

BALTIMORE'S ARTS & ENTERTAINMENT DISTRICTS

WORKING GROUP REPORT



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JULY 2015

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EXECUTIVE SUMMARY

Baltimore's three designated Arts & Entertainment (A&E) Districts lead the city's cultural renaissance and serve as a national model for cultural districts. The Bromo Tower, Highlandtown, and Station North Arts & Entertainment Districts produce outstanding art installations and performances, host international festivals, convene national conferences, and earn nationally competitive grants for creative placemaking and arts based community development. A&E Districts have attracted investment that has improved public spaces, redeveloped historic buildings, and attracted students, professionals, and families to live, work, and play in Baltimore.

Strengthening several key aspects of the nearly thirteen-year-old A&E District program will allow Baltimore's A&E Districts to continue their positive momentum. An A&E District working group generated 27 recommendations and action items to be carried out by District management, the City, State, and other nonprofit partner organizations. The priorities amongst these recommendations are:

Annual A&E District meeting and presentation to the Mayor: An annual meeting of District management, their respective Board of Directors, and the Mayor would enable management to report on the status, accomplishments, and goals of the A&E Districts.

Collaborative marketing materials and programming: The A&E Districts will partner with each other and other organizations to generate a consistent message, and to maximize outreach efforts for incentives and programs in the Districts.

Provide clarity on existing A&E Districts tax incentives: Specifically, A&E District management would like to resolve existing confusion around the definition of "original design" and the applicability of the A&E District property tax credit in the Highlandtown and Station North A&E Districts.

Secure operating support: The three A&E District management organizations respectfully request to participate in the City's outcome budgeting process to compete for City funds. Competing for City funds to support operating budgets would provide an opportunity to demonstrate direct return on investment from City funding and increase collaboration between the City and A&E management organizations. The management organizations also request for any City funding, matching funds from the State of Maryland. Should the State fail to match the City's funds, A&E District management organizations will secure outside matching funds. As mission-based nonprofit organizations, this funding will be used to fulfill the stated mission of each District, and a work plan will be provided annually.

The Working Group also identified the following areas and issues, which will require interagency and cross sector cooperation, in need of further study:

1. Examine the potential for revising or creating new policies, incentives, and programs that would incentivize the preservation of existing art spaces, infill development for arts enterprises, and public space and streetscape improvements in A&E Districts.
2. Create flexible code and zoning variances to encourage and facilitate increased interim use “pop up” commercial and artist workspace in A&E Districts.

Accomplishing these action items and exploring the areas in need of further study detailed in the following report will strengthen the inner workings, as well as the outward message of the A&E Districts.

I. INTRODUCTION

Baltimore's three designated Arts & Entertainment (A&E) Districts lead the city's cultural renaissance and serve as a national model for cultural districts. The Bromo Tower, Highlandtown, and Station North Arts & Entertainment Districts have now hosted multiple international festivals featuring visual artists, musicians, and performers, which attract thousands of visitors to Baltimore and highlight these distinctive, culturally rich communities. A&E District management provides thought leadership by convening national conferences and publishing documents pertinent to the current state and future of creative communities across the country. A&E District managing organizations have received multiple ArtPlace America and National Endowment for the Arts *Our Town* grants, the most competitive grants for the arts and creative place-making in the country, and in the past year embarked on an unparalleled partnership with the European Union National Institutes of Culture. The momentum spurred by A&E District activity and organizing has attracted public and private investment that has revitalized public spaces, redeveloped historic buildings and attracted students, young professionals, and families to live, work, and play in Baltimore.

Ranging from 100-300 acres each, the three A&E Districts are a mix of commercial, post-industrial, and residential areas that are connected to the rest of Baltimore through multiple modes of transportation. Collectively, Baltimore's A&E Districts are home to approximately 15,000 residents and more than 1,000 businesses, organizations, and cultural institutions, and the investment generated in these three districts and the benefits of their programming far exceed their boundaries. As a partner, the City has played an integral role in the success of the A&E Districts and has encouraged growth by investing millions in capital projects. Under Mayor Stephanie Rawlings-Blake's leadership, the Bromo Tower Arts and Entertainment District was established in 2012.

In 2014 alone, arts-based activity in the three A&E Districts has gone viral on social media and has been broadcasted on countless art and design websites, blogs and online publications, reaching an audience of more than 5.5 million people. Public art installations and programming produced by District management have been featured in the New York Times, Washington Post, Huffington Post, USA Today, and the Baltimore Sun. The attention generated by Baltimore's A&E Districts has positioned these neighborhoods as the most exciting places to be for those seeking to experience innovative art, performance, and design.

A&E District management collaborates with artists, organizations and institutions and takes on highly localized work that complements neighborhood vision plans and spans sectors and disciplines, to leverage thoughtful, place-based investment. This work has set the tone for community development and revitalization in A&E Districts, demonstrating that art and design of the highest caliber are an integral part of the way Baltimore addresses vacancy and blight, re-envision public space, and increases civic engagement.

In order to identify the best and most effective ways of continued City investment, Mayor Rawlings-Blake

commissioned a working group of public and private stakeholders to produce an informational report. This document will provide a brief background on the A&E District program, including the state designation process and the specific mission of Baltimore's A&E Districts; a report on the status of several A&E District initiatives as well as key recommendations for improvement of program; and a work-plan for implementation of these recommendations going forward.

II. BACKGROUND

A. MARYLAND ARTS & ENTERTAINMENT DISTRICTS

Baltimore's three Arts & Entertainment Districts are designated through a statewide Arts & Entertainment (A&E) District program administered by the Maryland State Arts Council, an agency of the State of Maryland under the authority of the Department of Business and Economic Development, Division of Tourism, Film and the Arts.

Maryland's Arts & Entertainment District's mission is to "help develop and promote community involvement, tourism and revitalization through tax-related incentives that attract artists, arts organizations and other creative enterprises."

Applications for A&E District designation are accepted bi-annually. Since the program was established in 2002, 22 A&E Districts have been designated across the state in urban, rural, and suburban communities. With designation, A&E Districts are eligible for three state tax-related incentives, and are eligible to apply for an Arts & Entertainment District Technical Assistance grant from the Maryland State Arts Council.

B. BALTIMORE CITY ARTS & ENTERTAINMENT DISTRICTS

Baltimore is currently home to three A&E Districts: The Bromo Seltzer Tower Arts & Entertainment District (established 2012); the Highlandtown Arts & Entertainment District (established 2002); and the Station North Arts & Entertainment District (established 2002). Collectively, these Baltimore A&E Districts subscribe to the following mission:

Baltimore's Arts & Entertainment Districts drive conscientious contextual investment to bolster Baltimore's economy and neighborhood health. Collaboratively, with the City of Baltimore and the State of Maryland, the Districts recognize artists' special role in the development of the three Districts, and strive to facilitate connections between artists and partners working towards positive change within the Districts.

Baltimore City's three State-designated Arts & Entertainment Districts are the cultural hubs of the greater Baltimore region. These three distinctive sections of Baltimore City contain dense collections of award-winning artists, arts institutions, cultural organizations, theaters, galleries, restaurants, public art, and music venues.

In each District, the City and State offer tax incentives to support artists and performers, and incentivize property owners to create spaces for the arts. The incentives are intended to build resilience amongst artists so that they may flourish and participate in their Districts.

The Arts & Entertainment Districts' management teams work in two modes. First, they drive attention to the Districts to attract visitors, enhance the quality of life for legacy and new residents, and investment. Second, they work with local artists to incorporate them into comprehensive community and economic development strategies to provide support to grow their careers. The management teams accomplish these goals by running cultural events and public art projects, providing professional development services for artists, promoting local businesses, assisting developers, collaborating with community associations and non-profits, and liaising between government agencies and local artists.

