the public value of the arts with citizens and elected officials. Concern was expressed that term limits necessitate constant relationship-building work with the legislature. Many expressed the belief that the current challenges facing the agency represent an opportunity to rethink various agency operations; while grant-making should continue to be central to the work of the OAC, there are other directions that should be explored. Suggestions include working with other state agencies to identify new roles that the arts can play in economic development, tourism, parks, natural resources and social services. Considerable interest in developing the whole creative industry sector--both nonprofit and for-profit--was expressed.

Planning participants also recognized the essential role the OAC has played in the past in convening the field around critical issues--marketing, fund-raising, leadership development and advocacy, among others. Stakeholders felt that these statewide and regional discussion meetings should be continued and expanded. One important area of concern was increasing the amount of technical support from the OAC in assisting constituents who are adapting to changes occurring in the external environment.

The most significant concern expressed by stakeholders was the impact the poor economy has had on artists and cultural organizations. Many are coping with dramatically reduced funding and resources. A clear consensus emerged that Ohio needs to find an alternative means of providing public support for the arts. Interest was expressed in the creation of a new, dedicated funding source to enable restoration and enhancement of OAC funding. The strategy most often mentioned was an effort similar to the Minnesota Legacy Amendment where voters authorized the dedication of a modest increase in the sales tax to support arts and culture in Ohio.

Statewide Survey

To assess the cultural interests of all Ohioans, a statewide online opinion survey was conducted and completed by a total of 5,748 respondents from 87 of the state's 88 counties. The survey was administered in June and July 2010 and was disseminated electronically to a broad group of Ohioans, including constituents of various state and county agencies, community organizations, business and civic associations, student groups and arts organizations. The survey was also promoted online through a variety of media and social networking organizations. As with telephone surveys, responses were

weighted to assure that results would be a statistically valid representation of statewide citizen opinion. A complete survey report will be included in the Research Appendix for the OAC strategic plan.

One key finding of the survey is the overwhelming percentage of Ohioans who participate regularly in arts activities, such as reading, taking photographs, crafting and playing a musical instrument. Nearly every Ohio resident personally participates in arts and cultural activities, as well as attends cultural events/places. Furthermore, nearly all Ohio residents with children in their households take them to arts and cultural activities, and nearly half of those that do not have children in their households report taking others' children with them to these activities.

Ohioans also strongly believe that state government should play a leadership role in the arts. Most think that state government should fully support or play a major role in supporting and expanding arts, culture and entertainment programs in their community. Respondents identify the most important things the state of Ohio should do to meet citizens' cultural needs as:

1. To help ensure arts education for all students
2. To help Ohio's local communities develop their own arts and cultural resources
3. To fund professional arts organizations and artists
4. Help ensure arts learning opportunities for citizens of all ages

This support extends to state spending. A sizeable majority of Ohioans of all political backgrounds would pay an additional \$5 per month in sales tax if it went directly to preserving Ohio's quality of life through its state parks, historic sites, arts and arts education.

Priority-Setting

Early in the planning process, OAC Board and staff members identified the general need to consider change for the agency and to re-evaluate its current assumptions and directions. A survey of the Board and staff members was conducted, and then the results discussed, to establish a collective sense of priority for current and potential future functions of the agency. The results are as follows:

Current Agency Functions

When comparing current agency functions, grant-making is the clear priority. This reflects a consistent message from core stakeholders as well responses in the statewide opinion survey: grant-making is an essential function of the OAC. The top three functions were grant-making, leadership development and communications.

Current Grant Programs

When comparing current agency grant programs, operating support and Arts Learning programs ranked highest. Again, this reflects a clear priority expressed by stakeholders in discussion groups that an essential OAC function is funding programs to support arts organizations with operating grants. It also reflects priorities identified in the statewide opinion survey to ensure arts education for students and provide arts learning opportunities for citizens of all ages.

