Richmond’s Arts & Cultural District

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May 29, 2012
AGENDA

• Shared Vision and Goals for the Arts & Cultural District

• Achieving this Vision Vis-à-vis
  – Arts & Cultural District Ordinance
    • Boundaries and Characteristics of the District
    • Incentives
  – ArtBusiness Richmond

• Benefits Realized

• Best Practices and Successful Models

• Community Partners and Public Support

• Conclusion
Richmond’s Arts and Cultural District: Vision

The Richmond Arts and Cultural District will be the vibrant center of artistic, cultural, civic, and commercial activity; a place people live, work, frequently visit and loyally patronize; a robust generator of economic prosperity for all Richmond residents.
Richmond’s Arts & Cultural District: Goals

• Recognizing that arts, culture and entertainment are catalysts for economic development and revitalization, the City seeks to designate a targeted area within Downtown as an arts and cultural district. This will advance the Administration’s goal of creating a vibrant Downtown by:
  
  – nurturing the attraction, expansion and development of arts and cultural enterprises in the central city

  – establishing a targeted, place-based framework for economic revitalization, investment and small business development services (e.g., micro-finance and technical assistance)

  – helping to reinforce the area’s identity as the region’s center of creativity and entertainment—a distinction that results from many established initiatives and investments already made by local stakeholders
Richmond Arts & Cultural District
The proposed ordinance designates boundaries that:

– Reflect input expressed over the course of 10 public outreach meetings convened by the City, CultureWorks and neighborhood associations

– Are inclusive rather than exclusive to leverage the foot traffic and new visitors brought to the District by major anchor institutions

– Include a diversity of experiences per national best practices to attract, retain and encourage people to spend time in the District to maximize the economic impact to the local economy

– Provide a geographic framework for investing City resources via ArtBusiness Richmond and the incentives in the ordinance
Arts and Cultural District Ordinance
Boundaries & Characteristics

The proposed ordinance designates boundaries that:

– Guide and inform potential investments by private, federal and philanthropic entities

– Create a sub-district to target certain incentives in the District core

– Magnify the competitive advantages of individual members for the greater good of all members
Anchors and Major Attractions

- Maggie Walker Museum
- Valentine Museum
- Black History Museum
- Gallery 5
- Candela Books & Gallery
- Coliseum
- Convention Center
- Library of Virginia
- Center Stage
- Ghost Print Gallery
- The National
- State Capitol and Visitors Center
- Downtown Public Library & Special Collections
- The Hippodrome
- VCU Institute for Contemporary Art
- Art 6
- The Renaissance Conference Center
- 1708 Gallery
- Quirk Gallery
- ada Gallery
- Visual Art Studio
- Metro Sound and Music Recording
- Theater IV
- Barksdale Downtown
- UR Downtown Campus
- John Marshall House Museum
- Richmond Ballet
- Museum of the Confederacy
- Sound of Music Recording Studios
- Several notable restaurants and cafes
- Richmond Symphony
The Arts & Cultural District Ordinance: Regulatory & Financial Incentives

**District-wide incentives apply to all areas of the District:**

- Annual allocation of resources for promotion, marketing and branding
- Funding specifically reserved to support arts-focused live/work space
- Citywide Revolving Loan Fund Fee Waiver for creative entities needing gap financing to close on projects
The Arts & Cultural District Ordinance: Regulatory & Financial Incentives

**Targeted incentives** apply to a sub-section of the District (the shaded area on the map) and are allowed by state law for up to 10 years from date of adoption:

- Expedited building permit review; reviews completed in 10 *business days*

- Encroachment permit fee rebates to encourage outdoor dining and increase street activity

- Building permit application fee rebate to push property owners to revitalize buildings before the incentive expires

- Re-zoning application fee rebate
Special Incentive Area

Legend
- Marketing resources, loan fund rebates & grants for artist live/work space
- Regulatory fee rebates & expedited permit review
Existing Arts & Cultural District
Targeted Programs:
ArtBusiness Richmond

- ArtBusiness Richmond is the umbrella name for the bundle of public resources directed towards the District but not mandated by ordinance
- It addresses the District’s revitalization needs through existing and newly created economic development, blight remediation and gap financing tools
- Current efforts include:
  - **Transforming under-utilized and distressed properties** into active, commercial and residential spaces that can attract new businesses and residents.
    - $300,000 gap loan at 213 East Broad/214 E. Grace Sts. for artist live/work units
    - $100,000 working capital loan to Pasture at 416 E. Grace St.
    - $175,000 CDBG loan to Art180 for acquisition and rehab of 112-114 W. Marshall St.
  - **Improving the physical character and aesthetics** of the District.
    - Individual meetings with property owners to facilitate façade improvements to several buildings along Broad Street and help marketing these properties
  - **Approximately $1 million invested and potential deals in the pipeline**
Completed: Pasture 416 E. Grace St.

