The Economic and Community Impacts of the Museum of Fine Arts, Boston
As one of the premier art museums in the world, the Museum of Fine Arts, Boston, (MFA) plays an important cultural role nationally and internationally while providing critical community and economic benefits to the residents of Boston and the Commonwealth of Massachusetts.

The Museum is one of the most comprehensive in the world—with a collection of close to 500,000 objects, spanning ancient Egypt to the contemporary art world. More than 1.1 million visitors a year view this encyclopedic collection in Boston, and another 1 million museum-goers around the globe experience exhibitions curated by MFA staff, further building the brand and making Boston an enticing destination for those visitors. The Museum’s offerings, as well as its role in the community, have been greatly strengthened by the 2010 opening of the Art of the Americas Wing and the expansion of its contemporary art offerings through the renovation of the Linde Family Wing for Contemporary Art in 2011.

The MFA is a critical cultural and educational resource as it strives to fulfill its central mission, “to encourage inquiry and to heighten public understanding and appreciation of the visual world.” The Museum also is an economic driving force for the region. As an employer, a community anchor institution, a market for goods and services, a tourism asset, an educator, and a venue, the MFA is creating enormous value. This report provides both the quantitative and qualitative evidence of the Museum’s economic and community impact.

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Total Economic Output

In FY 2014, through Museum spending and visitor and student spending the Museum generated a total economic impact of $338 million in Boston and $409 million in the Commonwealth of Massachusetts. Over the past decade, the MFA’s direct construction spending has totaled $449 million. When the full economic impacts of just this construction spending are taken into account, $748 million in economic activity was generated in Boston, and slightly more than $1 billion in Massachusetts when adjusted to constant 2014 value. These numbers tell only the beginning of the story of the full community and economic impacts.

Building Community

The MFA has played an important role in the revitalization of Boston’s Fenway and Mission Hill neighborhoods through its leadership in the Fenway Alliance and its role in enhancing the overall amenities in the community. Beyond its immediate neighborhood, the Museum has opened up to the community. With programs such as free admission, city cultural celebrations, and its Community Arts Initiative, the Museum works to ensure that all residents of Boston can benefit from its cultural resources.

Employing Residents

The MFA, including the School of the Museum of Fine Arts (SMFA), and its outsourced on-site services (food service, cleaning, and parking) provides 1,313 jobs directly. Of these, 565 positions are held by residents of Boston, who earn a total of $23 million annually in wages. Taking the full economic impact into account, including indirect and induced effects, the MFA was responsible for a total of 3,441 jobs in Boston and 3,872 in Massachusetts in FY 2014. In addition, over the past decade, construction-related spending at the MFA has generated a total of 3,397 jobs in Boston and 5,018 in Massachusetts.
Growing Local Businesses

Businesses throughout Boston and Massachusetts benefit from the spending of the MFA, as well as the spending of its visitors and students. Each year the MFA spends nearly $61 million in goods and services; $15 million—or 25 percent—of this is spent in Boston and $25 million in Massachusetts. Vendors provided testimonials in interviews that the prestige of a contract with the MFA helped their companies generate additional sales. Companies in the hospitality industry, such as hotels, restaurants, and other retail establishments, benefit from the $168 million that MFA visitors spend throughout Boston. Local businesses also benefit from the $11.6 million in spending associated with the students from the SMFA.

Contributing Revenue to the City and State

In FY 2014 the MFA generated almost $22 million in public revenue in Boston and Massachusetts. Much of the $3.7 million in direct revenue to Boston comes from hotel taxes, as well as taxes paid on meals both inside and outside of the MFA. The MFA also contributes Payment in Lieu of Tax (PILOT) and other fees to the city. Revenues to the Commonwealth are significantly higher—totaling $18 million—through sales and income taxes. These contributions are noteworthy given that the MFA receives an extremely low share of public sector support compared to its peers around the world.

Strengthening the Tourism and Creative Economy Clusters

The tourism and creative economy clusters contribute to making Boston a globally competitive city; both clusters benefit directly from the MFA. Hotels throughout the city note the high value of the MFA to their customers and the Greater Boston Convention and Visitors Bureau notes the importance of the MFA when marketing the city to large conventions. In the creative economy, the students, alumni, and faculty of the SMFA all contribute to the vibrancy of the region’s arts scene, and venues at the MFA are an increasingly important part of the infrastructure of the city’s cultural life.

Enhancing the Talent Pool

A city’s talent pool is widely considered one of its most important assets and the MFA contributes significantly. Through its partnership with Boston Public Schools and other programs, the MFA contributes to the skills of Boston’s youth and helps to nurture a new generation of creative talent.

The MFA as an institution has evolved and gone through many changes—the most recent being the major expansion of the Art of the Americas Wing in 2010 and the renovated Linde Family Wing for Contemporary Art in 2011. As it has changed, its economic and community contributions to the city and Commonwealth have continued to grow. It is clear that the MFA will continue to be a critical economic driver and that the Museum will ensure that the treasures in the MFA’s Huntington Avenue home inspire and enrich the lives of Boston residents.
The Museum of Fine Arts, Boston, is widely recognized—locally, nationally, and internationally—as a cultural destination. It is one of the premier art museums in the United States, ranking 10th nationally in number of visitors. In FY 2014, more than 1.1 million visitors viewed the Museum’s collection in Boston, one of the most comprehensive in the nation, with galleries dedicated to a remarkable range of works from ancient Egypt to contemporary art. The MFA’s reach extends beyond the city, with an additional 1 million people worldwide visiting exhibitions curated by the MFA and shown in such venues as the Nagoya/Boston Museum of Fine Arts in Japan, the Museum of New Zealand, and museums throughout the United States, creating further access to the collection. It is important to recognize and appreciate the powerful human experience created by these visits as the MFA continues to fulfill its central mission, “to encourage inquiry and to heighten public understanding and appreciation of the visual world.”