New Functions for the Arts Council

When comparing current agency functions with potential future directions, grant-making remained the highest priority. Policy development and creative economic development were ranked second- and third-highest, and would represent new functions for the OAC. Policy development refers to a potential new program to influence Ohio's arts and cultural policy. Creative economic development refers to a

potential new program to reach beyond the current nonprofit arts community and work to develop the entire creative sector of the Ohio economy, stimulating the creation of new jobs and increasing total economic impact.

THE PLAN

Overview of the Plan

This strategic plan was developed in a time of unprecedented change for the Ohio Arts Council and the constituents it serves. These changes have posed numerous challenges for the agency in recent years in maintaining its current direction. The Great Recession has necessitated painful budget cuts and demanded the time and attention of a vastly reduced number of staff to downsize the agency. Grantees have seen their awards decline at a time when securing other funding is more difficult. The state of Ohio faces a projected \$8 billion budget shortfall in the coming year, raising the likelihood of additional agency cuts in the coming biennial budget period. Long-term trends in the ability of government at all levels to fund quality of life services, such as arts and culture, suggest a continuing decline in arts budgets. Ironically, national studies suggest that personal arts participation has increased, and a statewide survey of Ohioans' cultural interests conducted for this plan shows that nearly all citizens actively pursue a personal creative interest, such as reading books, photography, crafts and playing a musical instrument.

While many of the OAC's challenges are financial, some arise from trends driven by factors other than the economy. These trends include the deepening influence of technology on the way the arts are produced, consumed and discussed. Additional trends include new ways in which younger people express their creative interests, often emphasizing an interactive--not passive or observational--experience. Moreover, most arts activity occurs outside the nonprofit arts community in the wider creative sector of the economy. Arts-related businesses—such as the music industry, design firms, film and media businesses, dance studios, galleries and art stores, and the work of many thousands of individual “creatives” functioning in the economy as sole proprietors—represent artistic activities that take place in the commercial sector yet are integrated into the cultural fabric of communities.

Financial cutbacks have created a keen sense of urgency for change. Still, the OAC believes that, even without a fiscal emergency, it would have needed to re-examine the ways in which it meets the cultural needs of Ohio's citizens. Accordingly, the purpose of strategic planning was to both adapt to changed circumstances as well as identify more effective ways of fulfilling the mission of the agency. Planning focused on identifying a short-term response to the OAC's diminished budget and a long-term vision for the agency that proactively embraces the future.

How can the OAC adapt to change? In simplest terms, by maintaining its national arts leadership position in new ways. Until now, the OAC has focused on grant-making in the nonprofit arts community as its main function. Over time, it expanded and deepened its grants programs, enhancing its leadership reputation. While it also provides non-grants services, the agency has developed sophisticated “grant-making machinery” to produce the cultural outcomes it seeks in communities throughout Ohio. Administering grants requires the great majority of the agency's resources and this approach is less sustainable in an era of diminishing state funding. This plan asked the questions, “How can the Ohio Arts Council effectively continue its essential function of grant-making?” and “How else can the Ohio Arts Council fulfill its mission?”

Creative entrepreneurs are no longer taking the nonprofit model as a given and instead are working through a variety of temporary and hybrid structures that best suit their work. ...Many young artists now are rejecting the nonprofit arts sector altogether, and working exclusively through commercial or unincorporated vehicles to develop and present their work to the public.

Critical Issues Facing the Arts in California: A Working Paper (The James Irvine Foundation 2006)

Key Elements of the Plan

The planning process affirmed the OAC's mission, vision and much of the direction it has pursued in recent years. It also identified a clear mandate for change that would reorient the agency for the future. Nearly all planning participants agreed that the OAC must adapt to not only survive, but also to maintain its effectiveness in a radically altered environment. Planning quickly focused on how best to preserve the agency's most valuable functions, which were clearly identified as grant-making and the knowledge base embodied in staff and institutional resources. In addition, planning focused on how best to redirect the OAC's focus beyond grant-making and its associated functions. Stated in other terms, the agency's purpose is reaffirmed while the means are broadened.

