

# KENTUCKY

## Overview

The Kentucky Arts Council, established in 1965 by executive order and authorized under Kentucky Revised Statute 153.210-235, is the primary state arts agency.<sup>1</sup> Functioning as an agency of the Kentucky Commerce Cabinet, the Council develops and promotes a broadly conceived policy of support for the arts throughout the state. More specifically, the Council supports the arts by providing financial grants and technical assistance to a myriad arts organizations, non-profit community organizations, local arts councils, local government agencies, artists and crafts persons across the state.

In fact, the Council provides arts-focused grants and programs or services to every county in Kentucky, and, as a result of this financial and technical support, these organizations and individuals contribute significantly to the vibrancy and strength of the economy, education, and quality of life in Kentucky. The Council's major programs cover the areas of arts and cultural organizational support, community arts development, arts in education, individual artist recognition and support, craft marketing, folk and traditional arts support, arts directories and honors programs. As in the other states, the Council receives funding from state budget appropriations and the federal National Endowment for the Arts to carry out its important mission.

## FUNDING FOR THE ARTS

Kentucky, like many other states, experienced severe fiscal pressures in the early years of this decade resulting in the state cutting appropriations to the Kentucky Arts Council to balance

its budget. From a high of \$4.1 million in fiscal year 2001, state appropriations to the Council dropped to \$4 million in fiscal year 2002 (-2 percent), to \$3.9 million in fiscal year 2003 (-2 percent, again), and to \$3.6 million in both fiscal years 2004 (-7 percent between 2003 and 2004) and 2005. Between fiscal years 2001 and 2005, the cutbacks in state appropriations amounted to a -12 percent reduction.

In an effort to deal with these cutbacks in state appropriations, the Council initiated a number of measures. During fiscal year 2002, given that the grantee selection meetings occurred before the approval of the state budget, the reductions to the Council's legislative appropriation were reflected in reduced amounts paid out to grantees in the second installment of payments made during the fiscal year. (Payments to operating support grantees are made twice per fiscal year). In order to deal with the reduced funding in fiscal year 2003, a major review and revision, where necessary, of all programs took place with some redesign and consolidation of similar programs alongside the discontinuation of

programs not found to be as effective. In fiscal year 2005, the Circuit Rider program (a program that funded five part-time contracted representatives of the Council to work in the field as liaisons in different parts of the state) was revised and replaced with a new program, the Regional Outreach Coordinator program. The latter program included only two full-time staff resulting in a reduction of costs. In addition, grant funds allocated to various programs were reduced.

In fiscal year 2002, the Council received a \$500,000 grant from the Wallace Foundation. Though these funds were not used to supplement diminishing legislative appropriations, they were diverted to assist in the strategic planning of program revision and realignment; the Wallace Foundation grant monies also were used to fund special projects undertaken by the Council.

## ECONOMIC IMPACT

In an effort to make a persuasive case for public support for the arts in the 2006 legislative session and beyond, the Kentucky Arts Council is working with the University of Kentucky's Center for Business and Economic Research to prepare a comprehensive, statewide economic impact study of the arts. While this report will be funded by the Council, in order to gather as much information as possible for the study, surveys have been forwarded to artists, craft artists and arts organizations across the state. Surveys also have been sent to retail establishments that sell art, craft or art products; in addition, fairs and festivals, libraries and local government agencies that provide arts experiences also will be asked to complete a survey. While the full report will be published in 2006, the last time the Council, together with the Kentucky Center for the Arts, released an economic impact

study was in 1998; in 2001, the Council also published a needs assessment of Kentucky's performing arts centers and even though this report did not focus solely on the economic impact of the centers, it did contain related economic impact information.