Roles of the MFA

Beyond this core purpose, the MFA plays a number of roles in the community that generate community and economic impacts. The MFA serves as an:

**Employer**
The MFA provides many jobs for Boston and Massachusetts residents both directly at the Museum, through visitor spending, and indirectly through spending in the city and state.

**Community Anchor Institution**
As a major Boston-area employer with a large real estate investment, a long-term commitment to opening its doors to Boston-area residents, and specialized programming to serve community needs, the MFA is a strong community anchor institution.

**Market**
The Museum purchases goods and services from hundreds of businesses each year in the city and state.

**Tourism Asset**
The MFA is an internationally recognized cultural institution that draws visitors from around the world.

**Educator**
The MFA educates through partnerships with the Boston Public Schools, through its School of the Museum of Fine Arts, and through its offerings of extensive arts programming to both adults and youth.

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**Venue**
The MFA hosts a range of special events including concerts, lectures, film series, corporate events, city events, and weddings.

**Contributor to the Boston Brand**
The MFA is one of Boston’s most well-known cultural institutions and joins other significant cultural institutions in building Boston’s identity as a “Hub of History, Arts, and Culture.”

Through these many roles, the MFA has a significant impact in Boston and the region. The MFA is a significant economic driver through:

- building community
- employing residents
- growing local businesses
- contributing revenue to the city and state
- strengthening the tourism and creative economy clusters
- enhancing the talent pool

This report seeks to document these broader impacts of the MFA and to contribute to the understanding of the multiple roles that the Museum plays in its community.
An Evolving Arts Institution

The last decade has been exciting and transformative for the Museum. The most significant changes include:

The MFA Expansion
2010 marked the opening of the Art of the Americas Wing and the Ruth and Carl J. Shapiro Family Courtyard, a new 133,491-square-foot addition that allowed the MFA to double the number of collection objects displayed in the Museum. The new wing includes four floors that contain 53 new galleries, nine period rooms, and four “Behind the Scenes” galleries that display a range of works from North, Central, and South America from the 17th century through the 20th century. The new glass-enclosed courtyard with 63-foot-high ceilings connects the original Museum space to the new wing and hosts the New American Café. The courtyard serves as an open gathering space for visitors to dine and congregate. Other physical Museum enhancements during this time include the renovation of both the MFA’s historic entrances, the Linde Family Wing for Contemporary Art, the Sharf Visitor Center, a number of galleries, and conservation laboratories.

A New Framework for Community Engagement
Over the last decade, the MFA has made a concerted effort to make the Museum more accessible and open to the community. The MFA has expanded its breadth of offerings to be responsive to more diverse groups by expanding educational and community programming and by thinking creatively beyond what might attract a traditional museum audience. Current programming includes, but is not limited to, performance art, music in galleries, film festivals, concerts, lectures, and cultural celebrations as well as community arts initiatives that engage young children, local youth, and Boston families. The MFA has expanded the number of free open houses and has reframed its community engagement strategy as it now strives to serve as a community resource.

A Contemporary Art Focus
With the opening of the newly renovated Linde Family Wing for Contemporary Art in 2011, the MFA tripled its exhibition space for contemporary art. The 80,000-square-foot wing showcases approximately 250 works in a variety of media and serves as an educational and social space for visitors interested in experiencing contemporary art through music, performances, lectures, and courses. The newly renovated wing includes seven collection galleries as well as the 380-seat Remis Auditorium, several community and educational spaces, three café/dining spaces, and a number of other galleries.
The Big Picture: The MFA as an Economic Driver
Economic and Community Impacts

Total Economic Contribution

The MFA generates $338 million in economic activity in the City of Boston and a total of approximately $409 million in Massachusetts. Through three types of spending:

Museum Spending
Direct expenditures by and employment at the Museum related to its operations.

Visitor and Student Spending
Business activity created by the spending of individuals who come to Boston to visit the Museum as well as students who attend the SMFA.

Construction Spending
Spending by the MFA on one-time construction projects in FY 2014.

<table>
<thead>
<tr>
<th></th>
<th>Museum Spending</th>
<th>Visitor and Student Spending</th>
<th>Construction Spending</th>
<th>Total Economic Impact</th>
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</thead>
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<td><strong>Boston</strong></td>
<td>$143,465,000</td>
<td>$179,613,000</td>
<td>$15,063,000</td>
<td>$338,141,000</td>
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<tr>
<td><strong>Massachusetts</strong></td>
<td>$210,565,000</td>
<td>$182,204,000</td>
<td>$16,261,000</td>
<td>$409,031,000</td>
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</tbody>
</table>
The following delves into the two major components of economic impact—Museum spending and visitor and student spending.

**Museum Spending**

In FY 2014 the MFA directly spent $117 million, which includes its payroll going directly to workers, the payroll for onsite outsourced services (food services, cleaning, and parking), spending by the Museum School, and, finally, purchases made by the Museum from the hundreds of vendors who do business with the MFA ranging from printing to the full range of services needed to support Museum operations. This spending does not include capital investments or impacts associated with visitor or student spending.

The MFA’s direct spending leads to downstream impacts on suppliers, as well as the induced effect resulting from the re-spending of their wages by employees.

When the full impacts are considered, the MFA’s spending contributes approximately $143 million to the Boston economy. This total includes the direct spending by the Museum as well as local spending by the employees of the MFA and the further purchases of goods and services from local businesses by vendors to the MFA.

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A technical appendix that describes the complete methodology for this report as well as more detailed data is available on the MFA’s website at www.mfa.org/economicimpact
Visitor and Student Spending

The second critical component of the full economic impact of the MFA is associated with visitor spending. In the case of the MFA this includes spending associated with both visitors to the MFA and students at the Museum School.