Reflecting this overall result, this plan is organized in two main elements:

1. **Short-term Goals:** Short-term goals address the OAC's immediate needs arising from its current situation. The timeframe for the short-term is the state's coming biennium, FY2012 and FY2013. The OAC has pursued six goals since 2006 (articulated in its most recent strategic plan) and these goals are reflected in, and in some cases replaced by, the short-term goals.
2. **Long-term Strategic Initiatives:** These three initiatives represent new directions for the OAC, new ways of meeting the cultural needs of Ohio's citizens and fulfilling the agency's mission. Work towards long-term strategic initiatives can begin at any time. However, since the agency's resources are currently stressed, it is anticipated that these initiatives can best be pursued after FY2013.

Mission and Vision

Mission Statement: "The Ohio Arts Council is a state agency that funds and supports quality arts experiences to strengthen Ohio communities culturally, educationally and economically."

The mission statement describes the OAC's enduring purpose, its "business" and its constituents. An important element of this mission statement is its focus on outcomes for Ohio's communities and its citizens. Service to nonprofit arts organizations and artists is a means to this end, and the mission encompasses other approaches to strengthening communities through the arts.

Vision Statement: "Providing leadership and voice for the arts to transform people and communities."

The vision statement defines success for the agency. Here the focus is clearly on the transformative effect that arts can have. It also comments on leadership, which implies an open approach to innovation and change in service of the vision.

Short-Term Goals

The short-term goals presented here were developed in the current strategic planning process as a response to the immediate concerns of the agency, and are designed to adapt to the changes prompted by OAC budget and staff cuts in the past three years. The timeframe for the short-term is the state's coming biennium, FY2012 and FY2013. The OAC has pursued six goals since 2006 (articulated in its most

recent strategic plan) and these goals are reflected in, and in some cases replaced by, the following short-term goals.

Goal 1: Leverage agency resources through greater operational efficiencies.

The OAC's functions were prioritized during the planning process, and the three highest priorities are: funding/grant-making, leadership development and communications. To preserve and enhance these functions, the agency can use its financial, human and institutional resources in new ways, and can shed other functions to free up organizational capacity.

Strategies:

1. Maintain and streamline grants programs.

Clearly, maintaining robust grant-making programs is an essential function of the agency. The OAC Board affirmed the continued need for support for individual artists, arts education, and operating and project support for organizations. There are nine grant areas, with a greater number of specific programs, which consume the majority of staff resources. Several ways of reducing the administrative demands were identified, including:

- Making more multi-year grants: longer grant cycles reduce the administrative workload of processing applications and panel reviews. This efficiency has been implemented by other state and local arts agencies and is most appropriate for grantees that have established a track record with the agency. While the OAC cannot make formal contractual commitments for future funding beyond a given biennium (all funding is contingent on adoption of the state's budget), it can carry forward a grantee's ranking to future funding periods, thereby eliminating the necessity of a full review.
- Consolidating current grant-making into fewer program areas: options were identified for fulfilling the purpose of current grants programs through a more simplified structure.
- Using technology to streamline the grant-making process and improve communications: electronic communications can be enhanced to increase communication with grantees and create efficiencies in the grant application and review process. Options include webinars, online submission of support materials, improvements to the website and better use of the e-newsletter.
- Outsourcing grants: it can be less costly to administer grants through an outside contractor, such as a nonprofit organization with specific expertise in a grants area and/or a region. To assure consistent quality in the grant-making process, this approach should be piloted before moving to wider implementation.

To assure the best outcomes from changes to grants programs, options should be assessed in consultation with staff, grantees and other key stakeholders.

2. Reorganize staff efforts to accommodate new functions and adjust to staff reductions.

The knowledge of staff is a key resource of the OAC, one that will become increasingly important as the agency undertakes new directions with a reduced number of staff. Grant-making has been the greatest demand on staff resources and this plan presents ways to make staff available for other tasks, through efficiencies in the grant-making process. To best enable their expertise, staff can be reorganized in flexible cross-department work groups that might include grant-making, new initiatives and technical assistance. This implies that each staff member has increased responsibility for the work of the agency and may require cross-training. This will result in a “flatter,” less hierarchical structure.

