

**Minnesota's  
Arts and Cultural Heritage Fund**

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# Arts and Cultural Heritage Fund

- Constitutional Amendment / Clean Water, Land and Legacy Act
  - Passed by Legislature in 2008 Session to include on statewide ballot. Legislature wrote language of amendment
  - On Statewide General Election Ballot in November, 2008
  - Passed with 56% margin of all those voting
  - Increases sales tax by  $\frac{3}{8}$  cent

# Arts and Cultural Heritage Fund

- Funding
  - Sales Tax increase expected to raise approx. \$240 million per year
  - Number will fluctuate, depending on purchasing in MN
  - Dedicated in Constitution as follows:

■ Outdoor Heritage Fund	33%
■ Clean Water Fund	33%
■ Parks and Trails Fund	14.25%
■ Arts and Cultural Heritage Fund	19.75%

# Arts and Cultural Heritage Fund

- Sec. 15. Beginning July 1, 2009, until June 30, 2034, the sales and use tax rate shall be increased by three-eighths of one percent on sales and uses taxable under the general state sales and use tax law. Receipts from the increase, plus penalties and interest and reduced by any refunds, are dedicated, for the benefit of Minnesotans, to the following funds: 33 percent of the receipts shall be deposited in the outdoor heritage fund and may be spent only to restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife; 33 percent of the receipts shall be deposited in the clean water fund and may be spent only to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, and at least five percent of the clean water fund must be spent only to protect drinking water sources; 14.25 percent of the receipts shall be deposited in the parks and trails fund and may be spent only to support parks and trails of regional or statewide significance; and **19.75 percent shall be deposited in the arts and cultural heritage fund and may be spent only for arts, arts education, and arts access and to preserve Minnesota's history and cultural heritage.** An outdoor heritage fund; a parks and trails fund; a clean water fund and a sustainable drinking water account; and an arts and cultural heritage fund are created in the state treasury. The money dedicated under this section shall be appropriated by law. **The dedicated money under this section must supplement traditional sources of funding for these purposes and may not be used as a substitute.** Land acquired by fee with money deposited in the outdoor heritage fund under this section must be open to the public taking of fish and game during the open season unless otherwise provided by law. If the base of the sales and use tax is changed, the sales and use tax rate in this section may be proportionally adjusted by law to within one-thousandth of one percent in order to provide as close to the same amount of revenue as practicable for each fund as existed before the change to the sales and use tax.

# Arts and Cultural Heritage Fund

- Arts and Cultural Heritage Fund -- 19.75% or approx. \$47.5 million each year based on 2011 revenue estimates (as of 2/09)
- Exact amount can and will vary
- According to Constitution: **“may be spent only for arts, arts education, arts access and to preserve Minnesota’s history and cultural heritage.”**

# Arts and Cultural Heritage Fund

- Constitutional Language also states:

“The dedicated money under this section must supplement traditional sources of funding for these purposes and may not be used as a substitute.”

# Arts and Cultural Heritage Fund

- Themes:
  - High Expectations
  - Legacy
    - Gift to future generations
    - “projects of enduring value”
  - Transparency
  - Accountability
    - Evaluation
    - Measurable Outcomes
  - One time funding - “no precedents”

# Arts and Cultural Heritage Fund

- Actions of 2009 Legislature
  - Appropriated nearly \$400 million overall from four Legacy Amendment Funds
  - Appropriated \$93 million from Arts and Cultural Heritage Fund
  - Appropriated \$22 million for history purposes from Arts and Cultural Heritage Funds

# Arts and Cultural Heritage Fund

- 2009 Legislature – Appropriations from Arts and Cultural Heritage Fund for 2010-11 biennium:
  - Arts: \$43 million
  - History: \$22 million
  - Public Broadcasting: \$11.6 million
  - Libraries: \$8.5 million
  - Indian Language Preservation: \$1.9 million
  - Arts Education: \$1 million
  - Humanities/Zoos/Children's & Science Mus: \$4.8 m.

# Arts and Cultural Heritage Fund

- 2009 Legislature:
  - Appropriated \$22 million for history in 6 appropriation areas or “buckets”:
    - Requirements for all expenditures from Legacy Funds, including Arts and Cultural Heritage Fund.
    - Each bucket has its own appropriations language, conditions, requirements, etc.