Drawing Visitors Year-Round to Boston
The MFA’s vast collection, special exhibitions, lectures, and film series draw visitors directly to the Museum. Many of these visitors come to Boston primarily to visit the MFA. In addition to their spending within the MFA, a large number of these out-of-town visitors are spending money on outside meals, hotels, transportation, and other goods and services in the city. The estimate of the economic impact of visitor spending only considers those visits that are estimated to be largely attributable to the Museum from those who live either outside of Boston (for the Boston estimates) or outside of Massachusetts (for the statewide estimates).

Drawing Students to the School of the Museum of Fine Arts
The SMFA’s reputation and internationally recognized faculty draw students interested in pursuing arts education. In FY 2014, there were 719 undergraduate and graduate students enrolled at the SMFA, approximately 658 of whom lived off-campus. Students attending the SMFA generate economic impacts in Boston and throughout the region through spending on rent, utilities, books and school supplies, food, health insurance, and transportation. Friends and family visiting students also contribute to spending. Graduation alone generated an additional $209,000 in spending in the city by out-of-town guests.

When the full impacts of visitor and student spending are considered, there is an additional $180 million contribution to the Boston economy.
Building Community
Revitalizing the Fenway and Mission Hill Neighborhoods

The MFA is an important asset in efforts to strengthen the Fenway and Mission Hill neighborhoods. Most notably, the MFA is one of the founding members of the Fenway Alliance, a consortium of 21 academic, arts, and cultural organizations in the Fenway area working on neighborhood revitalization and community development efforts. The MFA serves as a committed community development partner and has high-level staff regularly engaged in meetings related to enhancing the Fenway Cultural District’s branding, signage, and accessibility.

Kelly Brilliant, executive director, The Fenway Alliance, Inc, noted: “The Museum of Fine Arts, Boston, has been a leader in advocating for improvements to our neighborhood, including among many other community initiatives, advocating for improvements to the Avenue of the Arts—not least of which is the MFA’s assistance in the care for hundreds of trees that line the Avenue. The MFA has been a steady, consistent, and successful advocate for improvements to transportation in the area, particularly our T line. In addition, the MFA was a leader in the efforts to have the entire area designated The Fenway Cultural District in March 2012 by the Massachusetts Cultural Council—the highest office for the Arts in the Commonwealth. The MFA is a world-class museum that also takes its local civic duties very seriously.”

Beyond contributing annual dues, the MFA plays a strong role in the Alliance, advocating for large-scale projects that benefit the community. The MFA played a major role in advancing the Avenue of the Arts beautification project, and donates annually to help maintain the new “greenscape” along the avenue. The MFA has been a leader in advocating for the Muddy River Restoration Project, which aims to improve flood control and water quality, rehabilitate landscapes and historic resources affected by the Muddy River, and to employ best management practices for the restored river. The MFA not only signed the Alliance’s letter to President Obama requesting $92 million in federal funds, but the MFA also submitted its own letter directly to the President urging his support for the project.

The MFA also contributes to the redevelopment of and investments in the surrounding area in other ways. The MFA has contributed to improvements in the Fenway, and annually pays to maintain contiguous park land (both city and state) in the Fenway in order to strengthen the beauty of the area. The Fenway neighborhood is in the middle of a development boom, particularly along Boylston Street, with many new housing and commercial developments under construction or being planned. As developers seek to market these new properties, realtors have noted that the proximity to the MFA is a key selling point, particularly in efforts to attract empty nesters to the community. The MFA expansion has enhanced the appeal of living in close proximity to the Museum. Its new glass-enclosed courtyard and the New American Café have become a community gathering space for neighborhood residents, providing an amenity that contributes to quality of life in the surrounding area.

In a city rich with universities and healthcare institutions, there is a deep understanding of the critical role that these type of “anchor institutions” play in the community. Major cultural institutions like the Museum of Fine Arts, Boston, are also important anchor institutions that contribute to community development in Boston in many ways. A national report on anchor institutions, Anchor Institutions and Urban Economic Development, written by Boston-based Initiative for a Competitive Inner City, noted:

Anchors can create shared value by embracing their interdependencies with their neighborhoods and strategically including community impact in their business strategy. This can produce measurable advantages, such as increased demand for their products and services, more success in hiring and retention and the ability to leverage private development money.

The MFA plays such a role in Boston, and contributes significantly to improving the physical environment in the surrounding neighborhoods as well as the social and civic engagement of community residents.
Reaching Outside the Museum Walls

The MFA staff also work in the community on outreach events, including off-site fairs, festivals, and neighborhood events. This type of programming creates a two-way relationship between community members and the MFA and helps to break down barriers for those who may not have felt welcome at a large art museum.

The MFA also engages community members through its Community Arts Initiative (CAI), which exposes local youth to creative arts curriculum at 10 partnering community sites that run after-school programming. These community sites include a number of Boys & Girls Clubs throughout the city along with the Boston Chinatown Neighborhood Center. The CAI connects youth in these after-school programs to collections at the Museum and the art-making process, and gives them the opportunity to work with a local artist to create a collaborative piece of art that is then displayed at the Museum for six months. This program reaches out to youth who may otherwise not have made use of or had access to the Museum. Since its beginning in 2005, more than 1,100 students have participated in the CAI Artist Project and attendance at MFA sessions at clubhouses, and tours and visits to the MFA has totaled more than 38,000.

In one of its more innovative efforts outside the Museum, the MFA’s Artful Healing program works with patients and their families at local hospitals.

Embracing Boston’s Diversity

The MFA has made concerted efforts to have the Museum experience available to as broad an audience as possible.

As part of its mission, the MFA “opens its doors” to the community and tries to break down social barriers and stereotypes associated with Museum visitors. The Museum’s programming places particular emphasis on drawing visitors who reflect the diversity of Boston residents, both economically and culturally. In FY 2014, the MFA offered free admission on six individual days, collectively drawing more than 35,000 visitors. Additionally, the Museum offers admission by voluntary contribution after 4 pm on Wednesdays, and its extensive free programming, particularly during holidays and school vacations, is a major attraction for families.