Goal 2: Help citizens of all ages learn and thrive through the arts.

Fostering arts education and lifelong learning in the arts remains an important focus of the OAC. Nearly all stakeholders prioritized arts education highly, including opportunities for citizens to personally participate in the arts and to do so in their local communities. While this is a short-term goal, it is anticipated that it will remain a vital agency focus in the long-term as well. The immediate challenge is to maintain the effectiveness of programs serving this goal by adapting to the agency's changed circumstances.

Strategies:

1. Explore ways to enhance the Artist in Residence and Arts Partnership programs.

The agency recently conducted the first phase of an evaluation of its Arts Learning grants program area, which reaffirmed the value of its Artist in Residence and Arts Partnership programs. The evaluation includes recommendations for addressing challenges to these programs, which should be considered and possibly implemented.

2. Incorporate arts education into policy development efforts.

Goal 5 of this plan is for the agency to develop a program to influence state and local arts and cultural policies. One opportunity is to identify and pursue policy initiatives that will enhance arts education in schools throughout the state, and to explore partnerships with the Ohio Department of Education and other agencies to this end.

Goal 3: Enhance communications to and among constituents to strengthen their capacities, foster greater connections and educate them on policy issues.

Stakeholders emphasized the value of OAC communications for learning and connecting in a variety of ways. This underscores the observation that the agency provides both financial and informational support, and that even though the grants budget and staff have been reduced the agency still has an essential role to play in employing its “soft skills.” Providing advice and technical assistance, sharing information, convening peers and representing the arts community in the policy arena are all examples of this function (this description combines the communications and leadership development functions of the agency, its second- and third-highest priority functions).

Strategies:

1. Enhance communications with grantees and engage the general public.

There is more need to communicate with stakeholders in a time of increased change, yet cutbacks in staffing levels--and in their travel budgets--have reduced in-person and other contact with grantees. Communications can be improved by:

- More planned, coordinated and frequent communications with stakeholders.
- Focusing on key issues and messages.
- Greater use of technology, including social media.
- Improvements to the OAC’s website to improve “user-friendliness.”

2. Increase technical assistance for grantees.

Technical assistance refers to a range of support for organizational capacity building and professional development. Needs in these areas can be addressed through project grants and by identifying and publicizing learning and funding opportunities provided by others. Staff can also identify opportunities to convene grantees in an opportunistic manner during conferences, meetings and projects sponsored by other organizations. Finally, technology (e.g., webinars, conference calls and online materials) can provide additional learning and convening opportunities for grantees.

Goal 4: Secure new revenue sources to meet the arts and cultural needs of Ohio's citizens.

The state's fiscal situation and outlook strongly suggest that it can no longer fund the OAC at its previous levels. Not only has the agency lost revenues but the resulting impact on its grantees has been felt throughout the state. Lower grant amounts have placed stress on already lean arts organization funding. Reduced OAC staff travel budgets have nearly eliminated site visits and the ensuing ongoing relationships with and knowledge of specific arts communities, especially those in rural areas. New agency initiatives will require, or be more effective with, new resources. Responding to this need, the Board convened a committee in 2009 to explore new revenue sources that could both replace lost state funding and enable new initiatives. The OAC can pursue new resources to address these issues.

Strategies:

1. Continue Board investigation of alternative public and private revenue sources.

The Board's committee should continue its work in identifying, exploring and pursuing new sources of both public and private revenues. These include potentials identified in this plan and new opportunities that may arise in the coming years.

2. Explore a "quality of life" coalition that links related interests, such as arts, historic sites, parks and outdoor sports, in a tax initiative for a dedicated revenue source.