C. REDESIGNATION & EXPANSION

A&E Districts must re-apply to the Maryland State Arts Council for designation every ten years. A&E Districts must also apply to expand the boundaries of the district, should they desire to expand. Currently, requirements for A&E District designation, re-designation and expansion are the same, requiring that A&E Districts document a threshold level of the following criteria:

- High concentration of artistic, cultural or entertainment enterprise
- Well established anchor attraction
- Number of signature events and/or festivals
- Number of seasonal events and entertainment
- Boundary overlap with other revitalization designations (i.e. – Maryland Main Street, Heritage Area)
- Potential for affordable housing (rental or purchase), studio and performance space; transportation /walking plans for the proposed district
- Availability of local government and private redevelopment resources
- Incentives capable of increasing residents/business
- Measurable goals and objectives specifically for arts and entertainment

Applications for expansion must be accompanied by a letter or resolution signed by the chief elected officer of the local jurisdiction (i.e. the Mayor of Baltimore City). Applications for expansion are accepted bi-annually by the Maryland State Arts Council A&E District Program Officer.

In September 2013, Station North Arts & Entertainment, Inc. and the Southeast Community Development Corporation approached the Mayor's Office for support of their applications for district expansion. At that time, the Mayor's Office requested economic data, a comprehensive branding strategy, and a citywide rationale for change that supported the need for expansion. The Mayor requested that a working group be created to develop a report that would advise the Administration on the impacts of the city's A&E Districts, specifically as they relate to the Mayoral Goal of the Growing Economy SMART goals, to strengthen Baltimore's economy and promote economic and cultural opportunities for all its residents, to assess existing benefits in the Districts, and to support the Mayor's advocacy of the Districts' concerns to the Maryland State Arts Council.

III. THE STATE OF BALTIMORE'S A&E DISTRICTS

Now more than twelve years old, Baltimore's A&E Districts are considered a national model for cultural districts, yet there remain many opportunities to collectively strengthen the inner workings of the program as well as the Districts' outward message. A working group comprised of A&E District Managers, staff, and partners convened multiple times between April and December 2014 to discuss and evaluate the state of Baltimore's A&E Districts (see Appendix B for full working group roster and list of tasks). Out of these meetings, the following recommendations were developed.

A. INCREASE COLLABORATION AMONGST BALTIMORE'S A&E DISTRICTS

Increased activity and innovative programming in recent years has elevated the profile of Baltimore's A&E Districts throughout the state, and positioned Baltimore as a premier cultural destination in the Mid Atlantic region. Some of Baltimore's most iconic festivals including the Lantern Parade, Open Walls Baltimore, and Transmodern, take place in A&E Districts and are made possible through the guidance of A&E District management. Other newer events and programming such as 2014's TRANSIT project focusing on transportation hubs in the three Districts, along with the numerous artwalks, gallery openings, music festivals and theater performances have the opportunity to become better established and even excel through partnership with the A&E Districts.

After discussing the successes of this programming, as well as areas for improvement, the working group recommends several strategic changes that would vastly increase the efficacy of Baltimore's A&E District program, the efficiency of staff, and the overall story of Baltimore's A&E Districts within Baltimore City, and to a national and international audience.

I. Collaborative programming

The respective A&E Districts produce dozens of public events, festivals, lectures and performances within their districts annually and at times there has been thematic overlap. To maximize the reach of these events and to take advantage of existing pools of funding for such activity, the Working Group recommends:

1. Encouraging District management to collaboratively capitalize on existing programs and events produced by the Baltimore Office of Promotion and the Arts (BOPA), such as the annual Open Studio Tour, rather than create additional stand-alone events.
2. Requesting A&E District management and representatives from the Mayor's Office commit to continuing the monthly meeting between A&E Districts convened by BOPA to promote communication and collaboration between the Districts.

3. An annual meeting of District management, their respective Board of Directors, and the Mayor would enable management to report on the status, accomplishments, and goals of the A&E Districts.

II. Marketing and communication strategies

Web presence

The A&E Districts currently maintain individual websites, mailing lists, and social media pages, each with thousands of individual followers. To create a more unified web presence and amplify the message of the districts, the Working Group recommends:

4. Using the 'Arts & Entertainment Districts' section of the BOPA website to create a hub for Baltimore A&E District information that will link to each A&E District's respective web pages and the Greater Baltimore Cultural Alliance's (GBCA) 'Culture Fly' event calendar.

5. Encouraging citywide organizations with websites featuring information on A&E Districts agree to link to the BOPA 'Arts & Entertainment Districts' webpage. These organizations include, but are not limited to: the Baltimore Development Corporation (BDC), Visit Baltimore, and Live Baltimore.

6. Increasing functionality of existing citywide event calendars and artists registries to sort content by A&E District. Specifically, inquiring with GBCA to see if there is a way to sort events on the GBCA Culture Fly calendar by those events happening in the Districts; and approaching the administrators of the Baker Artist Awards, to investigate the potential for an additional question on the award application inquiring if the applicant identifies as an artist of one of the three A&E Districts.

Promotional materials

Materials collectively promoting Baltimore's A&E Districts are often outdated or do not accurately portray the organization or many of the events that take place in the Districts. To address this, the Working Group recommends:

7. The A&E Districts collectively apply for Arts & Entertainment District Technical Assistance Grant from the Maryland State Arts Council in the amount of \$7,500. Funds will be used to design and produce collective promotional materials representing Baltimore's A&E Districts.

8. Using the Technical Assistance Grant, the districts will develop information packets that reflect the unique characteristics of Baltimore's A&E Districts, and explain their incentive programs.

9. Packets will be updated with inserts from respective A&E Districts containing information

on upcoming events and opportunities for creative professionals. These marketing materials can be distributed throughout the City, as well as for marketing efforts beyond Baltimore.

Educational outreach

In the past, A&E Districts have organized tax incentive and professional development workshops for artists and other creative professionals, which were well attended and received positive feedback. Yet public awareness of the A&E District Tax incentives, as well as other incentives available within the Districts is limited. In an attempt to address these challenges, the Working Group recommends:

10. Increasing awareness of the A&E District-specific incentives amongst creative professionals already living and working in A&E Districts by continuing to partner with GBCA and Maryland Volunteer Lawyers for the Arts to host information sessions on the A&E District-specific tax incentives.

11. Exploring potential partnerships with organizations such as Live Baltimore and the BDC for an A&E District focused “Buying Into Baltimore” events that would feature information on A&E District specific incentives, and other incentives that are not specific to A&E districts but still applicable to District neighborhoods (e.g. historic tax credits, Vacants to Value, Enterprise Zones, etc.). These types of events have the potential to make A&E Districts more attractive to potential residents, business owners, and investors.

B. BOLSTER A&E DISTRICT POLICY FRAMEWORK

Largely positioned as an economic development strategy, the A&E District program is designed to encourage artists, entrepreneurs, institutions and potential developers to build on and organize around existing arts- and culture-based assets in a designated District. If successful, designation and proper management of a District eventually results in increased tourism, tax revenue and outside investment in the designated area. Mere designation of neighborhood as an officially recognized cultural district can by itself provide several benefits, including:

- **Credibility:** Maryland’s A&E District review process and designation recognizes the arts and cultural resources as defining characteristics of an area, while also lending credibility to this recognition.
- **Catalyst and Organizing Principle:** A&E District designation can function as an organizing principle amongst artists, residents, business owners, and community development professionals to establish cooperation and consensus as a neighborhood undergoes redevelopment or creates a neighborhood vision plan.
- **Marketing Potential:** A&E District designation can be a powerful marketing tool for a neighborhood undergoing active development. Designation offers the opportunity to change or influence the narrative about a given neighborhood in a positive way, as well as influence future investment.
- **Leverage Funding:** A&E Districts are uniquely positioned to attract regional and even national

funding that might not otherwise be possible for small arts organizations.

- **Formalizing Relationships:** A&E Districts offer the opportunity to boost state and local partnerships, strengthening relationships between agencies at these levels. A&E Districts also link artists and informal arts collectives and reinforce working relationships across the nonprofit, private and public sectors.

Of the 13 states that have designated cultural districts, only five (Iowa, Louisiana, Maryland, New Mexico, and Rhode Island) offer tax incentives for activity occurring within districts. These tax incentives can take the form of income tax exemptions, property tax incentives, sales tax credits or exemptions, preservation tax credits, or admissions & amusement tax exemptions. Other benefits for state designated districts include technical assistance programs or small grants offered directly to organizations, artists or other entities that are either located in designated districts or partner with the districts' managing body.