Children under 17 are admitted free outside of school hours. Its Artful Adventures program serves more than 22,000 youth annually by offering groups customized collection tours and tailored art-making opportunities. The MFA also offers many free options to visitors with special needs, including various audio tour options, closed captioning, and an MFA guided tour in American Sign Language. The Museum has presented the details of its accessibility programming at the American Alliance of Museums and is said to be a leader in developing inclusive mobile content for individuals with disabilities.

Partnerships with Area Hospitals

The MFA has formed close partnerships with area hospitals. The Museum’s Artful Healing program includes a series of art-making workshops held at local hospitals for patients and families. The MFA currently hosts these programs at Boston Children’s Hospital, Massachusetts General Hospital, and the Dana-Farber Cancer Institute.

The hospitals partner with the MFA in other capacities beyond the Artful Healing program, including:

- The Friends of Dana-Farber Art Program outfitted their new research building with artwork purchased through the SMFA annual art sale. Brigham and Women’s Hospital is doing the same for its new research center.
- For six years, MFA educators have partnered with physicians to offer a workshop for first-year medical residents at Brigham and Women’s Hospital, using works of art as springboards for conversations about death and dying, teamwork, and self-care. Tufts University’s residency program has also signed on to run a similar program at the MFA.
- These efforts to work collaboratively with Boston hospitals, including the doctors and the thousands of Boston residents who use their facilities, speak to the MFA’s dedication to connecting with the larger community and serving as a thoughtful cultural partner that can operate beyond the doors of the Museum.

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Cultural Celebrations
draw a diverse audience

Since 2012, the Museum has hosted celebrations that highlight various cultures represented throughout the Boston community, and are linked to the MFA’s global collections. The goal is to connect with new audiences, and welcome them into the Museum for what may be the first of many visits. To prepare for these festive events, which feature music, interactive dance performances, films, art, and gallery activities, the Museum collaborates with local cultural organizations to ensure authenticity and create long-term partnerships. For example, the MFA partnered with the Boston Chinatown Neighborhood Center, VietAID, the Chinese Cultural Connection in Malden, and the Korean Cultural Society of Boston, to create an event in celebration of the Lunar New Year. Other cultural events celebrated in 2014 included Diwali (the Indian Festival of Light), Nowruz (the Persian New Year Festival), Hanukkah (the Jewish Festival of Lights), and a general Celebration of Benin Kingdom Arts and Culture.
Employing Residents
The MFA is one of the largest private employers in the City of Boston with more than 1,300 jobs. And when the Museum’s full economic impact is considered—it becomes clear how important the MFA is to the employment base in the city and the state.

**Direct Jobs**

The MFA, including its outsourced food service, cleaning, and parking operations, and the Museum School (SMFA), directly provided more than 1,300 jobs in Massachusetts, which paid $60.9 million in annual wages. Slightly more than three-quarters of the jobs are permanent, while 23 percent are temporary. Nearly 71 percent of the permanent jobs at the MFA are full-time and almost 30 percent are part-time.

A 2013 Boston Redevelopment Authority accounting of largest private employers in Boston lists 52 companies and institutions with 1,000 or more employees. Counting all workers in the MFA (including the SMFA), the job level at the MFA is comparable to other Boston for-profit and non-profit corporations that employ between 1,300 and 1,400 workers.

Most of these employees—1,044—work directly for the MFA and the SMFA. There are an additional 269 individuals who work in food service, cleaning, and parking operations onsite at the Museum through outsourced services.

### Employment Breakdown

<table>
<thead>
<tr>
<th></th>
<th>full-time</th>
<th>part-time</th>
<th>total permanent</th>
<th>temporary</th>
<th>total</th>
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<tr>
<td>Museum</td>
<td>461</td>
<td>139</td>
<td>600</td>
<td>227</td>
<td>827</td>
</tr>
<tr>
<td>SMFA</td>
<td>106</td>
<td>31</td>
<td>137</td>
<td>80</td>
<td>217</td>
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<tr>
<td><strong>Total Museum and SMFA</strong></td>
<td><strong>567</strong></td>
<td><strong>170</strong></td>
<td><strong>737</strong></td>
<td><strong>307</strong></td>
<td><strong>1,044</strong></td>
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<tr>
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<td><strong>142</strong></td>
<td><strong>127</strong></td>
<td><strong>269</strong></td>
<td><strong>0</strong></td>
<td><strong>269</strong></td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>709</strong></td>
<td><strong>297</strong></td>
<td><strong>1,006</strong></td>
<td><strong>307</strong></td>
<td><strong>1,313</strong></td>
</tr>
</tbody>
</table>

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Direct Jobs

Another way to look at the MFA’s direct impacts on Boston and Massachusetts is to examine where Museum employees live. As one of the largest employers in Boston, the MFA is an important source of employment for many city residents. A large number of the Museum’s employees are residents of Boston. **565 of its employees, or 43 percent** of the total number of workers, live in the city earning approximately $23 million in wages annually; about 95 percent reside within the Commonwealth of Massachusetts earning $58 million in wages of the total $60.9 million wages paid in FY 2014.

The Multiplier Effect

To complete the story on jobs, it is important to consider the multiplier effect of MFA employment. Money earned by those working at the MFA is then spent on local consumer purchases, helping to support some additional jobs. Hundreds of additional jobs are associated with spending on hotels, restaurants, and other goods that keep local residents in these industries employed. Jobs are also associated with the hundreds of businesses that provide goods and services to the MFA.