Many communities have created dedicated revenues for quality of life services, such as arts, parks and recreation, through voter initiatives. A new, dedicated tax that includes the arts would provide the basic financing for implementation of many elements of this plan, with a strongly stabilizing, long-term effect on the state's arts community. Also, the long-term goal of this plan to develop an initiative for the creative sector of Ohio's economy suggests that such revenues could also serve as a highly leveraged economic investment, spurring job creation throughout the state. Communities that have large, stable sources of public funding for arts and culture have reaped substantial benefits. According to a decade-long series of national studies by Americans for the Arts, every tax dollar invested in the arts returns \$7 in local, state and federal tax revenues. Communities such as Denver (see sidebar), Salt Lake, Pittsburgh, Cleveland and St. Louis have all experienced substantial gains from the availability of large-scale dedicated funding programs for arts: more stable cultural institutions, free public access to arts programs, substantial economic impact, enhanced tourism, urban and neighborhood renewal, increased educational resources and better overall quality of life. In 2008, Minnesota voters

Model Program: Denver's Dedicated Arts Funding

Denver's seven-county Scientific and Cultural Facilities District shows the breadth of the returns on public investment in the arts. Created in 1988 as the result of a cultural plan, the district dedicates 1/10th of 1 percent of its sales tax ("a penny for every 10 dollars") to its arts and culture organizations, including the science and natural history museums. This tax generates approximately \$42 million annually, or \$16 per capita, for unrestricted operating support. This revenue source has helped stabilize the cultural community, providing a reliable level of support, thereby increasing the capacity of these organizations to serve the public. Access and exposure to the arts for school children increased 104 percent over 10 years and total community attendance more than doubled. There were 16.4 million visits to scientific and cultural organizations in 2007, 9.4 million of them free. More subtly, these revenues have facilitated the development of diverse arts organizations in suburban areas, as Denver has become an exurban region. They have also supported neighborhood arts districts and historic preservation.

Economic impact is surprising, substantial and a driver of growth. Total economic activity in 2007 was \$1.7 billion, including \$392 million in "new money" attracted from outside the region. Growth in cultural economic impact and jobs was much greater than average over a 10-year period. Total employment was 8,244 and total tax revenue was \$213 million.

approved the nation’s first statewide quality of life tax that includes the arts (see sidebar), and the OAC Board has looked to this as a model for Ohio. In 2009, Cuyahoga County voters approved Ohio’s first dedicated, countywide arts revenue source. Because such a tax requires a ballot initiative, one clear advantage of this approach is a clear expression of citizen support. Also, these taxes are commonly time-limited (10 years is a common term), so there is voter accountability for the use of public funds. In fact, taxes dedicated to the arts often grow in popularity because the public perceives their value; in every community where such taxes have expired, they have been reauthorized by voters at a higher margin than their original approval. In fact, the public opinion survey conducted for this plan showed that 85 percent of Ohio citizens support a tax increase dedicated to parks, historic sites, arts and arts education. At \$5 per month per household (the equivalent of ¼-cent increase in the Ohio sales tax), this would yield approximately \$250 million annually in total, and perhaps \$30 million for the OAC.

3. Seek opportunities to identify private funding for communitywide and regional initiatives.

The OAC has a regional and national vantage that can be invaluable to the arts community. Many stakeholders identify the agency’s awareness and relationships as an asset, especially (but not exclusively) for small and mid-sized organizations. The agency is in a position to identify communitywide and regional funding needs, and pursue corresponding opportunities for resources. The OAC can also convene private funders around issues and opportunities, and assist with development of partnerships. Potential areas include regional arts community marketing, arts education, cultural tourism and development of the creative economic sector.

