

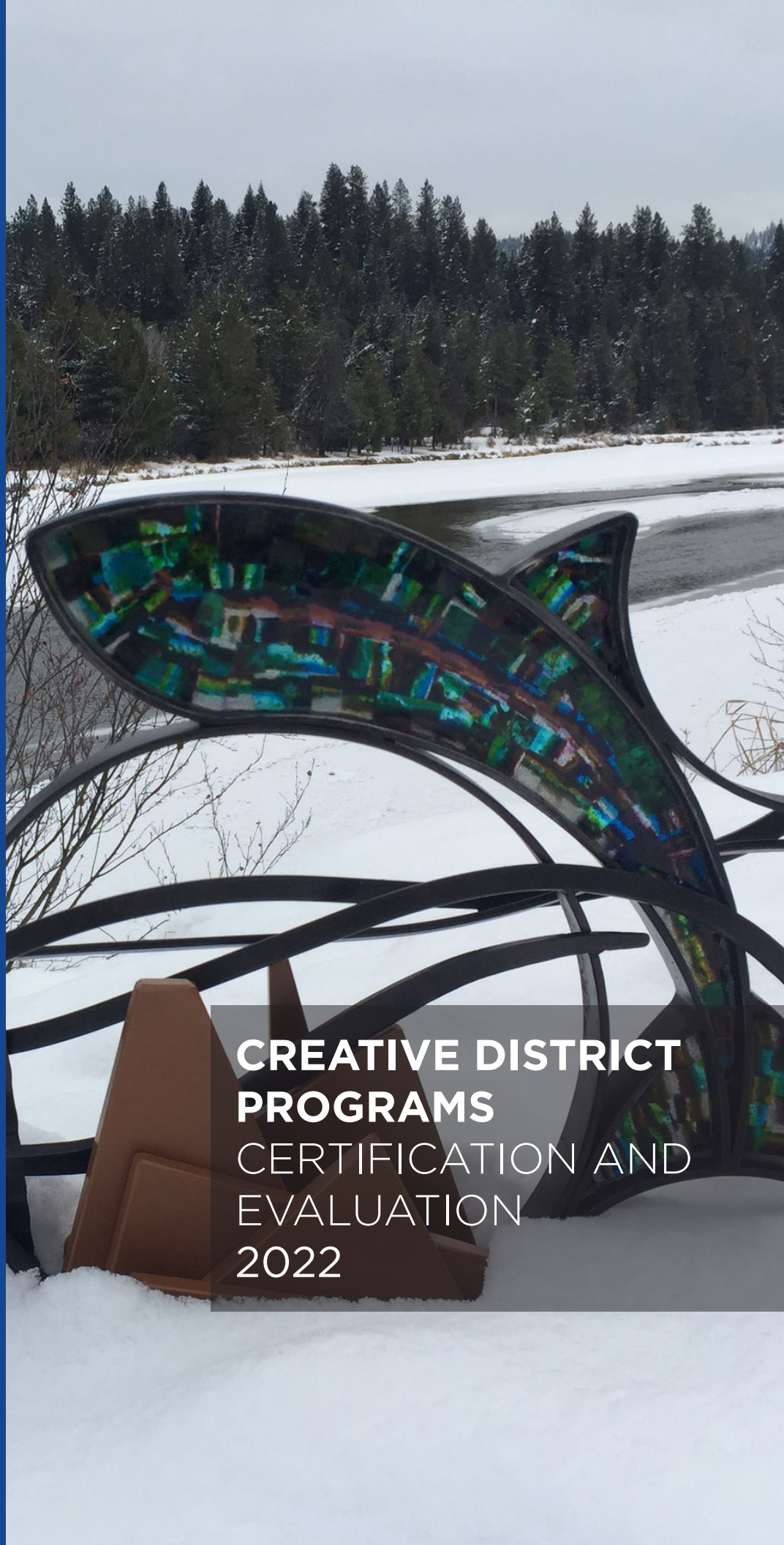
2022

## **Creative District Programs**

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**CREATIVE DISTRICT  
PROGRAMS  
CERTIFICATION AND  
EVALUATION  
2022**