Looked at more comprehensively, the MFA is responsible for about **3,441 jobs** in Boston and **3,872 jobs** in Massachusetts.
A Decade of Construction Jobs

Over the past 10 years the MFA has spent nearly $500 million on construction. This spending has contributed directly to thousands of much needed jobs in the construction industry in the city and in Massachusetts. When indirect and induced spending are accounted for, the construction activity generated a total of 3,397 jobs in Boston and 5,018 in the entire state since 2004. These jobs peaked during the depths of the recent economic depression in 2008 and 2009, providing construction jobs in the community when they were most needed.
Businesses in Boston, as well as throughout the Commonwealth, benefit from millions of dollars in sales generated through activities related to the MFA.

**Buying Goods and Services from Local Businesses**

Each year, the MFA spends a significant amount on goods and services. In FY 2014, the MFA spent approximately **$61 million** on goods and services from vendors. Twenty-five percent of these purchases, about $15 million, are made from companies in Boston.

The MFA purchases goods and services from a wide range of companies in Boston and the Commonwealth. Among key expense items are:

- Utilities (including electricity, water, sewage, and other systems)
- Maintenance and repair, as well as building materials, furniture, electronics, and equipment
- Professional services, which include 15 professional disciplines (such as legal services, accounting and business support services, and multiple technology-related services)

These purchases represent just the first level of impact on local businesses. The vendors in Boston and the region purchase additional goods and services from other vendors in the community, leading to an additional round of impacts on local businesses.

According to interviews with a number of vendors, the MFA’s contract is often long-term, and while these contracts may make up 1 to 15 percent of each company’s yearly sales, a steady contract over time with the MFA ultimately generates new business for these vendors as the MFA serves as a well-respected, prestigious referral for other accounts.

Stories of a few local companies make it clear that these sales have an enduring impact on businesses in the community.

**Supporting Local Businesses**

The Diablo Glass School in Boston (seen at left), located not far from the Museum, offers glass making classes in partnership with the MFA’s Studio Art Class program. Doris Martinez, executive director of the school, says “as a small business, it has given us so much credibility in the community for people to know we are partners with the MFA.” To Martinez, Diablo’s affiliation with such a large prestigious organization “suggests that our customers can trust us, too.”

Stanhope Framers, a 22-person framing company with locations in Back Bay and Somerville, has had a long-term contract with the MFA to provide a range of framing services for MFA lenders and for the MFA itself. Stanhope Framers values the consistency of its account with the MFA and has established a great deal of additional work as a result of its affiliation with the institution. Richard Siegel, owner of Stanhope Framers, states, “Many of our relationships were originally established through an MFA referral. . . . We get business from people who call the MFA to ask where they got something done, and we are the beneficiary of that referred business. To get a referral from [the MFA] is pretty high praise.”

Boston-based Bergmeyer Associates is a 65-person architecture and interior design firm that has done work in MFA spaces including the Linde Family Wing, the special exhibition shop, Huntington Shop, and a number of galleries. Joe Nevin, senior principal for Bergmeyer, said that the MFA jobs are not only gratifying—personally and professionally—to his staff, but “This work gives us a tremendous amount of credibility…a level of credibility that very few other clients can give.” Nevin estimates that the “MFA is a critical reference for 6 to 12 projects a year—and those are major projects for us.” Overall, Nevin believes that “the relationship [with the MFA] is vital” to the firm.
Businesses Benefiting from Construction Spending

Companies in the construction business also benefit substantially from the building and renovation projects undertaken by the Museum. MFA construction spending during the FY 2005 to FY 2014 period is valued at $496 million (in 2014 dollars).

Even during the years of the economic downturn, the MFA contributed heavily to construction spending. The Museum’s construction spending actually peaked in 2008 and 2009, which contributed to local employment and increased business sales at a time when the construction industry was in need of work.

When the indirect and induced impacts of this 10-year spending on construction is considered, the impact on Boston and the Commonwealth is even more dramatic, with overall impact from construction totaling more than $1 billion for Massachusetts and $750 million in Boston. This spending has been important to both large and small construction-related companies in Boston and the Commonwealth.

MFA Construction Spending Since 2005

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Spending in Nominal Dollars</th>
<th>Spending in 2014 Dollars</th>
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<td>34,806,000</td>
<td>38,948,000</td>
</tr>
<tr>
<td>2008</td>
<td>162,091,000</td>
<td>175,441,000</td>
</tr>
<tr>
<td>2009</td>
<td>116,880,000</td>
<td>128,681,000</td>
</tr>
<tr>
<td>2010</td>
<td>55,169,000</td>
<td>61,333,000</td>
</tr>
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<td>2011</td>
<td>9,856,000</td>
<td>10,656,000</td>
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<td>13,385,000</td>
<td>14,057,000</td>
</tr>
<tr>
<td>2013</td>
<td>5,072,000</td>
<td>5,199,000</td>
</tr>
<tr>
<td>2014</td>
<td>9,210,000</td>
<td>9,210,000</td>
</tr>
<tr>
<td>Total Spending</td>
<td>$449,154,000</td>
<td>$496,232,000</td>
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</table>
Businesses in the Hospitality Industry

Companies in the hospitality industry in Boston, including hotels, restaurants, retail shops, and transportation, that depend on tourism also experience direct benefits from the Museum through the spending of visitors to the MFA and students at the SMFA.

Analysis of MFA survey data found that of the 1.1 million visitors about 448,000 came to Boston primarily to come to the MFA. The $168 million that these visitors spend throughout Boston clearly contributes to the sales of local businesses. Students from the SMFA and their visitors are estimated to generate an additional $11.6 million in spending for Boston businesses.

Industries in Boston Supported by Spending of Museum Visitors

![Pie chart showing industries supported by spending of museum visitors]

- Restaurants: 44%
- Retail: 18%
- Hotel: 16%
- Local Transportation: 9%
- Entertainment: 8%
- Other: 5%

Source: Calculations by EDR Group using IMPLAN, LLC Modeling Package for Suffolk County.