# Arts and Cultural Heritage Fund

- History Appropriations: (biennial amounts)
  - Statewide Historical and Cultural Grants \$6,750,000
  - MHS Programs \$7,750,000
  - MHS Exhibit \$2,500,000
  - History Partnerships \$4,000,000
  - MN Digital Library \$500,000
  - Archaeological and Historic Site Survey \$500,000

# Arts and Cultural Heritage Fund

- Next Steps:
  - Update / Input Meetings – July
    - Focus on Grants, but info on all programs
    - 5 statewide (Duluth, Moorhead, Anoka, Willmar, Rochester)
  - Historic Resources Advisory Committee (HRAC)
    - Primary Duties relate to Grants / Advice to be sought for Partnerships
    - HRAC to assist with Policy Development
    - Notice of Appointment Process (State Register, e-newsletters, etc. --- Help Spread the Word)
    - Interested Persons to submit Letter of Interest by July 30
    - Appointments in August

# Arts and Cultural Heritage Fund

- Next Steps
  - Communications
  - Reporting to Legislature and Public
    - High Expectation for Impact from Funds
      - Transparency and Accountability
    - January 15 Report(s) to Legislature
      - Need for ongoing and constant documentation
    - Budget Prep for 2011 Session will begin in Summer of 2010

# Arts and Cultural Heritage Fund

- Next Steps
  - Arts and Cultural Heritage Fund
    - 10 year plan and 25 year framework
      - Arts Board, Historical Society and Humanities Center responsible for reporting to legislature by January 15, 2010
      - Participation by all recipient areas of Arts and Cultural Heritage Funds

# Arts and Cultural Heritage Fund

- Responsibility for expenditures from all funds:
  - 16B.98 (Grants Management)

# Arts and Cultural Heritage Fund

- Statewide Historic And Cultural Grants
  - “for history programs and projects operated or conducted by or through local, county, regional or other historical or cultural organizations; or for activities to preserve significant historic and cultural resources.”
  - Competitive Grant Process
  - “The MHS shall administer these funds using established grants mechanisms and with assistance from the advisory committee created herein.”
  - Guided by Historic Resources Advisory Committee

# Arts and Cultural Heritage Fund

- Historic Resources Advisory Committee
  - “balanced statewide membership”
  - Representatives of: “local, county and statewide historical and cultural organizations and programs”
  - “Membership shall include, but is not limited to, members representing the interests of historic preservation, local history, archaeology, archival programs and other cultural programs related to the history of Minnesota.”
  - Letters of Interest Due July 31

# Arts and Cultural Heritage Fund

- History Partnerships
  - For partnership projects “to enhance access to Minnesota’s history and cultural heritage in all regions of the state.”
  - For partnerships between MHS and other organizations; and between other organizations.
  - Goal: to leverage resources and to maximize resources

# Arts and Cultural Heritage Fund

- History Programs
  - “conducted by the Minnesota Historical Society”
  - Reflect Strategic Plan and Legislative Intent
  - MHS Internal process for determining projects
    - Education
    - Digital Delivery of Programs
    - Sites Infrastructure
    - Support to other history organizations
    - Administration

# Arts and Cultural Heritage Fund

- MHS Exhibit -- "Our Minnesota"
  - Exhibit on the Regions and Cultures of Minnesota
  - Exhibit at History Center and traveling component
  - Ties to educational curriculum
  - Based on Regions / Biomes of State:
    - Prairie
    - North Woods
    - Cities

# Arts and Cultural Heritage Fund

- Digital Library
  - Goal: integrated access to historic digital resources statewide
  - MN Digital Library Coalition
  - Relationship to Great Rivers Network
  - Specific Initiatives:
    - Digital Asset Management and Preservation
    - Technical Architecture for information delivery
      - Design
      - Implementation / Delivery
    - Education and Technical Assistance

# Arts and Cultural Heritage Fund

- Archaeological, Historic and Cultural Site Survey
  - Oversight Board (MHS, State Archaeologist, Indian Affairs Council)
  - Identify Overall Goals for project / Master Plan
    - Need identified in existing Statewide Historic Preservation 5 year plan
  - Inventory / Re-validation of Previous Survey Efforts to identify gaps and updates
  - Public Input Process
  - Begin RFP process for survey projects
  - Consultation with DOT / DNR

# Arts and Cultural Heritage Fund

- **DRAFT GRANTS PROGRAM**
  - Legislative Requirements:
    - “Funds are to be distributed through a competitive grants process.”
    - Creation of Historic Resources Advisory Committee
    - “The MHS shall administer these funds using established grants mechanisms...”