I. Existing A&E District incentives in Maryland

In Maryland's designated A&E Districts, artists, businesses and individuals living and working within the designated boundaries of Baltimore's A&E Districts have the opportunity to take advantage three tax incentives. These credits include:

- **Income Tax Subtraction Modification** for qualifying artists living in the State of Maryland and producing and selling work in any of Maryland's 22 A&E Districts
- **Property Tax Incentive** for the renovation of approved spaces for artistic purposes within the District.
- **Admission & Amusement Tax Exemption** for those certified arts and entertainment activities occurring within the District.

Copies of the full legislation pertaining to Maryland's designated Arts & Entertainment Districts are available in Appendix C.

Through a cooperative effort with City of Baltimore Department of Finance analysts and representatives from the BDC, the Working Group identified two areas pertaining to existing A&E District incentives in need of immediate action:

12. Request assistance from the City in drafting language that would renew the A&E District Property Tax incentive for the Highlandtown and Station North Arts & Entertainment Districts.

13. Work with representatives from the City and State to collect information on City A&E District property tax usage and information from the State on A&E District income tax credit usage. This data would provide a clearer picture of the efficacy of the incentives.

II. Areas for improvement: Amendments and new legislation

The Working Group formed an Incentives Subcommittee to further examine the existing A&E District incentives, and to identify areas of overlap with other incentives that are often used in Districts. They recommended that the following policy and incentive issues pertaining to A&E Districts in be explored in greater depth:

14. The definition of “Design” and the specific disciplines and practices to which this refers for the purposes of the A&E District Tax Incentives are ambiguous at best. The Working Group recommends that the Mayor advocate for a more inclusive definition of Design—one that includes small enterprise, fabrication, and graphic and web design— at the State level to ensure that Baltimore City and the A&E Districts in particular, are competitively positioned to support regional design and innovation clusters. The current legislation also limits this tax incentive to disciplines that are not “industry specific.” This terminology is vague and creates a sense of uncertainty when new businesses and individual artists and designers consider moving their practices into A&E Districts. The Working Group recommends either the removal of the “industry specific” language, or the addition of a concise, consistent definition of this term to the legislation.

15. Preserving affordable live, work, and live/work space for artists and creative professionals is a major challenge facing A&E Districts. The Working Group recommends exploring the feasibility of develop a property tax credit that preserves existing artist spaces. Specifically, the Work Group recommends examining models similar to agricultural preservation districts in rural areas or preservation easements as a starting point for this investigation.

16. Investigate the concept of expanding the existing A&E District property tax credit to include new construction projects that are developed for arts enterprise. This would be particularly useful for incentivizing infill projects that include dedicated arts space in the A&E Districts.

17. Despite the existence of the A&E District Property Tax credit, many renovation projects in A&E Districts are completed using historic tax credits, or in some cases Low Income Housing Tax Credits. Currently, Sustainable Communities Tax Credit (the state historic tax credit) applications are scored higher if they provide housing or are located within a designated Main Street. The Working Group recommends advocating for similar bonus points to be awarded to projects occurring in designated A&E Districts to further incentivize historic renovation projects and affordable housing projects in these areas.

C. CRITERIA FOR NEW A&E DISTRICTS, REDESIGNATION, AND EXPANSION

I. New A&E Districts

The Working Group recommends that the Mayor requests applicants for new A&E Districts in Baltimore to prove the following criteria in addition to the current criteria for new A&E Districts put forth by the State:

- Prove that a potential new A&E District is distinct from existing districts.
- Provide letters of support from the management of existing Baltimore A&E Districts.
- Prove that sustainable funding is in place for the proposed A&E District.

II. Redesignation

The Bromo Tower and Station North A&E Districts will be required to submit redesignation applications in 2022. Highlandtown will be required to submit a redesignation application in 2023.

III. Expansion

In addition to the current criteria for new A&E Districts put forth by the State, the Working Group recommends that applicants for A&E District expansion prove the following criteria:

- As with the state's requirements for original designation, prove that there is artistically-driven momentum and the potential to drive additional artistically-driven investment with support and tax incentives.
- Provide a letter of a support from the relevant community association partners in the proposed area of expansion.
- Provide evidence of a newly expanded programmatic partnership, or significant fiscal partnership that adds to the benefit of the district as a whole.
- Provides evidence of potential economic benefit to the City through increased tourism and patronage at district businesses and venues, or investment in underutilized or vacant buildings.

D. EXPAND CITY PARTNERSHIPS

Since 2010, Mayor Stephanie Rawlings-Blake has supported public capital investment in projects occurring within the boundaries of Baltimore's three A&E Districts. The Rawlings-Blake Administration was a driving force behind the revitalization of the Westside and the establishment of the Bromo Seltzer Arts and Entertainment District in 2012.

Since 2010 Mayor Rawlings-Blake has approved, \$9.197M in City funding to support

projects in the districts. Additionally, millions have been invested by the City through the following projects and initiatives:

Bromo Tower Arts & Entertainment District

- Investment in the Everyman Theatre
- Art crosswalks at Howard and Eutaw
- City contribution to *Articulate Baltimore* public art project
- Howard Street Dog Park opening in 2015
- Enhancements to Lexington Market
- \$43,000 for lighting upgrades at the Bromo Tower

Station North Arts & Entertainment District

- Property acquisition and disposition
 - Chesapeake Building (1701-1709 North Charles, 20 East Lanvale, 22-24 East Lanvale)
 - Parkway Theatre (1 West North Avenue, 3 West North Avenue, 1820 North Charles Street)
- Expanded Artscape to include Artscape: After Dark in 2013
- Property services on vacant buildings
- Supported improvements to Penn Station Plaza (adjacent to the district)

Highlandtown Arts & Entertainment District

- Business assistance/façade improvement grants
- Southeast Community Development Corporation (sale of former Highlandtown Library property at 3323 Eastern Avenue for community use)
- Grants – Highlandtown Library (made possible through use of Community Legacy Funds)

Supplementary investments include:

- Funding for the Orange & Purple Charm City Circulator routes, including projected expenditures in FY15 of \$2.1M for the Orange Route and \$2.5M for the Purple Route.

I. Sustainable funding from the City and the State for A&E District Management

The organizations that manage and promote activities within Baltimore City's three Arts & Entertainment Districts have drawn international recognition, attracted new businesses and residents, and played crucial roles in the resurgence of each District. Despite this critical role, they each lack a sustainable funding source and must instead fundraise their budgets each year. This creates a burden on the management organizations' limited staff and distracts from their core mission. The management organizations of each Arts & Entertainment District, with the support of the Arts & Entertainment District Working Group, therefore requests sustainable

annual funding from the City of Baltimore and the State of Maryland.

18. From the City of Baltimore, the three management organizations respectfully request annual general operating support. With oversight from the Baltimore Office of Promotion and The Arts, Baltimore's A&E District Management Support could be established as a separate Growing Economy service with a proposed budget, and participate in the Outcome Budgeting process. In this way, the program's performance can be efficiently and effectively monitored. An annual funding commitment would further demonstrate the City's financial investment in the future of the Arts & Entertainment Districts, and will provide leverage with existing and future funders. This new service, along with the other Arts & Culture services in Growing Economy, contributes meaningfully to regional quality of life, making Baltimore a vibrant, attractive place to live.

Additionally, A&E District management organizations will independently secure outside funding sources as a match to the City's contribution.

I. Citywide coordinators

After reviewing the amount of meaningful and necessarily interagency work to do around organizing and leveraging Baltimore's A&E Districts, the Working Group also recommends that City agencies take the lead in administering the following:

19. BOPA will convene the three A&E Districts, the Mayor's Office, the BDC, and related agencies on a regular basis to resolve common issues, develop common programming and promote the districts to residents outside Baltimore.

II. Permits, Code, and Zoning in A&E Districts

Baltimore's A&E Districts are unique in their capacity to not only attract, but also to facilitate creative interim activation of underutilized or yet to be developed spaces in the city, both indoors and outdoors, and to instigate long-term development in the rejuvenation of existing buildings as cultural commodities. The character and excitement of events and temporary uses of these fringe spaces in the city is one of the driving attractions and successes of Baltimore's A&E Districts, to existing residents, emerging entrepreneurs in the arts and cultural sector, and to tourists looking for an alternative experience of the city.