3 The residents, tourists, or business travelers who come to Boston for other reasons and decide to visit the MFA while in town contribute to business sales in the city, but not as a direct result of the MFA. While this spending is important to the city, it cannot be attributable solely to the MFA. The visitor spending calculations do not include these MFA visitors, and instead only include the portion of visitors believed to have come to Boston primarily to visit the MFA.
Contributing Revenue to the City and State
In FY 2014, the MFA generated almost $22 million in public revenues for the City of Boston and Commonwealth of Massachusetts.

The multiple revenue streams are based on, in part, activities in the Museum, operation of the MFA as an ongoing non-profit corporation, and by spending of visitors and students on retail goods, meals, hotels, and other taxable items. Specifically, the MFA’s employment of workers leads directly to payments of personal income taxes, and the Museum’s outsourced food service, cleaning, and parking operations pay corporate excise taxes. As a result of the MFA’s purchases of goods and services from various vendors, as well as the re-spending of worker income, additional taxes are generated from retail sales, and meal purchases, as well as from the Commonwealth’s state income tax. For its overall operation, the Museum further provides the City of Boston Payment in Lieu of Tax (PILOT), and pays a variety of fees to Boston and Massachusetts.

Spending outside of the Museum by visitors who come to Boston primarily to go the MFA generates additional public revenues in general sales, meals, and hotel taxes. It also helps generate public revenues from the incomes of workers in the hospitality sector and employees of companies that supply the hospitality sector with goods and services.

While the MFA contributes significant revenues to both the city and state, it is important to note that, unlike many of its peers around the United States and the rest of the world, the Museum receives limited operating support ($55,000 in FY 2014) and periodic capital improvement funding from the Massachusetts Cultural Council as well as periodic small federal grants. In contrast, according to a survey by the Association of Art Museum Directors, the typical art museum derives about 4 percent of its operating revenue from city government, 2 percent from county government, and 4 percent from state government. In fact, many cities provide significant financial support to their major art museums.

Local Governmental Support for Art Museums

Many of the MFA’s peer art museums receive various types of revenues from local government. In some cases the city or county owns the land and building and contributes significantly to operating expenses of these important art museums, such as:

- The City of New York, which owns the land and building of the Metropolitan Museum of Art, funds about 13 percent of its annual budget.
- In San Francisco, the Fine Arts Museums—which consist of the de Young Museum in Golden Gate Park and the Legion of Honor Museum in Lincoln Park—are run in a private-public partnership, with the city contributing 23 percent of the budget.
- In Philadelphia, the city owns the Philadelphia Museum of Art building and contributes about $6.1 million a year for museum operations and utilities.

In other cases art museums benefit from special taxing districts or special allocations of other taxes:

- In Minneapolis, a special property tax is levied on all Hennepin County properties for the purpose of funding art museums. This results in an appropriation to the Minneapolis Institute of Arts of about $10 million a year.
- The Art Institute of Chicago receives about $5.6 million in revenue a year from the Chicago Park District.
- In St. Louis, a special property tax levy supports the Metropolitan Zoological Park and Museum District. This tax results in an about $20 million annual appropriation to the St. Louis Art Museum.
- In Houston, a portion of the Hotel Occupancy Tax is allocated to the Houston Museum District Association and 11 member museums. This results in an appropriation of nearly $1 million to the Museum of Fine Arts, Houston.

It is important to note that some of these contributions by the cities come with stipulations in terms of free admissions or other benefits to the community.

*Association of Art Museum Directors, Art Museums by the Numbers 2014*
Much of the $3.7 million in direct revenue that goes to the City of Boston comes from taxes paid on meals at the MFA’s restaurants, and the hotel and meal taxes associated with visitors who come to Boston for the purpose of visiting the MFA. The MFA also contributes Payment in Lieu of Tax (PILOT) and other fees of $154,000 to the city. Additionally, as part of the Master Site Plan approved by the Boston Redevelopment Authority, the Museum agreed to make a stream of payments totaling $3.2 million to the city and various community groups. Most of these funds were paid to the city during the construction years (FY 2006–FY 2010), but there is over $200,000 in additional payments that will be made to the city over the next five years.

Commonwealth of Massachusetts

Contributions to the Commonwealth’s tax base are considerably more significant because of the state sales tax and income tax. In total, the spending by the MFA and its visitors generates $18 million annually in revenue to Massachusetts. A large proportion of these revenues are related to the state income tax. Wages generated for direct Museum employees, as well as indirect wages associated with suppliers in Massachusetts and businesses catering to the Museum’s visitor and SMFA students result in more than $8 million in taxes for the state.

The economic ripple effects associated with MFA spending are also generating additional state sales taxes, hotel taxes, and meal taxes.
Strengthening the Tourism and Creative Economy Clusters
The strength of the Boston economy is built on its competitive economic clusters. Clusters are defined as the “geographic concentration of interconnected businesses, suppliers, and associated institutions in a particular field.” While the city’s strong innovation clusters such as life sciences and software benefit from the MFA indirectly, two of the important clusters in the city—the tourism and hospitality cluster and the creative industries cluster—benefit directly from the Museum.

The Tourism Industry

By serving as a cultural magnet, drawing visitors from all over the world, the MFA deeply impacts the number of tourists visiting Boston who take advantage of the multitude of other local tourist activities, restaurants, and nightlife and who make up the bulk of hotel stays. As David O’Donnell, special projects manager and media relations manager at the Greater Boston Convention and Visitors Bureau (GBCVB) says, “The MFA is one of the most important tourism assets in Boston.”

The MFA plays a major role in attracting visitors year-round to Boston, many of whom are independent travelers or families. The major draws for these visitors are the Museum’s vast collection along with impressive special exhibitions. Jeffrey Saunders, president and CEO, Saunders Hotel Group, states:

As the long-standing partner hotel of the Museum of Fine Arts, Boston, The Lenox Hotel is proud to help promote this institution. Not only is the MFA a world-class destination, but also has a substantial impact in promoting tourism in the city. We regularly recommend to many of our guests that they visit the Museum and are proud of our partnership through which we accommodate many of the Museum’s VIP affiliates.