Even though it has been several years since the 1998 study was released, the annual direct, indirect and induced economic impact of these arts-related activities is quickly apparent. In fact, they significantly exceed the annual legislative appropriation provided by the state during the review period. In order to secure information for this study, surveys were sent to individual artists and crafts artists, performing arts centers and arts organizations, and Kentucky residents and arts patrons to help to determine the economic impact and importance of the arts to people in Kentucky. The report stressed the fact that the true impact of the industry was probably underestimated in the study because data was solicited only from those individuals and organizations on file with the Kentucky Arts Council at that time. According to the report, a number of artists and organizations across the state either were excluded because they were not on the Council's list or because they chose not to respond to the survey. Notwithstanding the conservative approach taken by the study, the 1998 study's results underscore the valuable role played by the arts and culture industry within the state of Kentucky. For instance:

- » Individual artists and crafts artists, as well as employees working at arts organizations and performing arts centers, received an estimated \$77.4 million in earnings during the review year;
- » The economic impact of the arts in Kentucky generated by arts spending, arts donations, and spending at restaurants, hotels, and shopping near arts events was estimated to be \$41.5 million in worker income and

2,400 full-time equivalent jobs during the year;

- » The economic impact of arts organizations alone in Kentucky was \$22 million in worker earnings and 1,324 jobs during the year;
- » Kentucky households would be willing to pay \$10.9 million to expand the number of arts performances in Kentucky by 25 percent and \$21.8 million to avoid a 25 percent decline;

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- » Nearly 1.3 million people attended events hosted or produced by the 12 performing arts centers in Kentucky in the last year; and
- » Employees at Kentucky's performing arts centers earned \$9.3 million in income during the review year.

## CULTURAL HERITAGE TOURISM

According to the Council, a number of state agencies in Kentucky are actively involved in a series of cultural tourism initiatives and continue to develop a variety of programs and activities to appeal to travelers with an interest in cultural heritage. The Kentucky Heritage Council, Kentucky Historical Society and the Department of Tourism are some of these agencies that continue to work alongside the Council in promoting cultural heritage tourism

throughout the state. Under a previous incarnation of state government in Kentucky, the Council and several additional agencies in the Education, Arts and Humanities (EAH) Cabinet, along with the Tourism Development Cabinet, developed a statewide cultural heritage tourism strategic plan that resulted in a number of cultural heritage initiatives. In 2002, the cultural agencies in the EAH Cabinet participated in the Pew Charitable Trusts' *Putting Policy Partners to Work* planning sessions to discuss additional cultural heritage initiatives in the state.

Currently, the Council's position within the Commerce Cabinet involves participating in cultural heritage tourism projects with many of the agencies listed above. For instance, the Council—with active participation from the Kentucky Historical Society and the Department of Tourism—was involved in the *Route 23 Country Music Highway Driving Tour* project.<sup>2</sup> Highlighting Kentucky's Route 23, considered the state's country music highway, is a project that included releasing a compilation music CD, a book, and a 3-CD historical narrative of the highway. The completion of this project was celebrated at the Kentucky Folklife Festival in September 2005, an event that annually showcases the state's living folk culture by presenting artists and communities from every corner of the state. While the Folklife Festival is a major cultural heritage initiative in Kentucky, modeled after the Smithsonian's Annual Folklife Festival held in Washington, D.C., the 2005 event featured a wide variety of music from around the state, including bluegrass, blues, gospel, country and salsa and the sounds of more recent Kentucky immigrants, traditional Bosnian music to the rhythm of Cuban drums. The 2005 Folklife Festival included an exploration of the state's culinary history and variety with cooking demonstrations too. Artisan demonstrations including storytelling, woodworking, basket making, boat building and tobacco farming also were part of the

Folklife Festival this year. Furthermore, salsa dancing, dulcimer artists, barbecue making, riverboat piloting, guitar picking, and marble shooting were some of the other state traditions featured at the Folklife Festival, all in an effort to highlight the state's rich cultural heritage and draw tourists from both other parts of the state and outside the state. The Kentucky Folklife Festival remains a major cultural event in the state and brings more than 30,000 people, including approximately 10,000 students, to Frankfort to learn about and celebrate the state's traditions. The festival was held in Frankfort in an area that stretches from the Old State Capitol down Broadway to the Kentucky River.