Capitalizing on interim uses of undeveloped or underdeveloped locations within the districts should be viewed as one of the main goals to support economic, cultural, and residential growth in these areas, looking forward to advance long term development for a

cultural constituency and its patrons. Therefore, the Working Group recommends the following:

20. The City’s applicable agencies will collaborate with A&E District management and community stakeholders to establish an interim-use system for the purpose of enabling willing businesses, property owners, and residents to activate spaces that otherwise cannot be occupied, for cultural uses, such as studio, theatre, rehearsal space, etc., while the vested parties work towards a viable use and occupancy permit per city-wide building code. This would incentivize interim-use over vacancy in built indoor and outdoor environments by enabling projects that might not have the capacity to proceed immediately to a full U&O but might otherwise be operable (for example, “pop-up” retail or gallery use, artist studios, small scale performances, public art, etc.).

21. Convene a task force that includes partners from A&E District management, local community organizations, and applicable City agencies (i.e. Housing, Planning, and Zoning) to examine and incite development of prominent privately owned buildings and outdoor locations with known code or zoning issues, actively encouraging these properties in their redevelopment process and penalizing properties negligently vacant.

E. INCORPORATE MAYORAL INITIATIVES

Looking specifically at the Mayor’s “Growing Economy” outcomes, the Work Group identified ways in which activity within the A&E Districts supports or meets these stated outcomes. Baltimore’s A&E Districts address these initiatives by bringing international recognition to their respective areas of the city, attracting new businesses and residents, and playing integral roles in the resurgence of each District. The Working Group compiled the following recommendations to further drive the development of these areas as exciting places for tourism and residency as well as a strong business-friendly community and an attractive place to locate businesses:

22. Create a pool of General Obligation bonds for A&E District projects. Gap funding of this nature would be an enormous aid for redevelopment projects occurring within the A&E Districts.

23. Through BDC, create a program that incentivizes streetscape improvement in the A&E Districts, similar Baltimore Main Streets program, to attract and retain new residents and businesses to the neighborhood.

24. Extend eligibility for the BDC façade improvement program to commercial

buildings in all A&E Districts, for A&E District use.

25. Department of Transportation will work with A&E District management to improve bus shelters. Maryland Transit Administration or the relevant agency should also work directly with A&E District management to improve, clean, and maintain bus shelters in A&E Districts.

26. Include A&E District representation in planning efforts for new public transportation routes to advocate for increased connectivity between the A&E Districts and the rest of Baltimore City.

F. ANNUAL REPORTS

Baltimore's A&E Districts currently submit an annual report to the Maryland State Arts Council that includes information on the number of events and festivals held in the district, audience and attendance at these events, and estimates on vacancy, job creation, and new businesses. These reports are kept on file at the Maryland States Arts Council, and the data from the reports is compiled with data from A&E Districts across the state to inform a state-level programmatic publication.

To maintain knowledge at the local level about the current goals and accomplishments of Baltimore's A&E Districts, the Working Group recommends:

27. The A&E Districts commit to submitting respective annual report to the Mayor's Office that summarizes the Districts' accomplishments over the course of the year, sets goals, outlines a work plan for the following year, and reports on progress towards achieving goals from the previous year. Much information of this information can be found in the current Maryland A&E District yearly report, and will be tailored to Baltimore's citywide planning initiatives.

IV. MOVING FORWARD

This report proposes 27 recommendations and action items to be carried out by the A&E District management in partnership with the City, State, and other nonprofit partner organizations. The priorities amongst these recommendations are:

Annual A&E District meeting and presentation to the Mayor

An annual meeting of District management, their respective Board of Directors, and the Mayor would enable management to report on the status, accomplishments, and goals of the A&E Districts.

Collaborative marketing materials and programming

The A&E Districts will partner with each other and other organizations to generate a consistent message, and to maximize outreach efforts for incentives and programs in the Districts.

Provide clarity on existing A&E Districts tax incentives

Specifically, A&E District management would like to resolve existing confusion around the definition of “original design” and the applicability of the A&E District property tax credit in the Highlandtown and Station North A&E Districts.

Secure operating support

To date, the City has provided millions of dollars of support in Capital Improvement Projects and other financial investment in projects occurring within the boundaries of Baltimore’s A&E Districts. While these projects have brought positive change to the districts, it is not a direct investment in A&E District management or the activities they undertake. With this in mind, from the City of Baltimore, the three management organizations request annual general operating support, with oversight from the Baltimore Office of Promotion and The Arts. Baltimore’s A&E District Management Support could be established as a Growing Economy service with a proposed budget, and participate in the Outcome Budgeting process. The management organizations also request matching funds from the State of Maryland. Should the State fail to match the City’s funds, A&E District management organizations will secure new outside funding as a match. As mission-based 501(c)3 nonprofit organizations, this funding will be used to fulfill the stated mission of each District.

The Working Group also identified the following areas and issues in need of further study:

1. Examine the potential for revising or creating new policies, incentives, and programs that would incentivize the preservation of existing art spaces, infill development for arts enterprises, and public space and streetscape improvements in A&E Districts.
2. Create flexible code and zoning variances to encourage and facilitate increased interim use pop up” commercial and artist workspace in A&E Districts.

NEXT STEPS

Out of these recommendations and areas in need of further study, the Working Group has identified the following tasks and deliverables:

Task 1: Marketing, Outreach, and Collaboration

- Continue monthly meetings between A&E District management and BOPA. (Recommendations 1, 2)
- Submit joint application for Technical Assistance Grant to the Maryland State Arts Council. (Recommendation 7)
- Using the Technical Assistance Grant, create unified marketing materials. (Recommendations 8, 9, 10)
- Approach nonprofits and city organizations such as Live Baltimore, Greater Baltimore Cultural Alliance, and Baltimore Development Corporation to assess interest in and ability to partner on A&E District outreach events and programming; begin planning partner events based on responses and availability of organizations' schedules and resources. (Recommendations 4,5,6, 11)

Task 1 Deliverables:

- Year End reports from the respective Baltimore A&E Districts. (Submitted each December) (Recommendation 27)
- Annual Meeting of the three A&E District Boards of Directors and staff to be followed by, or in made in tandem with, a presentation to the Mayor. (Convened each January) (Recommendation 3)
- Updated A&E District marketing materials made available for distribution.

Task 2: A&E District Policy and Incentives

- Convene an interagency task force comprised of representatives from City of Baltimore Finance Department, Baltimore Development Corporation, Baltimore Housing, Planning and other relevant offices to research policy and incentive issues highlighted in the Report.
- Identify officials at the City level that can assist with discussing and revising existing legislation, as well as identify timelines for amendments or introducing new legislation, introducing new budget items, etc. (Recommendations: 12, 13, 14, 15, 16, 17, 18, 20, 21, 22).
- Where necessary and appropriate, enlist the Mayor to assist in advocating at the State Level for the A&E Districts. (Recommendations: 15, 16, 17, 18, 19)
- Convene a second interagency task force of similar composition to address issues of event permitting, interim use, and vacant or “problem” properties within the A&E Districts. (Recommendations: 21, 23, 24)
- Include A&E District management in Planning and Department of Transportation initiatives that address issues of transportation connectivity, bus shelters, and streetscape improvements. (Recommendations: 23, 24, 25, 26)

Task 2 Deliverables:

- Task force reports
- Talking points for the Mayor

APPENDIX A:

A&E DISTRICT PROFILES

While Baltimore's three A&E Districts share goals of driving investment that bolsters Baltimore's economy and neighborhood resiliency through arts-based revitalization, each District is uniquely situated within the broader neighborhoods in which they are located. The following profiles explain the districts' respective urban contexts, management structure, boundaries, mission statements and vision, and pertinent community organization partners.