# Arts and Cultural Heritage Fund

- **DRAFT GRANTS PROGRAM**
  - Grant Categories
    - History Projects
      - Collections Care
      - Museum Environments
      - Oral History
      - Interpretive Programs
      - Publications and Research
      - Digital Access and Preservation
      - Planning

# Arts and Cultural Heritage Fund

- **DRAFT GRANTS PROGRAM**
  - Grant Categories
    - Historic Preservation Projects
      - Historic Properties
        - Acquisition
        - Pre-development
        - Restoration/Preservation
        - Building Systems and Accessibility
      - Survey and Inventory
      - National Register Nomination Preparation
      - Heritage Tourism and Interpretation
      - Preservation Planning

# Arts and Cultural Heritage Fund

## ■ DRAFT GRANTS PROGRAM

### ■ Eligibility

#### ■ Applicant

- “operated or conducted by or through local, county, regional or other historical or cultural organizations; “
- Eligible recipients would include non-profit organizations, governmental units, tribes, educational organizations.

#### ■ Project

- “for history programs and projects operated or conducted by...”
- “or for activities to preserve significant historic and cultural resources”

# Arts and Cultural Heritage Fund

## ■ DRAFT GRANTS PROGRAM

### ■ Funding Level Categories

#### ■ A. “Fast Track” – small grants

- Less than \$3,000
- Structured / “Pre-packaged” program option
- Simplified Application and Preparation
- Rapid Review
- Rolling Deadline and Review and Approval
- No match requirement

# Arts and Cultural Heritage Fund

- **DRAFT GRANTS PROGRAM**
- Funding Level Categories
  - B. Mid-level Grants
    - Less than \$50,000
    - Review level comparable to current Grant-in-aid program
      - Staff review and HRAC review
    - Evaluation and Measurable Outcomes

# Arts and Cultural Heritage Fund

- **DRAFT GRANTS PROGRAM**
- Funding Level Categories
  - C. Large Grants
    - Greater than \$50,000
      - Increased Review and ongoing monitoring
        - Increased fiscal oversight and reporting
        - Staff, Peer and HRAC Review
        - Evaluation and Measurable Outcomes

# Arts and Cultural Heritage Fund

- DRAFT GRANTS PROGRAM
  - Evaluation Criteria
    - Clear statement of need
    - Is project an eligible activity?
    - Can project be completed on time (within appropriation time frame – by 6/30/11)?
    - Is project budget realistic?
    - Does project supplement not substitute for traditional sources of funding?
    - Demonstrated capacity to complete project
    - Measurable outcomes
    - Meets appropriate professional standards
    - Sustainability – creating a legacy
    - Public benefit and access
    - Meets conditions of 16B.98

# Arts and Cultural Heritage Fund

- **DRAFT GRANTS PROGRAM**
  - Evaluation Criteria:
    - Additional Considerations:
      - Significance of resource
      - Partnerships
      - Match

# Arts and Cultural Heritage Fund

## Tentative Timeline – Month by Month

- August
  - Appointment of HRAC
- September
  - Finalize and Distribute Guidelines
  - Workshops
- October
  - Fast Track Grant application
- November
  - Mid-level and Large Grant application deadline
- December
  - Grant application reviewed

# Arts and Cultural Heritage Fund

- Timeline – Month by Month
  - January
    - HRAC convene to review grant apps and make recommendations
    - Report to Legislature by January 15
    - MHS Executive Council to approve HRAC recs
  - February
    - Legislature convenes
    - Grant notification and administrative actions
    - Pre-applications due for second round of grants
  - March
    - First round projects begin
    - Final applications due for second round
  - April / May / June
    - HRAC convene to review grant apps and make recommendations
    - MHS Executive Council to approve HRAC recs
  - July
    - Second fiscal year begins / projects begin from second round