Two additional arts initiatives that focus on cultural heritage tourism involve the Paducah Artist Relocation Program and the Berea Artisan Center. Paducah's Artist Relocation Program was started in August of 2000 and is now a national model often cited as an effective strategy in using the arts to stimulate economic development.<sup>3</sup> The essence of the program involves providing financial and cultural incentives to artists from around the country to relocate to Paducah and thrive and consolidate in an environment where artists and the arts are flourishing. The Program has been awarded the Governors Award in the Arts along with a number of other state and national awards. While the Program emphasizes giving participating artists a vested interest in the Paducah community, it has so far relocated 45 artists from every part of the country. The city currently has a well-established cultural community that includes the Market House Museum, Museum of the American Quilters, Yeiser Art Center, Paducah Film Society, Paducah Symphony Orchestra, Market House Theatre, Community Concert Series, and Maiden Alley Cinema which features national, international, and foreign films. In addition, the city has a new \$44 million performing arts center that is located downtown on the riverfront that offers a variety of cultural events.

Another major recent cultural heritage initiative promoted by the

Council is the Kentucky Artisan Center at Berea.<sup>4</sup> Historic Berea, long considered the folk arts and craft capital of Kentucky, began its tradition in crafts in 1890 when the president of Berea College introduced a crafts production program to the College to assist students with paying for their college education. This tradition continues and students "pay" for their education through "labor" in crafts production and other activities on campus. In the ensuing years and decades, the city of Berea soon became a center for working artisans and those who sell artisan works, a tradition that continues to this day.

In an effort to promote these arts and crafts traditions and to stimulate economic growth at both the local and regional levels, a variety of policymakers and artisans initiated a series of measures soon after a tornado struck Berea in 1996. The tornado had damaged a number of artisan shops and weakened their ability to market their work to visitors. Consequently, a number of interested officials and policymakers decided to establish an artisan center in Berea that would not only provide new visibility for the artisans and the products they create, but also serve to draw tourists to Berea to understand a unique arts and crafts experience. While construction for the Center was funded by the 1998 and 2000 General Assembly, its governing body, the Kentucky Artisan Center at Berea Authority, was established in March 1999. After construction began in April 2002, the Center was officially opened in late July 2003. The Center currently features a wide range of Kentucky products including garden sculptures, hand-woven shawls, pewter jewelry, books by Kentucky authors, paintings of Kentucky landscape, recordings of dulcimer music, photos of Kentucky wildflowers, barbecue sauces, hand-carved canes, silver jewelry, classical music recordings, Kentucky note cards, and authentic honeysuckle baskets.

Finally, another cultural heritage project listed by the Council is the Kentucky segment of the Lincoln Bicentennial celebration. The official

public Bicentennial Commemoration launches in February 2008 and closes in February 2010, with the climax of the Commemoration taking place on February 12, 2009, the 200th anniversary of Lincoln's birth.<sup>5</sup> Given that President Lincoln was born in Hardin County (now LaRue), Kentucky, and lived in the state for the first seven years of his life, the celebration will involve significant cultural heritage partnerships and initiatives in Kentucky.

While these are a small sampling of the multiple cultural heritage initiatives in Kentucky, they remain important economic development drivers for the local communities and the statewide economy. Relevant to the subject of cultural heritage tourism are three museum sites—all operated by the Kentucky Historical Society—in downtown Frankfort that contain valuable historical information related to the state's history. They are:

- » The new Kentucky History Center which houses the popular, permanent exhibit *A Kentucky Journey* and a variety of changing exhibits in the Keeneland Changing Exhibits Gallery, as well as the Hall of Governors and the Cralle-Day Garden.
- » The Old State Capitol, a national historic landmark with its Greek architecture, includes the Senate and House chambers, graced by Kentucky paintings and sculptures, as well as the newly restored State Law Library.
- » The Kentucky Military History Museum, housed in the 1850 Old State Arsenal, traces Kentucky's military heritage through an extraordinary collection of weapons, uniforms, flags, and photographs.