BROMO TOWER ARTS & ENTERTAINMENT DISTRICT

Description

Located in Downtown Baltimore, the Bromo Tower Arts & Entertainment District was established in 2012 to realize the area's potential as a thriving downtown arts neighborhood. The Bromo Tower A&E District, anchored to the south by the Bromo Seltzer Arts Tower, stretches north to include the historic Lexington Market and up to Antique Row, just blocks away from Mount Vernon. The District is conveniently located in close proximity to the city's main sports venues, the convention center, central business district, the Inner Harbor, the University of Maryland and Mount Vernon. The District builds on a significant collection of existing cultural assets, including large visual and performing arts venues and local artist-run spaces offering a professional, high-caliber of visual artistic production and display, performance art and theatre.

The Bromo District is well-served by several modes of transportation including the light rail, MARC train (regional commuter line), Metro system (subway), MTA local bus lines and the Charm City Circulator (fare-free). An additional rail transit line (Red line) is under development and will include a hub stop just south of the Bromo Seltzer Arts Tower at Lombard and Eutaw Streets.

The initiative to designate the Bromo Tower Arts & Entertainment District grew out of a Westside Arts & Culture task force launched by Mayor Stephanie Rawlings-Blake. The formation of the district was spearheaded by the Mayor's Office, Downtown Partnership of Baltimore, the Baltimore Office of Promotion & the Arts, Hippodrome Theatre and Everyman Theatre, in strong collaboration with diverse group of local stakeholders, institutions, organizations and individuals.

Management structure

The Bromo Tower Arts & Entertainment, Inc. (BTAE) organization was established in October 2012 to promote and facilitate arts and entertainment activity in the District. The organization is managed by a 13-member Board of Directors that oversees the organization's financial, organizational, fundraising and programmatic activities and meets bi-monthly. The organization is a 501c3 nonprofit organization.

Programmatic activities are also implemented in conjunction with a separate Arts Advisory Committee comprised of artists and arts organizations in the District. The Board of Directors oversees the activity of a full-time staff member, who is employed by the non-profit organization Downtown Partnership of Baltimore and reports directly to both that organization's Economic Development team as well as to the BTAE Board of Directors.

Mission & vision

The vision for the Bromo Tower Arts and Entertainment District is a thriving and diverse cultural corridor in Downtown Baltimore, offering an array of high-quality visual and performing arts spaces, galleries, restaurants, retail and housing accessible to all residents of Baltimore and beyond.

Boundaries and map

A 117-acre area bounded by Park Avenue to the east, Lombard Street to the south, Paca Street to the west and MLK Boulevard to the north.

Bromo Tower Arts & Entertainment District

Art Assets

1. Randall Scott Projects
2. MUSE 360
3. XOL Art Gallery
4. Dance Baltimore
5. ArteFactory Baltimore
6. Eubie Blake National Jazz Institute and Cultural Center
7. Arena Players
8. Kelly Walker Fine Art
9. Baltimore School for the Arts
10. AT Jones & Sons Costume Shop
11. Maryland Historical Society
12. Open Space
13. Freddy
14. Franklin Street
15. H&H Building
16. bb
17. Current Space
18. Gallery Four
19. Fluid Movement HQ
20. The Whole Gallery
21. Platform Arts Center
22. Downtown Cultural Art Center
23. Maryland Art Place
24. 14 Karat Cabaret
25. Jordan Faye Contemporary
26. Stephen Wise Baltimore
27. Lexington Market
28. Maryland Women's Heritage Center
29. Everyman Theatre
30. Westminster Hall & Poe Grave Site
31. Hippodrome Theatre at the France - Merrick Performing Arts Center
32. EMP Collective
33. Royal Farms Arena
34. Bromo Seltzer Arts Tower

Legend

-  Tower Arts & Entertainment District
-  Art Assets
-  Art Assets
-  Property Boundaries
-  Buildings
-  Parks



Board of Directors

President: Vincent M. Lancisi, Everyman Theatre
Treasurer: Mark L. Wasserman, University of Maryland Medical Center
Secretary: Bill Gilmore, Baltimore Office of Promotion & The Arts
Kathleen Byington, University of Maryland Baltimore
Kirby Fowler, Downtown Partnership of Baltimore,
Jim French, French Companies
Ron Legler, Hippodrome Theatre
David Mitchell, Arena Players & Greater Baltimore Cultural Alliance
Brian Oster, Cho Benn Holback Architects
Catherine Pugh, State Senate
J. Michael Riley, M&T Charitable Foundation
Sharayna Christmas Rose, Muse 360 Arts
Amy Cavanaugh Royce, Maryland Art Place

Staff

Priya Bhayana, Director

HIGHLANDTOWN ARTS & ENTERTAINMENT DISTRICT

Description

The Highlandtown Arts and Entertainment District, also known as Highlandtown Arts or ha!, is one of the largest districts in the State. Consisting of 335 acres and nearly 10,000 people, it also contains one of the largest Main Street Districts in the City. Historically settled by first generation immigrant families from central and southern Europe, it is now being reborn with new immigrant families from Central and South America, as well as a number of other countries in Asia, Africa and the Middle East.

Highlandtown is very different from many other Arts and Entertainment Districts. Highlandtown is a busy, diverse and multi-layered neighborhood, and the arts district is just one of many activities in the area. From old Italian and Bohemian social clubs, to new businesses owned by immigrants from all over the world, Highlandtown has a lively, global mix of residents. Most of its residents are young and new to the area, and unfamiliar with each other and the neighborhood traditions and institutions that came before them. The Highlandtown Arts and Entertainment District is a bridge between different cultures, where art is a tool to bring together people of different backgrounds, nationalities, races and ethnicities that now live together. In Highlandtown, the Arts and Entertainment District is a tool for building social capital, in other words, a tool to build positive connections between neighbors.

Management structure

The management structure of the Highlandtown Arts District is a collaborative process consisting of residents, artists and volunteers from the community that are supported by staff from the Creative Alliance, the Highlandtown Main Street District and the Southeast Community Development Corporation.

Five years ago, a variety of nonprofit and community organizations began meeting regularly to coordinate their work in Highlandtown. With help from the Baltimore Community Foundation, a major survey was completed to determine resident's attitudes towards their neighborhood. From that large survey, the group determined that there was a severe disconnect between the young and the old in the community. With help from the Temple University inter-generational center, it launched a series of events that used the arts to bring different age groups together around a common positive endeavor. That group became institutionalized as a leadership team called "Communities for All Ages" which implemented an inter-generational strategy in the arts district. The Baltimore Community Foundation, recognizing the collaborative and comprehensive nature of the work, awarded Highlandtown a five-year grant under its Targeted Neighborhood Initiative that has provided capital and operating resources for the District.