214 East Grace St. under renovation as 21 artist live/work units
Beginning: Art180 114 W. Marshall St.
Other Recent Additions to the District
Resource Use

• 15:1 ratio of private investment to City loan capital for the first $1 million loaned
• Resources for marketing and branding the district included in the FY2013 budget
• $1.7 million in pending requests from small businesses and property owners
• Secured $600,000 from the State’s Industrial Revitalization Fund to support the Black History Museum’s renovation of the Leigh Street Armory, *rendering below*
Economic Benefit

An opportunity to diversify the City’s tax base and increase revenues through:

– Tax Revenue from greater **occupancy** and **activity** in the District
  
  • Finished commercial, industrial and mixed-use space in the special incentive area (SIA) **vastly underperforms** similar space in other parts of the city
  
  • In FY 2011 the SIA yielded 1/6 of the BPOL taxes per finished ft² compared to the same kinds of space on W. Broad St. between Belvidere and Lombardy
  
  • 22% of the commercial space in the SIA is vacant, compared to less than 5% in that same comparison area
  
  • Doubling BPOL tax generating activities in the SIA would produce an additional $215,000 annually. This can be achieved through an increase in activity at existing businesses or by attracting new entities to vacant property

– Greater appeal of the area and increased property values

– Increased redevelopment and infill opportunities realized
Best Practices: Established Arts Districts and Arts Lead Economic Development

• Miami Wynwood Arts District—100 block district with substantial residential, retail, dinning, hospitality, gallery and studio space
• North East Minneapolis Arts District—300 block district contains a mix of family-run businesses, theaters, restaurants, parks, independent galleries, hotels and studios as well as industrial and residential property, interspersed with homes and churches.
• Pawtucket Rising—Mid-sized, former industrial city used the arts to lead revitalization efforts via a 300+ acre arts district and rehab of industrial buildings
• Houston's Museum District—has 19 major museums, art and cultural institutions in a 1.5 mile radius that have a combined 6.6 million visits per year
• LiveWork Portland, Maine—is a local economic development process directed at sustaining and growing the creative sector of the local economy. Micro-loans through the Creative Economy Loan Fund help individuals starting or expanding businesses and filling vacant storefronts
• Cultural Districts Handbook—The Arts as a Strategy for Revitalizing Our Cities, encourages cities to “stretch the boundaries” of traditional arts districts
• Richard Florida’s “The Creative Economy”—traces the vibrancy of communities to innovative programs and strategies, primarily in the area of financial (including lending) and technical assistance aimed at growing creative enterprises and the arts.
• Artspace—National leader in the adaptive reuse of buildings and management of artist live/work space; very interested in partnering with Richmond
Case Study:

• Austin’s $2.2 billion “creative economy” contributes $48 million annually to the City’s tax base and employs 44,000

• City of Austin administers grant programs providing $25,000-$200,000 for arts-related non-profits, and up to $15,000 for projects sponsored by individual artists

• Technical assistance and capacity building programs are also offered to smaller arts organizations serving traditionally under-served groups

• Currently there are eight arts districts in the city
Community Support

- Substantial public input has shaped the programs included in the ordinance and offered through ArtBusiness Richmond.
- We have presented this plan at 10 different public meetings (CultureWorks, DNA, HJWA).
- Over 400 neighborhood residents and business owners signed a petition in support.
- Stakeholders will continue and increasingly be the major entity shaping the District.
Summary

• *ArtBusiness Richmond* and the Arts and Cultural District ordinance leverage the arts to build upon and magnify the earlier accomplishments of entrepreneurs and residents.

• These programs seek to position the District as the center for the region’s creative class.

• Substantial resources are being directed to the district vis-à-vis *ArtBusiness Richmond* and the ordinance.

• City staff has participated in public meetings and used stakeholder feedback to adjust the proposal to meet their desires.
Summary

• The District represents the first arts and cultural district in Richmond, but it does not need to be the only district due to changes in state law the City successfully lobbied the General Assembly to adopt.

• Benefits to the community include the economic—broader tax base, increased business activity and a more active downtown—but more important is the ability of the arts to challenge the mind, enrich the spirit and shape our city’s identity.

• Implementation has already begun, more projects are in the pipeline and arts and cultural activities continue to come to the area.