Model Program: Minnesota Legacy Amendment

A major new, dedicated statewide revenue source for arts and culture

In 2008, Minnesota voters approved the Clean Water, Land and Legacy Amendment, a statewide “quality of life” initiative representing a coalition of groups, including parks, outdoor sportsmen, environmentalists, parks, arts and culture and history. These interests had long felt an increasing gap between public needs for their services and the state’s ability to provide sufficient funding. The purpose of this constitutional amendment is “...to protect our drinking water sources; to protect, enhance, and restore our wetlands, prairies, forests, and fish, game, and wildlife habitat; to preserve our arts and cultural heritage; to support our parks and trails; and to protect, enhance, and restore our lakes, rivers, streams, and groundwater.” The new law increases the statewide sales and use tax rate by 3/8^{ths} of 1 percent for a 25-year period (from 6.5 percent to 6.875 percent)—this equates to 38 cents on every \$100 of purchases. Total annual revenues from the increase are projected at approximately \$275 million annually (starting in 2011) and divided as follows:

- 19.75 percent to a newly created Arts and Cultural Heritage Fund to be spent only for “arts, arts education, and arts access, and to preserve Minnesota’s history and cultural heritage” (approximately \$54 million). The Fund recently developed a 25-year vision and framework, “Minnesota, State of Innovation” to guide its efforts. The Fund is a partnership of the Minnesota State Arts Board, Minnesota Historical Society and the Minnesota Humanities Center.
- 14.25 percent to a newly created Parks and Trails Fund to be spent only to “support parks and trails of regional or statewide significance” (approximately \$39 million);
- 33 percent to a newly created Outdoor Heritage Fund to be spent only to “restore, protect, and enhance wetlands, prairies, forests, and habitat for game, fish, and wildlife” (approximately \$91 million);
- 33 percent to a newly-created Clean Water Fund to be spent only to “protect, enhance, and restore water quality in lakes, rivers, streams, and groundwater, with at least 5 percent of the fund spent to protect drinking water sources” (approximately \$91 million).

Goal 5: Develop a program to influence state and local arts and cultural policy.

The OAC has a unique potential to influence Ohio's arts and cultural policy. Its knowledge of the arts community, awareness of trends in cultural policy, location in the state capitol, and relationships with the legislature and administration all provide a capacity to promote policy development that serves the cultural interests of citizens. Furthermore, the Board and stakeholders all recognize and value this potential, and prioritize it as a new function for the OAC, even in a time of diminished grant-making resources. "Arts and cultural policy" here refers to a range of rules and influences, such as legislation, funding and budgetary decisions, formal policy statements, other statements of priorities, and leadership, all of which create the framework that shapes the focus and delivery of arts support and, more generally, cultural services.

Strategies:

1. Identify and pursue opportunities to influence state legislation and other policy that enhances state and local capacities to meet citizens' cultural needs.

Creating a program to influence arts and cultural policy will require research to identify the scope of existing policy and potential future policy issues, and an assessment of opportunities and priorities. This plan provides useful guidance on statewide cultural needs and priorities but additional needs assessment will also be required, especially for regional concerns. The OAC's role should be to identify policy issues and opportunities, and to educate constituents on them. The OAC cannot advocate on behalf of its own budget but it can support policy that meets the needs of constituents. A policy program will require the development of new staff capacity, building on the agency's current legislative relationships. Examples of potential state policy opportunities include a statewide "quality of life" coalition for a dedicated funding source, arts education policy, economic development for the creative economy and cultural tourism.

2. Develop partnerships with state agencies and others to influence policy and facilitate implementation.

A policy program will likely involve partnerships with state agencies and others, as described in the previous strategy. The OAC already has some such partnerships in place and has explored their expansion, along with the possibility of new partnerships. Legislators and other planning participants expressed strong support for this approach as especially appropriate in an era of diminished state resources.

Long Term Strategic Initiatives

Long-term strategic initiatives represent new ways for the OAC to adapt to changed circumstances and meet the cultural needs of Ohio’s citizens. These initiatives involve a greater amount of change for the agency than the ongoing and short-term goals in the previous section. Long-term initiatives were described by one planning participant as “...rebuilding the house, not remodeling.” Rather than simply adjusting to budget cutbacks, they address trends in the cultural ecosystem. They also will permit the agency to redefine its leadership position in both the state and national arts communities.

Work towards long-term strategic initiatives can be initiated at any time. However, since the OAC’s resources are currently stressed, it is anticipated that these initiatives can best be pursued after FY2013.