In an interesting twist to downtown revitalizations, which normally revolve around housing, retail and entertainment, one of Kentucky's major cities, Louisville, is pursuing urban renaissance differently—with a project that highlights a contemporary arts museum housed in a new boutique hotel.<sup>6</sup> By showcasing the work of prominent contemporary artists on site, the developers of the 21c Museum Hotel

in downtown Louisville seek to attract art connoisseurs to spend time at both their property and their city. In fact, Louisville is following the example of several other cities, most notably Las Vegas, with the fine-art collection of Steve Wynn featured at his properties and such cities as Seattle, Washington; Buffalo, New York; Portland, Oregon; St. Paul, Minnesota; and San Francisco and Ventura, California, that all have sought to utilize art as a tool to revitalize their cities, particularly their downtown areas.

In terms of Louisville's efforts, Mayor Abramson notes that the boutique hotel is another cog in an \$800 million spending effort in the last few years to renovate and refurbish the city's downtown. The 21c Museum Hotel links four former warehouses and a bank (currently listed on the National Register of Historic Places) and is approximately a \$25 million project. While these funds were raised by an effective combination of private equity, grants, tax credits and other incentives from the local and federal governments, the project's proponents were inspired by the Guggenheim Museum very successfully establishing an outpost in what used to be considered a remote location, i.e., Bilbao, Spain. They stress that a thriving arts scene remains a critical ingredient for cities like Louisville that are striving to entice residents back downtown to live and to experience culture. While a non-profit foundation set up by some of the hotel's private financiers will administer the hotel's art museum, the nearly 80 modern art pieces already collected will be rotated at least three times a year.

## **BUILDING BOOM IN THE ARTS**

According to the Council's response, Kentucky continues to experience a building boom in terms of both performing arts center expansion and new construction. As in so many other states, performing arts centers in Kentucky continue to experience the challenge of securing essential funding, a trend further complicated by the departure of officials who had led these

centers for many years. In an effort to address these issues and devise a suitable response, the Council conducted a needs assessment for performing arts centers in fiscal year 2001.

According to this report, in terms of new construction, funding generally involves private contributions, local government funding and state appropriations. Upon completion, most of the centers receive operating support from a mix of the same sources, including the Kentucky Arts Council, local and private donations, and earned income. However, given the tight fiscal environment and limited growth in both private and public funds, the introduction of a new center into the funding pool reduces the available funds for the remaining organizations. The aforementioned 2001 needs assessment study noted that while the ratio of earned to unearned income among the centers stood at 35:65, optimally, the centers should strive to realign this ratio to reach 50:50 during a period of five years.

While there are many institutions in Kentucky that are in the process of either constructing or expanding their facilities, the following is a partial listing of these facilities.

### **Luther F. Carson Four Rivers Center (Carson Center)**

This Paducah-based facility seats 1,800 in its Main Hall and accommodates a wide variety of entertainment, cultural and educational programs including Broadway productions, theater, dance and music.<sup>7</sup> The genesis of this facility, which opened in January 2004, offers valuable insights into how counties in a number of neighboring states came together to generate both logistical and financial support to ultimately create a world-class performing center to serve an entire multistate, region. In 1994, community leaders in Paducah sought to construct a performance venue for the Paducah Symphony Orchestra, which was rehearsing and performing in an abandoned school auditorium. After several discussions among officials in several states and the urging of community leaders, donors, selected officials and industry

professionals, the concept of developing a performing arts center for the entire region gathered momentum.