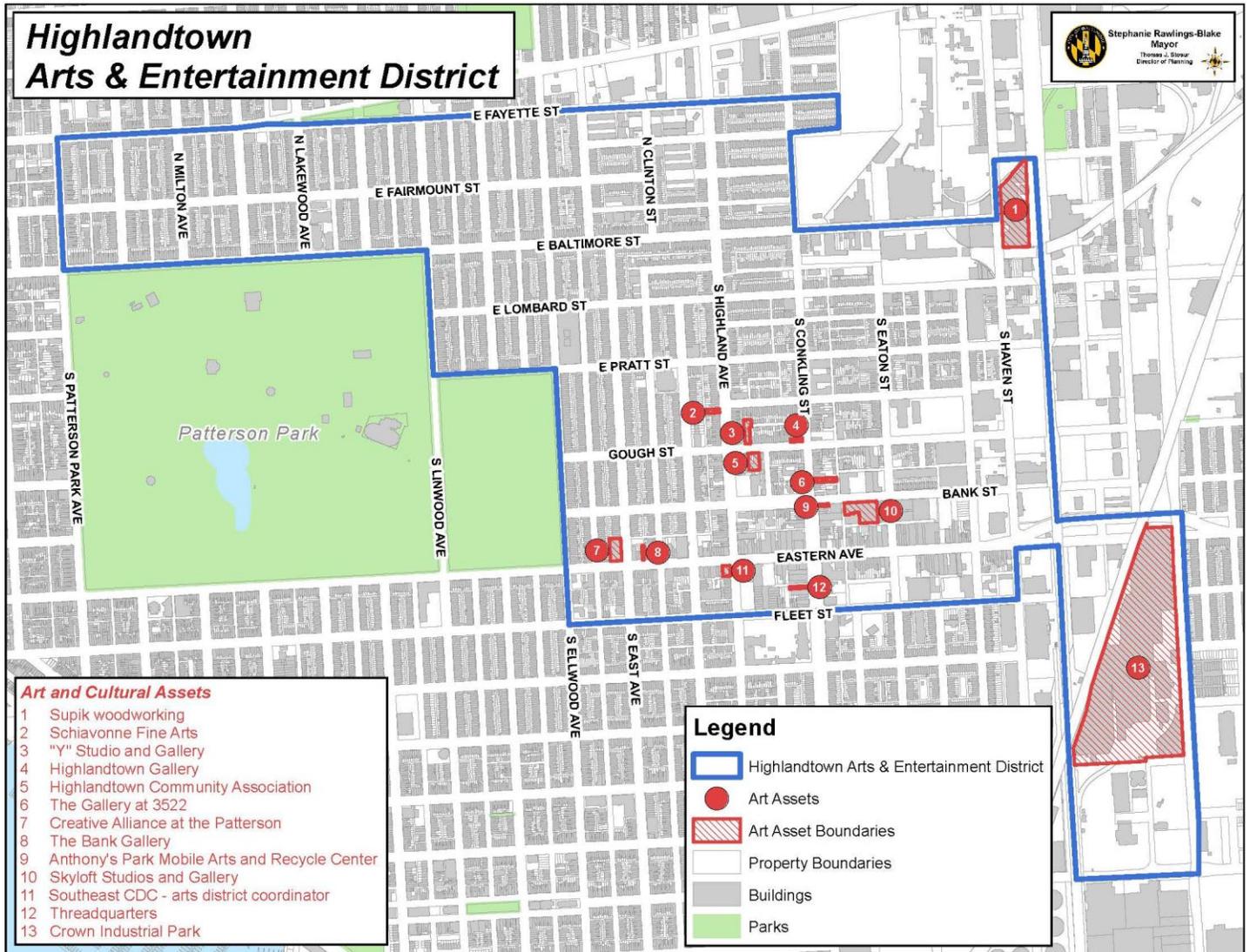
Mission & vision

The mission of Southeast Community Development Corporation is to promote healthy, dynamic and diverse communities in Southeast Baltimore. In the Highlandtown Arts and Entertainment District, the mission and vision has focused on the word vibrant. We define vibrant as "something to do within walking distance", and in the Highlandtown Arts and Entertainment District there is always something to do within walking distance.

Nevertheless, we are also conscious of our diversity, and of demographics of our neighborhood. Most of our residents are now young people, many of which are not even from this country, much less from this neighborhood. Our vision for the Highlandtown Arts and Entertainment District is one that brings these young, diverse families from all over the world together, bonding over common, arts related positive experiences in their neighborhood.

Boundaries and map

A 335-acre area bounded by Patterson Park Avenue/East Fayette Street/Friendship Cemetery/East Baltimore Street/Haven Street/Norfolk Southern tracks/Eastern Avenue/CSX tracks/O'Donnell Street/Norfolk Southern tracks/Fleet Street/South Ellwood Avenue/Patterson Park.



Board of Directors

The Southeast Community Development Corporation Board of Directors:

Chair: Carolyn Krysiak, Maryland General Assembly (ret'd)

Vice Chair: Douglas E. Schmidt, Chesapeake Real Estate Group, LLC

Secretary: Dr. Richard Bennett, Hopkins Bayview Medical Center

Treasurer: Bobby Edmondson

Agnes Arnold, Eastern Savings Bank

Father Luigi Esposito, Our Lady of Pompeii Church

Michelle Fields-Hall, George Mason Mortgage

Jason Filippo, Remax Preferred

Steven Gondol, Live Baltimore

Amy M. McClain, Ballard Spahr LLP

Cecilia Mendoza, C&H Services, Inc.

Mark Parker, Breadth of God Lutheran Church
Carlos Plazas, Planned Parenthood
Laura M. Randall, World Capital Lending
Jose Rivas, Central Realty
Jeff Samet, Cassidy Turley
Matthew Seward, DTZ
Daniel O'Connell Tracy
Elaine Welkie, Hopkins Bayview Community Relations
Sonja Wells, M&T Bank

Staff

Chris Ryer, Director, Southeast Community Development Corporation
Kari Snyder, Director of Neighborhood Programs and Marketing
Amanda Smit, Highlandtown Main Street Manager
Andy Dahl, Arts and Entertainment District Coordinator

STATION NORTH ARTS & ENTERTAINMENT DISTRICT

Description

Located in the heart of Baltimore, Station North was the first area in Baltimore to receive the State designation as an Arts & Entertainment District in 2002. Spanning the neighborhoods of Charles North, Greenmount West, and Barclay, Station North is a diverse collection of artist live-work spaces, galleries, rowhomes, and businesses, all just steps away from Penn Station, Mount Vernon, Charles Village, the Maryland Institute College of Art, the University of Baltimore, and Johns Hopkins University. There are now 22 Arts & Entertainment Districts in Maryland, and similar programs in dozens of states. Station North continues to serve as a national model for Arts & Entertainment Districts, while Station North Arts & Entertainment District's staff continues to speak locally, nationally, and internationally about the success of Station North.

Management structure

Station North Arts & Entertainment, Inc. (SNAE), a nonprofit organization, manages and promotes activities in the Station North Arts & Entertainment District. SNAE's board, comprised of local community and business representatives, artists, city-wide arts leaders, representatives of anchor institutions, and other stakeholders, directs SNAE. The nonprofit is funded primarily by local foundations and anchor institutions, as well as national foundations and individuals.