Suzanne Wenz, regional director of public relations at the Fairmont Copley Plaza hotel, reports that visitors come to Boston for its great history and culture, and when they determine what they will do here, the MFA is one of the go-to activities. Countless others in Boston also see the MFA as one of the city’s major cultural attractions. For example, Laura Vardon, sales manager at the Eliot Hotel, says she sees an increase in hotel visitors during certain special exhibitions at the Museum and notes that regardless of the specific exhibition, “the MFA is one of the most requested set of directions visitors ask for at the front desk.”

Beyond attracting leisure travelers, the MFA plays a significant role in attracting trade and business organizations to hold their conventions in Boston. Staff from the GBCVB report that they find the MFA is “forward thinking on hosting events other than their own museum events in their space” and that the Museum staff realizes the importance of welcoming these types of events. The MFA has increasingly served as a venue for large city events, corporate events, and weddings. GBCVB staff report that “when we sell an event, the event coordinator wants to know that we have a large space for off-site events.” The MFA is one of the few Boston venues that can host more than 4,500 guests and is one of the most popular sites (outside of the convention centers) for these large events because the Museum offers a rich, cultural experience for attendees that can be used year-round. Convention-goers often attend a special off-site convention-related event at the MFA, but also are encouraged by the GBCVB to come to Boston early or stay beyond the convention to take advantage of Boston’s cultural assets such as the MFA.
The Creative Economy

The creative economy includes enterprises that produce goods or services that are highly dependent on artistic, cultural, creative, and/or aesthetic content and that derive their principal value from the emotional or aesthetic appeal to customers. As stated in The United Nations Creative Economy Report 2013, Special Edition, the creative economy is "not only one of the most rapidly growing sectors of the world economy, but also a highly transformative one, in terms of income-generation, job creation, and export earnings." The MFA is a very important part of the Boston creative economy, not only through its role as a major cultural institution, but in the multiple ways that it supports other creative enterprises, and helps to build the city’s creative environment.

A Venue for the Creative Industries

As a venue, the MFA provides critically needed space in the city for presenting film, lectures, courses, music, and other creative products.

These programs support both a burgeoning creative economy and stimulate creative energy among visitors. Edward Saywell, chair, Linde Family Wing for Contemporary Art and Arthur K. Solomon Curator of Modern Art, notes that, "by embracing the full range of film, music, and the spoken word, the Museum engages diverse audiences and is a leading venue in Boston for such creative programming."

The film program, which boasts an international reputation, is focused primarily on independent world cinema and presents curated film exhibitions and annual film festivals such as the Boston French Film Festival, which brought more than 7,000 filmgoers to the Museum during July 2014. The Museum leverages these festivals, which include the Boston LGBT Film Festival, the Boston Jewish Film Festival, and the Roxbury International Film Festival, to build diverse audiences and strong community relations. These programs bring unique cultural perspectives to the Museum and often attract culturally specific audiences.

Three seasons of concerts—fall, winter/spring, and the flagship outdoor summer concerts—offer a wide variety of music from classical, to indie rock, to world music and other genres. Most concerts are ticketed, although the monthly Sound Bites series is free as are concerts associated with community days.

The MFA also offers a comprehensive lecture and course program. In FY 2014, the MFA offered 9 multi-part courses, 37 lectures, and 31 seminar-like sessions as part of the Museum’s Looking Together program. The Ruth and Carl J. Shapiro Celebrity Lectures have included major cultural figures such as Carlos Fuentes, Anna Deavere Smith, Maya Lin, William Kentridge, Chuck Close, Julie Taymor, Tony Kushner, and Bill T. Jones, and are especially popular. According to Saywell, the Shapiro lectures aim "to bring the most celebrated cultural figures of our time to the Museum. They provide an incredible opportunity for our community to hear firsthand from a diverse range of innovative visual and performing artists, critics, and authors."

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Film Program

Offers 450 to 500 screenings of approximately 300 different films per year; draws 30,000 to 35,000 attendees per year

Concert Program

Offers 50 concerts a year; draws 6,000 attendees per year

Lectures

40 lectures each year; draws 23,000 attendees per year
Supporting the Next Generation of Artists: the School of the Museum of Fine Arts

The Museum is highly invested in generating talent and keeping that talent local. One of the ways the MFA is able to do this is through the SMFA, its high-quality, rigorous art school. In FY 2014 there were 552 undergraduates, 167 graduate students, and 900 continuing education students from across the globe. The interdisciplinary experience at the SMFA allows students to pursue courses in ceramics, drawing, film and animation, graphic arts, metals, painting, performance, photography, sound, and video, among others. The school is particularly well known for its contemporary art and has partnerships with Tufts University and Northeastern University.

Some 4,900 alumni of the SMFA live in Massachusetts; SMFA alumni who remain in Boston after graduation significantly contribute to the city’s talent base. Through its summer programs and other continuing education activities the Museum School is nurturing creative skills in both young people and adults.

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SMFA Alumni Infuse Talent in the Local Workforce

Kate Gilbert, a 2013 SMFA graduate, is engaged professionally in curating public art for the city’s first outdoor interactive experimental event space that features internationally known musicians, large-scale art installations, and interactive art exhibitions. While at the SMFA, Gilbert believed there was opportunity for Boston to improve its public art identity and realized it was “easy to be a change agent.” Gilbert also plays a leadership role in Now+There, a public art initiative that creates temporary public art projects while working to redefine public art and create dialogue about Boston’s public art identity. Since graduating, she has dedicated her time to art in the public eye, curating art in restaurants and pop-up locations, serving on art selection juries, assisting in organizing the local arts festivals, and by serving on the curatorial committee for the Greenway Conservancy. Gilbert continues to run her own studio practice out of the Boston Center for the Arts and has contributed her own art to public spaces including a mural commissioned by the Downtown Boston Business Improvement District.