**BOISE STATE UNIVERSITY**  
IDAHO POLICY INSTITUTE

# CREATIVE DISTRICT CERTIFICATION AND EVALUATION

## EXECUTIVE SUMMARY

The Idaho Commission on the Arts commissioned Idaho Policy Institute (IPI) to review best practices related to the establishment of state creative district (CD) programs. Specifically, IPI sought to answer the following research questions:

1. Where are creative district efforts typically housed?
2. What is the most effective role for state arts agencies?
3. How do communities seek and receive creative district certification?
4. What baseline metrics are used to evaluate creative districts?
5. What other data elements are identified at the beginning of cultural planning efforts?

Drawing on existing research and a review of all active programs in 18 states, this report identifies several creative district best practices and lessons learned.

**Certification process:** States require potential districts to meet various eligibility criteria involving entity types, public involvement, funding, staff and leadership, planning, assets, and boundaries. Certification processes also vary in terms of program benefits, application process and materials, review process, and reporting requirements.

**District governance:** Creative district leadership can involve governmental, quasi-governmental, nonprofit (non-arts or arts), private for-profit, and artist-led efforts. These models come with different funding sources and types of community representation. Research suggests that certain models may work better for different districts.

**State leadership:** State arts agencies typically manage the entire creative district process, but some agencies only oversee district authorization or program administration. To administer creative district programs, arts agencies have partnered with a range of other state agencies, including ones focused on tourism, transportation, economic and business development, housing, recreation, and humanities.

**Evaluation metrics:** States use various evaluation metrics to measure the impact and success of individual creative districts. Metrics suggested in previous research and covered in program materials include a range of data categories and types, while some states allow districts to report progress through narrative responses or give communities the flexibility to choose their own data.

# METHODS

## LITERATURE REVIEW

IPI conducted a literature review of academic research and arts-related publications. For research questions not largely covered in the literature—particularly ones related to the certification process—IPI reviewed publicly available program materials to synthesize common and unique characteristics of states’ creative district programs. Specific program information was accessed on state creative district websites, including supplementary material such as application documents, reporting forms, and other resources provided for potential and active districts in these states. Appendix A contains a list of state programs with links to individual websites. While IPI’s review of program materials was conducted as thoroughly as possible, not all information about a particular program may be available online. As a result, state-specific findings presented in this report are not exhaustive. Among the 18 active state programs, tables in the following sections contain data on 16 states, excluding New Jersey (inactive) and Rhode Island (unique statewide district). If a state is listed in a table but lacks specific data, it either does not have the applicable policy or the state’s program materials do not refer to the topic.

## INTERVIEWS

Supplementing findings from previous research and program materials, IPI conducted interviews to gain qualitative insight into the advantages and disadvantages of different creative district programs. The National Assembly of State Arts Agencies (NASAA) provided a contact list of arts agency leaders and creative district managers. IPI targeted states with both urban and rural populations and potential interviewees with diverse perspectives based on program age, position type (agency leadership versus CD program manager), and other unique characteristics (e.g., level of funding available to districts). Six virtual interviews were conducted between October 11-14, 2022. The qualitative insight uncovered in interviews and contained in this report is anonymous, allowing leaders to provide honest insight into their state’s program.

# CERTIFICATION PROCESS

As noted by NASAA, “Every state arts agency establishes its own procedures according to the program’s authorizing legislation, the state arts agency’s capacities, state regulations, and other contextual considerations.”<sup>1</sup>

This section identifies eight components of state cultural district programs: district eligibility, program benefits, application process, application materials, selection criteria, review process, appeal process, and reporting requirements.