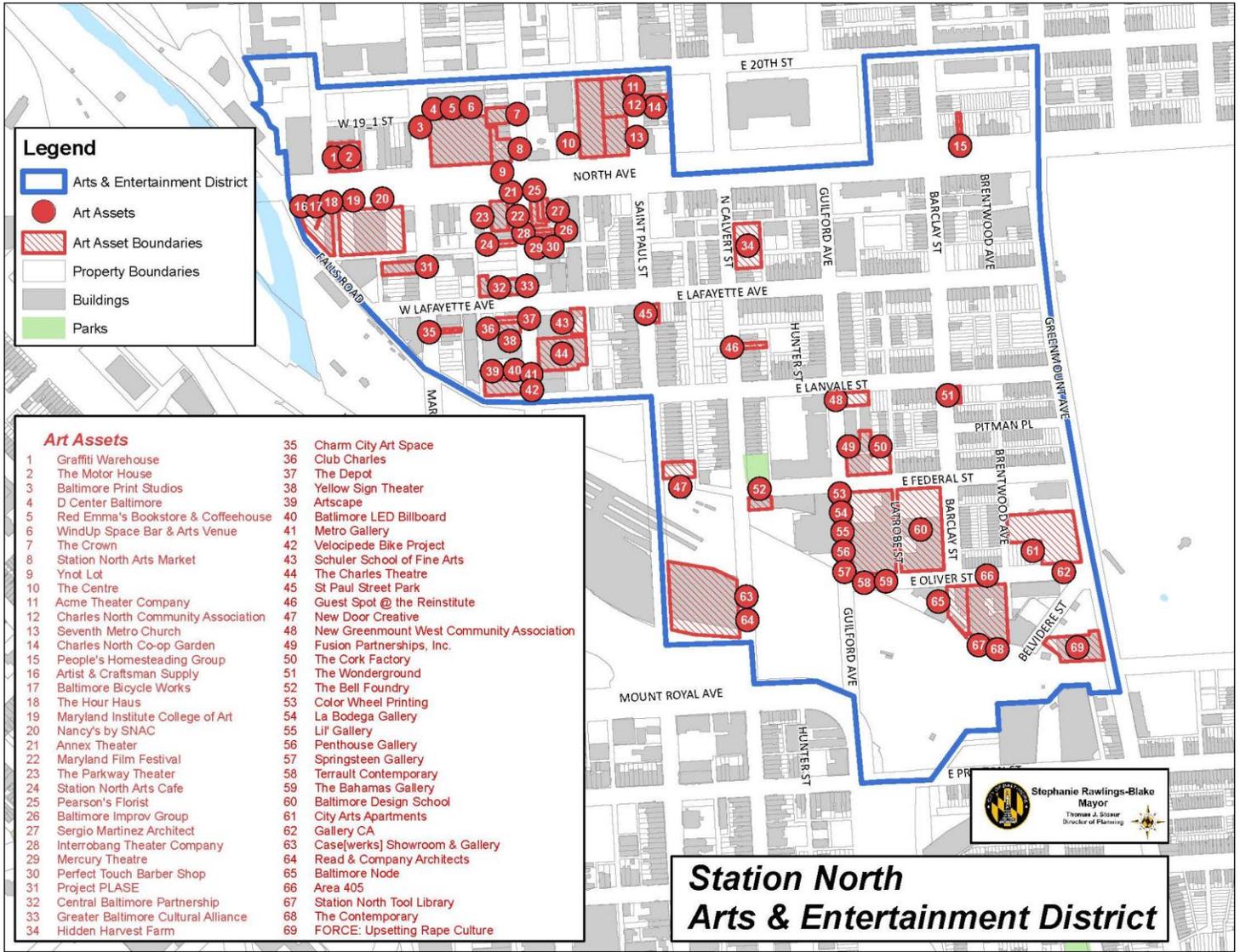
Mission & vision

SNAE strives to ensure that the Station North Arts & Entertainment District builds on its reputation as a nationally recognized creative hub and maintains its appeal to a diverse population of locals and visitors from near and far.

Station North Arts & Entertainment, Inc. employs an arts-based revitalization and placemaking strategy by managing quality public art projects, providing thought-provoking programming, and forging strong supportive relationships with local artists, designers, residents, businesses, and institutions to guide development in the Station North Arts & Entertainment District.

Boundaries and map

A 99-acre area starting at the corner of W. 20th and Howard, the northern boundary of Station North runs along 20th Street to N. Calvert. The northern boundary dips south between Saint Paul and Calvert (excluding the School Administration parking lot) to E. North Avenue until Barclay. The boundary turns north along Barclay back up to 20th Street. It runs along 20th Street until Greenmount Avenue. Station North is bounded to the east by Greenmount Avenue, running along the western side of Greenmount Avenue from 20th Street to Oliver Street. Starting at Greenmount Avenue, Station North is bounded to the south by the railway, including the area directly to the north of the railroad tracks, until St. Paul Street. The southern boundary of Station North extends across the railroad tracks between N. Calvert and St. Paul Street to include the Railway Express Building. The boundary heads north along St. Paul Street to E. Lanvale, where it continues along the north side of Lanvale until Lanvale turns into Falls Road. The boundary continues along Falls Road until North Avenue, including the parcels on the western side of Howard Street between North Avenue and 20th Street.



Board of Directors

Chair: Mike Molla, Vice President for Operations, Maryland Institute College of Art
Treasurer: Lat Naylor
Elaine Asal, Senior Associate, Design Strategist, Gensler
Myrtis Bedolla, Galerie
Pierre Bennu, Principal Creative, Exittheapple
Cynthia Blake Sanders, Ober|Kaler
Doreen Bolger, Past Director, Baltimore Museum of Art
Kevin Brown, Station North Arts Café
Diane Cho, Principal, Cho Benn Holback + Associates
Thomas Dolby, Homewood Professor of the Arts, Johns Hopkins University
Joe Edwardsen, Joe Squared Pizza
Kirby Fowler, President, Downtown Partnership of Baltimore
Dale Hargrave, New Greenmount West Community Association
Steve Himmelrich, Founder, Himmelrich PR
Gary Kachadourian
Mac Maclure, Director, Robert W. Deutsch Foundation & Baltimore Arts Realty Corporation
Frank McNeil, Assistant Vice President/Community Consultant, PNC Financial Services Group
Frank Perrelli, Office of the Governor
Elliott Rauh, Managing Director, Single Carrot Theatre
Neb Sertsu, Vice President, Department of Facilities Management and Capital Planning, University of Baltimore
Sara Warren, Director of Corporate, Foundation and Government Relations, Maryland Institute College of Art
James Vose, Founder and Co-Owner, Area 405
Steve Ziger, Principal, Ziger Snead Architects

Staff

Ben Stone, Executive Director
Kate Ewald, Media & Communications Manager

APPENDIX B: MEMORANDUM



MEMORANDUM:

TO: Kalliope Parthemos, Colin Tarbert
CC: Casey Brent

FROM: Bill Gilmore

SUBJECT: Baltimore Arts & Entertainment Districts Working Group

DATE: September 25, 2014

Overview: Baltimore City includes three Art & Entertainment Districts: Station North, Highlandtown and BromoTower Arts. For the past five years the Maryland State Arts Council (MSAC) has documented the economic impact of A&E Districts across the state. The proposed working group will focus on developing a report to advise the Mayor on the impacts of the city's A&E Districts specifically as they relate to the Growing Economy SMART goals, to strengthen Baltimore's economy and promote economic and cultural opportunities for all its residents, to assess existing benefits in the Districts, and to support the Mayor's advocacy of the District's concerns to MSAC: dedicated funding, tax benefit housing in the districts, and clear and conclusive definitions of qualifying artists and arts businesses.

Scope of the Working Group:

- Draft a mission statement
- Create a committee of stakeholders from each A&E District
- Recommend A&E District goals, with implementation strategies and tasks
- Complete and submit a report to the Mayor

Current Schedule:

Baltimore's A&E Districts currently meet monthly to discuss joint projects, currently the Getting to Know Europe / Artplace creative place making program. This meeting includes A&E District Managers and support staff from partner organizations involved in project planning.

In addition, A&E District Managers and stakeholders from each District meet to review existing incentives available in the Districts, evaluate the designation/ re-designation process, and establish a uniform message used by Baltimore's A&E Districts. These focused meetings will begin in April and continue through August 2014, with a final report submitted to the Mayor in September.

Meetings:

Meeting 1- Establish Tasks and Timeline/Deadlines	April 22, 2014
Meeting 2	May 20, 2014
Meeting 3	June 4, 2014
Meeting 4	July 9, 2014
Meeting 5	August 26, 2014
Meeting 6 – <i>Incentives Subcommittee Meeting</i>	September 16, 2014
Meeting 7	October 15, 2014(TBA)
Meeting 8	October 29, 2014 (TBA)
Draft Complete and Circulated for Revisions	November 14, 2014
Final Report Complete and Submitted to the Mayor	November 28, 2014

A&E District Manager's Meeting Group Members:

Casey Brent, Special Assistant, Mayor's Office - Economic and Neighborhood Development
Bill Gilmore, Baltimore Office of Promotion & The Arts
Krista D Green, Baltimore Office of Promotion & The Arts

Chris Ryer, Southeast CDC/ Highlandtown A&E District
Margaret Footner, Creative Alliance / Highlandtown A&E District
Gina Caruso, Creative Alliance / Highlandtown A&E District
Ben Stone, Station North A&E District
Rebecca Chan, Station North A&E District
Priya Bhayana, Bromo Tower A&E District

Additional Working Group Members:

Mike Molla, MICA (Station North)
Marian Glebes, Guppy Management & Station North artist and curator, (Station North)
Jeffrey Kent, Subbasement Studios (Bromo Tower)
Jessica Lanzillotti, Everyman Theatre (Bromo Tower)
Jim French, French Companies (Bromo Tower)
Kari Snyder, Director of Neighborhood Programs, SECDC (Highlandtown)
Laura Larsen, Budget Management Analyst I, City of Baltimore
Pamela Dunne, Program Director, Community Arts Development, Arts & Entertainment Districts, MSAC

Task List:

Task 1: Attend Annual State Convening of A&E District Managers - Complete

On March 18, the state will convene District Managers and representatives from around the state. During the meeting Districts are updated to activities at the state level regarding the A&E program and will receive the latest economic impact report, produced by Towson University: Regional Economic Studies Institute. In addition speaker topics will include: Tourism 101 (Marci Ross, Assistant Director for Tourism Development, MD Office of Tourism Development); The A&E National Briefing (Paul Pietsch, Research Manager, National Assembly of State Arts Agencies); The National Endowment for the Arts (NEA) Experience with Livability Indicators (Steve Shewfelt, Deputy Director Research & Analysis, NEA); The Art of Community Branding (Ben Muldrow, Partner, Arnett, Muldrow & Associates)

Task 2: Develop a focus group - Complete

The core Working Group will be expanded to include community stakeholders. The focus group's primary task is to produce the final report.