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Art Shows

The SMFA stimulates the creative economy through its art sale, the largest contemporary art sale in New England each year. Students, alumni, faculty and affiliated artists contribute artwork to the school’s art sale, the most recent of which included more than 4,000 works of art and grossed nearly $1 million in sales. This event is a destination for the region’s art collectors, drawing more than 3,000 people to the school throughout a one-week period, and highlights the depth of the local talent.

The SMFA also exhibits student work in off-campus venues, including “The Cyclorama Show: Master of Fine Arts Thesis Exhibition SMFA, Boston,” which takes place in the South End and includes 50 to 60 SMFA artists exhibiting their thesis work. This event draws thousands of visitors, which indicates the deep interest among residents to see artwork and engage with those working in Boston’s arts community.

SMFA Faculty

The SMFA draws hundreds of creative students and faculty to Boston who then stay in the area. These artists contribute enormously to Boston’s art scene and bring their professional creativity to both the public and private sector. The many alumni who remain in Boston are also important contributors to the city’s creative economy.

SMFA faculty members are major contributors to the region’s creative economy. Beyond teaching art courses at the school, most faculty have their own studios to develop their own work and exhibit locally. Much like the SMFA alumni, faculty contribute to the creative economy by selling their works in various galleries and by creating public art projects that create a vibrant cultural scene in Greater Boston.
Enhancing the Talent Pool
Those in the economic development field increasingly recognize that talent is a leading driver of economic competitiveness for a community. A region can nurture its own talent by ensuring that the city’s youth have the skills needed to prosper in the economy, and having the quality of life and opportunities to attract and retain talent from outside.

The Museum of Fine Arts, Boston, contributes in a number of ways to building this talent base. The Museum is an important educational institution as well as a venue for experiencing art. Through its deep partnerships with the Boston Public Schools, the Museum is contributing to the skills and critical thinking of Boston’s youth. And, as a world-class museum, the MFA contributes to the high quality of life in the city that is so critical to attracting talent to the community.

**Partnership with Boston Public Schools**

The MFA has had a long partnership with the Boston Public Schools (BPS) in varying capacities. In FY 2014, the **MFA welcomed more than 54,000 students and teachers** to the Museum with more than 8,700 free of charge as part of guided and unguided school group tours. As funding for arts education in the public school system continues to shrink, the MFA provides these students with exposure to art and creative thinking.

In addition to visits from BPS students, the MFA partners closely with six public schools in Boston as part of its **Thinking Through Art Partnership Program** and works with those schools to deploy the Visual Thinking Strategies program. By partnering with Boston Public Schools, the MFA uses art as a tool to enhance students’ critical thinking skills. Sara Zrike of the Joseph J. Hurley School states, “The Visual Thinking Strategy program is a shift in our instruction and culture and now . . . it’s become very normal even for the youngest of our students to justify their thinking and provide evidence.”

The MFA is a partner in the Professional Arts Consortium in Boston that helped to create the Boston Arts Academy, also located in the Fenway neighborhood. The high school, the city’s first and only magnet public school for students talented in the visual and performing arts, was founded in 1998. Staff members from the Museum continue to sit on the Academy’s board and play an active role in the school. Arts Academy students have been able to take advantage of the full scholarship that the SMFA offers for its summer program and some students have taken classes at the SMFA as part of a dual enrollment program. Additionally, the Museum provides the Arts Academy use of the Remis Auditorium every year for their Senior Awards and the MFA will be the venue for the school’s gala in 2015. The school’s partnership with the MFA is highly valued by both institutions and provides artistically talented students in Boston with new opportunities for getting the skills needed to pursue a career in the arts.

**Supporting the Current Generation of Adults and Youth: Continuing Education Opportunities**

The MFA remains committed to its basic tenet of building the talent of area residents by offering studio art classes and workshops, continuing education opportunities through its free talks, tours, and artist demonstrations (servicing approximately 48,000 visitors annually), ticketed lectures and courses and opportunities for internships or docent training at the Museum. In FY 2014, approximately **4,700 individuals enrolled in more than 558 studio art classes** that resulted in more than 28,000 individual visits to the Museum.

Additionally, in FY 2014 the Museum provided teacher workshops to between 200 to 300 area teachers and ran the MFA for Educators program that offers teachers all over the world access to teacher-centered web material to create custom art-based lessons online. In FY 2014, the **MFA for Educators** website had more than 3,900 registered users from all 50 states and more than 100 countries.
For all of these reasons, the MFA is proud of the role it plays in the community—as an arts institution, an economic driver, a community meeting spot, and a center of education and lifelong learning.

“The MFA is an extraordinary resource for the appreciation of great art and culture—in its many forms—that spans all of time. It is a place for seeing, learning, making connections, and sharing experiences. While we focus on our mission, we also contribute in many ways to the creative economy as a major employer, purchaser of goods and services, and an attraction for tourists and travelers to the Boston area. We are proud to play such a broad and significant role within the community.”

—Sandra Moose
President, Board of Trustees
Museum of Fine Arts, Boston
Acknowledgments

Mark Kerwin, Deputy Director and Chief Financial Officer, Museum of Fine Arts, Boston, gave impetus and guidance to this report. Research and documentation for this report was conducted by Mount Auburn Associates, Inc. and the Economic Development Research Group. Thanks to the many MFA staff and vendors, teachers, and others in the Museum and Boston community who spoke with them about their experiences related to the MFA.

The report was shaped and shepherded throughout by Patricia Lyden, Director of Planning and Analysis, with the assistance of the Financial staff. Janet O’Donoghue, Director of Creative and Interactive Media, and her able team provided the creative design for the final form of the report. Many colleagues at the MFA gave valuable input; without their efforts this could not have been accomplished.

A technical appendix that describes the complete methodology for this report and gives more detailed data is available at www.mfa.org/economicimpact.

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