Strategic Initiative 1: Promote the development of new jobs in Ohio through a creative economy initiative.

The great majority of Ohioans’ arts and cultural activity takes place outside the nonprofit arts community, as described above. It has become clear that all arts agencies must now find ways to encompass this larger definition of arts and of stakeholders. While the nonprofit arts community remains an essential part of the creative sector of the economy, the sector extends to a much larger collection of arts-related business, people and activities (see sidebar). The creative sector of Ohio’s economy represents an opportunity to leverage economic growth, especially the creation of desirable new jobs. In addition, developing the creative sector of the economy can help Ohio attract and retain desirable businesses and people, support community redevelopment, generate new tax revenues and bolster local economies. The OAC has already moved in this direction through its support for individual artists as creative entrepreneurs, its expansion of the Project Support program to fund projects that address creative economic growth and through exploratory meetings with the Ohio Department of Development’s Tourism Division. In fact, the agency’s mission focuses on “arts experiences” and does not distinguish between nonprofit and for-profit arts activity. This goal represents a widening of focus, within the agency’s mission, beyond the nonprofit arts community to encompass the wider definition of stakeholders. Because creative businesses are almost always small businesses, this also suggests a shift from primarily nonprofit grant-making to a greater emphasis on small business development of arts-related businesses, including individual “creatives” operating as sole proprietors.

What is the "Creative Economy"?

The creative economy includes the full range of arts and culture: fine arts as well as popular, ethnic, commercial and design arts. It also includes cultural events, such as festivals and celebrations, concerts and dances in the parks and the preservation of history and heritage. It encompasses all individuals, businesses and nonprofit organizations that directly or indirectly produce cultural products or services. Also, it includes thinkers and doers who are trained, whether formally or informally, in specific cultural and artistic skills.

Creative individuals include visual artists, performing artists, designers, media artists, film makers, arts educators, craftspeople, architects, writers, chefs, production technicians, volunteers and others.

Creative businesses include advertising, marketing, architecture, design, digital media, music and dance clubs, art galleries, art-related retail stores, film production and post-production, art-related printing, live theatres, festivals, “foodie” restaurants and others.

Creative nonprofits include all types of arts and cultural organizations, historical and heritage organizations, professional and volunteer associations, arts-related departments within a college or university and others.

Strategies:

1. Conduct research to identify the scope and nature of Ohio’s creative sector and its competitive opportunities.

A creative economy initiative must be based on a thorough analysis of that sector of the overall economy in order to measure its impact (this has already been done through Bowling Green State University's Center for Regional Development 2009 statewide arts impact study) and learn how to leverage growth of the sector.

2. Plan and develop a creative economy initiative that promotes jobs growth and increases connections within the creative sector and with the wider business community.

An initiative promoting jobs growth will likely include a significant focus on small business development and adapting existing resources to the specific needs of creative people and enterprises. Because the current creative sector does not have well-established connections among its disparate elements and with the wider business community, it would be valuable to promote new links and networks. It would also be valuable to foster connections between the OAC and the state's economic development efforts. One step would be for the OAC to become a member of the Ohio Economic Growth Cabinet, chaired by the Lieutenant Governor. Useful models include the Louisiana Cultural Economy Initiative, a partnership of state agencies under the auspices of the Lieutenant Governor's Office that support development of the state's creative sector, and *Innovation Philadelphia*, which promotes economic development of the creative sector in an 11-county region surrounding the city of Philadelphia.

Strategic Initiative 2: Demonstrate success in meeting the cultural needs of Ohio's citizens.

The OAC has a commitment to measuring its success and the success of its constituents, and has made a sustained effort to engage the statewide arts community in demonstrations of the public value of their work. This commitment can be augmented by focusing on the demonstration of successful outcomes in fulfilling the agency's goals for "strengthening Ohio's communities."