Update(s):

Focus group meets every month, in addition to the A&E District managers meeting. Group attendees listed above. Rebecca Chan has been engaged as writer for the final report

Task 3: Create a uniform message

MSAC identifies the Districts as “structures for Creative Placemaking: [that] help develop and promote community involvement, tourism and revitalization through tax-related incentives that attract artists, arts organizations and other creative enterprises”. Though the A&E District program has been active in the City for more than a decade, there has not been established an overarching mission and set of goals for the program. Through this Working Group an overarching Mission for the District program in Baltimore City will be established with supporting goals.

Update(s):

Ben Stone is reviewing the mission statements currently in use in each District. He will draft a revised statement, and present it to the group at the October meeting.

Task 4: Evaluate existing incentive programs available in the Districts

Within state designated Arts & Entertainment District, artists, businesses and individuals living and working within the denoted boundaries may take advantage of several place-based tax incentives: Income Tax Subtraction Modification, Property Tax Incentive and Admission & Amusement Tax Exemption. The working group will review the success /fail of the incentive program in the Districts, and make recommendations for future progress.

Update(s):

Pamela Dunne (State Arts Council) reviewed the language changes in the State Legislation regarding A&E Districts.

A sub-group of the task force: Marian Glebes, Chris Ryer, Mike Molla, Laura Larsen, and Jim French are reviewing the credits used in the Districts.

Dan Taylor (BDC) has been invited to participate in the sub-group.

Subcommittee reviewed current district incentives and has prepared a report. Chris Ryer will present at October meeting.

Property Tax Incentive Sunset? – Laura Larsen is determining if the following information is correct “a renewal of the district is a renewal of the 10 years that the district is eligible under city law for the property tax credit.”

Task 5: Evaluate A&E District Designation / Re-designation process including increase and decrease District Boundaries

Currently MSAC's requirements for District designation or re-designation, and boundary expansion or decrease are the same, with boundary applications requiring the addition maps featuring; Taxable property, Smart Growth priority funding area, and building inventory; and language specifying the size of the proposed districts. The Working Group will recommend additional qualifiers for the Districts in Baltimore City, that will strongly make the case for each type of designation or boundary modification.

Update(s):

In the July meeting, the group started the discussion about designation/re-designation requirements for city districts: Establishment of rules for boundary changes, establishment of rules for the creation of new districts, what are the critical components that should be included in a 'case-making' statement. Ben Stone and Maria Glebes are reviewing current guidelines in Maryland and other states with A&E District programs, and will present their findings at the October meeting.

Task 6: Incorporate Mayoral Initiatives

Looking specifically at “Growing Economy”, the Working Group will evaluate A&E District Program and its support of the SMART goal “By the end of 2015, increase by 10% the number of citizens who rate the City as being rich in cultural opportunities”, which speaks to the quality of life indicators, including strengthened connectivity of residents cultural opportunities, maintaining and improve public infrastructure that supports tourism and arts, culture attractions and retail, prioritizing efforts that focus on safety, transit-friendly/walkability and developing a mission and supporting goals that identify the A&E Districts as an exciting place for tourism and residency as well as a strong business-friendly community and an attractive place to locate businesses.

APPENDIX C:

A&E DISTRICT LEGISLATION

ARTS AND ENTERTAINMENT DISTRICTS.

NOTE: Subparagraph (f) shall take effect July 1, 2014, and shall be applicable to all taxable years beginning after December 31, 2013.

§ 4-701. Definitions.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Artistic work” means an original and creative work that:
- (1) is created, written, composed, or executed; and
 - (2) falls into one of the following categories:
 - (i) a book or other writing;
 - (ii) a play or performance of a play;
 - (iii) a musical composition or the performance of a musical composition;
 - (iv) a painting or other picture;
 - (v) a sculpture;
 - (vi) traditional or fine crafts;
 - (vii) the creation of a film or the acting within a film;
 - (viii) the creation of a dance or the performance of a dance;
 - (ix) the creation of original jewelry, clothing, or design; or
 - (x) any other product generated as a result of a work listed in items (i) through (ix) of this paragraph.
- (c) “Arts and entertainment district” means a developed district of public and private uses that:
- (1) is distinguished by physical and cultural resources that play a vital role in the life and development of the community and contribute to the public through interpretive, educational, and recreational uses; and
 - (2) ranges in size from a portion of a political subdivision to a regional district with a special coherence.
- (d) “Arts and entertainment enterprise” means a for-profit or not-for-profit entity dedicated to visual or performing arts.
- (e) “Political subdivision” means a county or municipal corporation.
- (f) “Qualifying residing artist” means an individual who:
- (1) owns or rents residential real property in the State;

(2) conducts a business in any arts and entertainment district; and

(3) derives income from the sale or performance within any arts and entertainment district of an artistic work that the individual wrote, composed, or executed, either alone or with others, in any arts and entertainment district.

§ 4-702. Scope.

This subtitle does not apply to:

(1) the creation or execution of artistic work for industry-oriented or industry-related production;
or

(2) tailoring services, clothing alteration, or jewelry repair.

§ 4-703. Criteria.

(a) The following political subdivisions may apply to the Secretary to designate an arts and entertainment district:

(1) a political subdivision for an area within that political subdivision;

(2) with the prior consent of the municipal corporation, a county, on its own behalf or on behalf of a municipal corporation, for an area in the municipal corporation; or

(3) two or more political subdivisions jointly for an area astride their common boundaries.

(b) The application shall:

(1) be in the form and manner and contain the information that the Secretary requires by regulation;

(2) contain sufficient information to allow the Secretary to determine if the proposed district qualifies under §§ 4-701(c) and 4-704(a) of this subtitle; and

(3) be submitted for a political subdivision by its chief elected officer or, if none, its governing body.

§ 4-704. Designation of Arts and Entertainment District.

(a) The Secretary may designate an area as an arts and entertainment district only if the area is a contiguous geographic area that is wholly within a priority funding area as provided under § 5-7B-02 of the State Finance and Procurement Article.

(b) (1) Within 60 days after a submission date, the Secretary may designate one or more arts and entertainment districts from among the areas in the applications timely submitted.

(2) A county may not receive more than one arts and entertainment district designation in a calendar year.

(c) The designation of the Secretary is final.

(d) At any time, a political subdivision may reapply to the Secretary to designate as an arts and entertainment district an area that is not so designated.

§ 4-705. Expansion of Arts and Entertainment District.

(a) A political subdivision may apply to the Secretary to expand an existing arts and entertainment district in the same manner as the political subdivision would apply to designate a new arts and entertainment district.

(b) (1) Notwithstanding subsection (a) of this section and § 4-704(a) of this subtitle, in Queen Anne's County, the governing body may establish an arts and entertainment district composed of noncontiguous areas in the county, including noncontiguous areas within a municipal corporation in the county, subject to

the Secretary's designation of the district as an arts and entertainment district in the county.

(2) In applying for the establishment of an arts and entertainment district in accordance with paragraph (1) of this subsection, the Queen Anne's County governing body shall comply with the provisions of § 4-703 of this subtitle.

§ 4-706. Tax Qualifications; Notification Requirements.

(a) In an arts and entertainment district:

(1) each qualifying residing artist is eligible for the income tax subtraction modification under § 10-207(v) of the Tax – General Article;

(2) the property tax credit under § 9-240 of the Tax – Property Article applies; and

(3) the exemption from the admissions and amusement tax under § 4-104 of the Tax – General Article applies.

(b) (1) On or before July 1 preceding the effective date of its establishment, the Secretary shall notify the Comptroller that an arts and entertainment district is established.

(2) The subtraction modification under § 10-207(v) of the Tax – General Article applies to each taxable year beginning after December 31 of the year in which the Secretary provides the notice required by paragraph (1) of this subsection.

§ 4-707. Adoption of Regulations.

The Secretary shall adopt regulations on application procedures and criteria to designate arts and entertainment districts.