While the region involved encompassed western Kentucky, southern Illinois, southeast Missouri and northwest Tennessee, because of the four rivers located in the region (Tennessee, Ohio, Cumberland, and Mississippi), it was agreed to name the facility the Four Rivers Center for the Performing Arts. Thirteen counties passed resolutions supporting the construction of the Center with the expectation that it would lead to regional economic growth and enhance education. The business community in Paducah actively supported the project too, a decision that permitted the Center to take the unusual step of immediately raising endowment funding to help operate the center once it was built. All these measures were designed to convince the private and public sectors across the region to forcefully support the Center, a strategy that worked. Consequently, construction commenced in 2001 and the Center officially opened in February 2004. Since its opening, the Center continues to draw large crowds of visitors and tourists from a region that spans six states (Kentucky, Illinois, Missouri, Tennessee, Indiana and Arkansas) to Paducah, a trend that makes the Center an authentic regional performing arts center.

### **The Speed Art Museum**

Founded in 1927, Kentucky's largest and oldest museum, the Speed Art Museum, has over 13,000 pieces in its collection spanning 6,000 years. This includes ancient Egyptian and contemporary art, 17<sup>th</sup> century Dutch and Flemish paintings, 18<sup>th</sup> century French art, Renaissance and Baroque tapestries, African and Native American works and sculptures.<sup>8</sup> In addition, the Museum houses paintings, sculpture, furniture, and decorative arts by Kentucky artists and created for Kentuckians. Located next to the University of Louisville, the Museum serves more than 180,000 visitors annually.

Even though the Museum completed a major \$12 million renovation and expansion in 1997, in September

2005 the Museum released details of a new 20-year Master Plan. Not only does the 2005 plan call for nearly doubling the museum's gallery and education space, it calls for raising approximately \$150 million in the next two decades to pay for the construction and additional operating endowment necessary to administer the facility. Given that the Museum currently only displays 3 percent of its outstanding collection of 13,000 works of art, the 20-year expansion will allow the Museum to display more of its collection, accommodate future collection growth and facilitate additional programming initiatives and special exhibitions.

### **Muhammad Ali Center**

Louisville's latest facility is the 93,000-square foot Muhammad Ali Center which opened in November 2005.<sup>9</sup> This \$80 million facility is a museum and cultural center devoted to the history and life's work of one of Louisville's most famous citizens. It features an orientation theater, media stations and interactive exhibits through which visitors may learn about Muhammad Ali—from his Louisville

roots and unprecedented boxing career to his societal and religious convictions and global humanitarianism—along with an opportunity to embark on their own personal discovery.

### **OTHER**

The Council noted that in the past few years it had revised its thinking about the role it plays within the state. Specifically, the Council has transformed its orientation from only serving the artists and arts organizations of Kentucky to a much more expansive one; the new role adopted by the Council is that it should not only work in partnership with artists and arts organizations across the state but that it should strive to make the arts available to all the people of Kentucky. Consequently, this has required that the Council significantly expand its interpretation of "the arts" and to be as inclusive as possible. The new vision also requires that the Council adopt a more pro-active role in promoting the arts and working directly with local communities and the business community to demonstrate the public value of

the arts. The upcoming economic impact study, when completed, will help inform and guide initiatives that focus on developing every aspect of the creative economy in Kentucky. The Council realizes the huge importance of partnerships in this entire effort along with a commitment to visualizing the benefits generated by the arts in the broadest sense possible.

In formulating an action plan in 2003 with these new objectives in focus, the Council issued *Creating a Vision for the Arts in Kentucky: A Long Range Plan for 2004 – 2008*.<sup>10</sup> This plan sets out a framework meant to serve as a guide to the Council and members of the arts community—artists, arts organizations, arts patrons and supporters—as they review and deliberate strategies for action at the local, regional and state levels. In this regard, the plan calls for focusing on five specific goals—arts education, delivery of the arts, support for artists, value for the arts and public policy and the arts—as essential in collaboratively involving more and more Kentuckians in the arts.