Strategies:

1. Conduct an outcomes-based evaluation of select programs.

One useful form of demonstrating success is to document the outcomes of programs. Outcomes-based evaluation means measuring what occurs as a result of programs, rather than recording program activities and "customer satisfaction." By building in outcomes-based evaluation to some programs, the OAC can better track results and become even more responsive in refining its programs. It would be valuable to focus some evaluation on outcomes for grantees (in areas such as sustainability and individual artists) and some evaluation on outcomes for citizens (in areas such as arts learning, arts participation, and vibrant and healthy communities).

2. Develop a statewide and/or regional cultural vitality index.

Another useful form of demonstrating success is to track the state of cultural health through a statewide or regional index. A "cultural vitality index" identifies a comprehensive set of indicators that reflect the community's definition of cultural success, such as the goals in this plan, and measures their performance over time. The index measures such factors as economic, financial, participation, education, capacity and competitiveness. An index allows the community to celebrate success in achieving its cultural goals, identify challenges, make decisions and formulate policy responses. It also provides a consistent, visible and accepted measure for success, as well as a lever for policy intervention. Americans for the Arts created the first National Arts Index in 2009 and is currently developing a corresponding Local Arts Index in approximately 100 communities throughout the U.S. While there is no comparable statewide index, these can serve as models for the OAC to initiate a statewide or regional effort. It is important to note that some indicators included in a cultural vitality index are beyond the reach of the OAC, so an index is not an effective tool alone for measuring the success of the agency itself.

Strategic Initiative 3: Enhance support for local cultural development.

One priority for Ohio citizens is state support for the development of communities' own local arts and cultural resources. Enhancing local cultural development can generate substantial new resources for arts support, new opportunities for citizens and benefits for local communities, such as downtown revitalization, economic growth and improved arts education.

Strategies:

1. Promote statewide policies that encourage cultural development at the city and county levels.

City and county support of arts and culture generates more public dollars in total than state support and reinforces local control and responsibility for community cultural development. The OAC can take action in the policy realm to facilitate and enhance local efforts. One approach would be to seek a state legislative mandate that city and county comprehensive plans include an arts and cultural element, in the same way state law mandates that these plans contain elements on land use, housing, economic development and recreation. The OAC can also promote state policy to support local redevelopment efforts that include the creative sector as a component.

2. Encourage local communities to engage in community cultural planning.

Community cultural planning can yield significant benefits for the arts at the local level. In most cases, the planning process lends visibility for the arts in a community, identifies new resources and articulates strategies for new programs and initiatives to promote local arts development. In some cases it results in new cultural facilities, commitments to public art legislation, enhanced arts education support and economic development of the creative sector, among other outcomes. Facilitating cultural planning for local communities and/or regions will help ensure that these communities can benefit from this form of cultural policy.

Strategic Initiative 4: Promote innovation for arts organizations in adapting their business models to adapt to major changes in their environment.

The many trends driving change in the cultural ecosystem often demand re-evaluation of how nonprofit arts organizations operate and deliver services to their audience/constituents. However, this is difficult for arts organizations that typically face greater financial stress and fewer sources of funding for non-programmatic activity. Like other forms of organizational capacity building, addressing innovation is best accomplished through a program designed to support research, learning and experimentation over a multi-year period, and to engender a network of organizations and people engaged in the challenge of adapting their efforts to meet major new challenges.

Strategies:

1. Develop a program to support nonprofit arts organizations in re-evaluating their business models.

The Doris Duke Charitable Foundation's Organizational Transformation Initiatives is a useful model in developing a program to support innovation among Ohio's arts organizations. Organizational Transformation Initiatives offer grants to support planning, technical assistance and implementation for bold, innovative approaches to addressing challenges facing the performing arts: the impact of technology, the loss of audiences and/or changes in leadership. The Foundation is currently investing in the replication of this program in local communities that provide matching funds.

2. Identify and facilitate access to other learning and capacity building opportunities provided by others.

It is likely that new programs fostering innovation in the nonprofit arts field will arise, provided by service organizations, universities and funders. The OAC can monitor and publicize these opportunities and help connect organizations, fields and regions with these opportunities.