

**Ann Arbor’s Arts + Creative Industries Economic Recovery  
 American Rescue Plan Act Funding – City of Ann Arbor  
 January 27, 2022**



**The art +creative Industries intersect with every community sector:** business, education, government, economic development, tourism, philanthropic, health and human services, public safety and other sectors thus demonstrating the interconnectivity of and integration of art + creativity into all aspects of community life. [The Arts + Creative Industries defined](#) – click on this link to see what is included.

**Project Name:** Ann Arbor’s Arts + Creative Industries Economic Recovery

**Estimated cost:** \$2.4 million

**What is the project?** This project would provide support for and invest in the recovery of Ann Arbor’s arts + creative organizations, businesses, artists and creative workers gravely impacted by the COVID pandemic. The arts + creative industry is an economic catalyst and a sector that, as it regains its vitality, will aid in Ann Arbor’s economic recovery.

**Why do the project?**

To aid in the recovery and sustainability of Ann Arbor’s arts + creative assets and get artists and creative workers back to work.

Ann Arbor’s arts + creative industries are integral to its economy, health, education, travel & tourism, social services, public safety, veterans and quality of life and place. Investing in the survival of this industry, vastly paralyzed by the pandemic, offers Ann Arbor to recover its economic vibrancy more quickly.

**Reality #1 – Understanding the economics of the arts + creative industries**

- **National Arts + Creative Industries**  
 According to this [Bureau of Economic Analysis 2021 release](#), the U.S. Arts + Creative Industries output is higher than tourism, transportation and construction.
  - \$919.7 billion industry
  - 4.3% of gross domestic product
  - 5.2 million wage-and-salary workers (not including gig workers)
  - \$447 billion in wages not including gig workers
- [Michigan Arts + Creative Industries](#)  
 According to [the Bureau of Economic Analysis 2021 release](#), Michigan's arts + creative industries output is higher than its transportation, utilities, agriculture, educational services and mining output.
  - \$15.4 billion industry
  - 2.9% of Michigan’s "Gross domestic product"

- 122,288 jobs (not including gig workers)
- \$8.14 billion in compensation, not including creative gig workers - (2.7% of total state compensation)
- **Ann Arbor's Arts + Creative Industries**
  - [\\$100 Million economic impact](#) generated by [118 arts + creative nonprofits](#) – only 11 with budgets higher than \$1 million and two of those are social service organization doing arts programs.)
  - [\\$2,786,000 local tax dollars](#) generated through businesses and audiences.
  - 2.5 million annual attendees spend on transportation, restaurants, lodging, parking and more.

**Reality #2 – Understanding how the COVID pandemic has devastated the nation's and Ann Arbor's arts + creative industries.**

The following national statistics are reflected locally in Ann Arbor:

- "Arts, Entertainment and Recreation" jobs dropped 53%. ([U.S. Bureau of Labor Statistics](#)).
- [Job losses at nonprofit arts organizations](#) remain more than 3 times worse than the average of all nonprofit job losses. (Johns Hopkins University)
- The U.S. Census bureau's [Small Business Pulse Survey](#) reports that "arts, entertainment and recreation" businesses are among the most likely to take longer than [six months](#) to recover from the pandemic.
- Attendance – audience confidence in a safe return to venues remain low, up to 40% still sitting out. Every surge delays their return further. [AMS Audience Outlook Monitor](#)
- BIPOC organizations were more likely to report that they lack the financial resources needed to return to in-person programming than non-BIPOC organizations (55% versus 38%).
- BIPOC artists had higher rates of unemployment than white artists in 2020 due to the pandemic (69% versus 60%) and lost a larger percentage of their creative income (61% versus 56%).
- 37% of artists were unable to access or afford food at some point during the pandemic and 58% did not visit a medical professional due to an inability to pay.

**What would the project involve?** [Draft concept for discussion]

\$2.4 million of ARPA Funds to administer and subgranting aid program for resident arts + creative organizations, businesses, artists and creative workers.

- **Eligibility**
  - **Arts + Creative businesses** (nonprofit and for profit) with an Ann Arbor address and registered in Michigan.
    - Small to medium organizations with budgets less than \$500,000 or, if not in receipt of Shuttered Venue Operating Grant Funds, higher.
    - Supporting: wages, fees, stipends, facility and operational costs, promotion and health & safety supplies.
  - **Artists and creative workers (including gig workers)**
    - Eligibility: live or work in Ann Arbor.
    - Supporting: artist fees/stipends for presentations, workshops, research, and/or the creation of artwork and projects.

- **Equitable distribution:** Be authentic to needs, values and culture of Ann Arbor and its residents.
  - Either establish a new Ann Arbor Arts + Creative Commission within city government or contract an agency (such as Creative Washtenaw to administer it with their in place subgranting portfolio.)
  - With citizen engagement set subgranting criteria.
  - Being mindful of **diversity, equity, accessibility, inclusion and justice**. Recruit a commission to review and distribute funds based on demographics, needs and recovery impact.
  - Be transparent and create awareness by requiring grantees to report quarterly on their progress and programs, reports made public.

### **How do ARPA Funds help?**

Investing ARPA funds in the people, organizations and businesses that drive Ann Arbor's arts + creative industries will aid in the recovery of Ann Arbor's economic vitality, quality of life and place.

### **About Creative Washtenaw Arts + Creative Industries = Impact**

Creative Washtenaw is the arts + creative industries authority in Washtenaw County. A regional agency, its mission is to advocate for and support the artists, creative workers, organizations, businesses, educators and municipalities engaged in Washtenaw County's arts + creative industries to ensure the greater Ann Arbor area remains a great place to create, live, work, learn, play and visit. [See its Arts + Creative Industries Guide here](#)

The intrinsic and aesthetic values of art and creativity are determining factors of success for its members and constituents: professionals, amateurs, students and industry experts leading the sector locally, nationally and internationally who have creative practices, own creative businesses and hold creative jobs in profit, nonprofit, educational and government entities and produce creative goods, services and programs for county residents and visitors.

Creative Washtenaw reveres the intrinsic and aesthetic values of art + creativity while working diligently to demonstrate the impact and interconnection of the sector on quality of life and place of Washtenaw County. It relentlessly pushes the arts + creative industries agenda forward by persuading the community at large, its leaders and decision makers the value of investing in and setting policies to enable artists and creative workers to make a decent living, ensure that creative organizations and businesses are properly resourced and that students are assured equitable access to curriculum-based, sequential arts + creative education as a right to a well-rounded education enabling them to obtain the depth of skills desired by 21st century employers. **Creative Washtenaw and its members know that building and sustaining a vibrant arts + creative sector is not accomplished by want or magic.** It requires long-term commitment.

### **For more information or to discuss this proposal:**

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