## DISTRICT ELIGIBILITY

NASAA notes that as program demand increases, states can maintain quality control by limiting the number of CDs or becoming more selective with designations.<sup>2</sup> The following district eligibility criteria overview how states specify requirements related to applicant entity, public involvement, funding, staff and leadership, planning, assets, and boundaries.

**TABLE 1: ENTITY TYPES**

	Partnership	Municipality/ county	Nonprofit	For-profit business	Art org/collective	Local agency	College arts institution	Tribal government	School board	Other
California	x	x	x	x	x					
Colorado										x
Connecticut		x								
Indiana		x								x
Iowa	x	x	x	x						
Kentucky										
Louisiana		x								
Massachusetts	x	x								
Maryland		x								
Nebraska	x	x	x	x	x	x				x
New Mexico										
Oklahoma										
South Carolina		x								x
Texas					x	x	x			x
Washington	x	x	x			x		x		
West Virginia		x	x			x			x	
<b>Total</b>	<b>5</b>	<b>11</b>	<b>5</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>5</b>

Sample entity requirements:

- **California:** “Only organizational partnerships are eligible to apply. At a minimum, the partnership must include three organizations: a cultural nonprofit or artist collective; a local business or business association; and a branch of local government and/or a community development corporation.”
- **Iowa:** “A single entity must be selected to serve as the primary applicant for designation, while incorporating collaboration between a consortium of partners. The selected entity must meet the definition of eligible applicant...partners and collaborating entities are not subject to the eligibility requirements.” Eligible applicants are nonprofit, community, and for-profit entities. Ineligible applicants include individuals, schools or institutions of higher education, and previous grantees in poor standing.
- **Texas:** Entities eligible for cultural district designation are established arts organizations, established arts organizations of color, local arts agencies, government local arts agencies, government agency or department, and college arts institutions.
- **Washington:** Applicants must be “a structured entity representing a community in Washington, such as a municipal, county, or tribal government, a designated downtown authority or economic development agency, a 501(c)3 or 501(c)6...if not a municipal entity, an organization operating in partnership with the local government or tribal authority.”

**TABLE 2: PUBLIC INVOLVEMENT**

	Individual residents	Artists	Community support	Local resolution	Other
California	X	X			X
Colorado			X		
Connecticut			X	X	
Indiana					
Iowa					
Kentucky					
Louisiana					
Massachusetts			X	X	
Maryland					
Nebraska	X	X	X		
New Mexico					
Oklahoma					
South Carolina			X	X	
Texas					
Washington					
West Virginia					
<b>Total</b>	<b>2</b>	<b>2</b>	<b>5</b>	<b>3</b>	<b>1</b>

Sample public involvement requirements:

- **Colorado:** Communities need to “have broad community support and buy-in.”
- **Connecticut:** “The municipality must hold at least one community input meeting in order for people to learn about the proposed Cultural District and goals...must vote to approve Cultural District by passing a resolution following the community input meeting(s).”
- **Nebraska:** “Three letters of support from individual community members or organizations in the proposed district are required. Examples include individual artists, social service organizations, local elected officials, creative businesses, etc.”

**TABLE 3: FUNDING**

	Sustainable source(s)	Minimum budget	Public/private support	Fiduciary responsibility
California				
Colorado				
Connecticut				
Indiana				
Iowa				
Kentucky				
Louisiana				
Massachusetts				
Maryland				
Nebraska		x		
New Mexico				
Oklahoma			x	
South Carolina				
Texas				
Washington		x		x
West Virginia				
<b>Total</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>1</b>

Sample funding requirements:

- **Colorado:** Communities need to “have a minimum \$10,000 cash operating budget and sustainable funding source(s).”
- **Oklahoma:** Applicants must demonstrate “a wide range of public and private support through funding and partnerships.”
- **Washington:** Applicants must be “an organization with a minimum \$20,000 cash annual operating budget or that can demonstrate the ability to effectively manage a district, handle grants, and oversee other fiduciary responsibilities.”



**TABLE 4: STAFF AND LEADERSHIP**

	District manager/ coordinator	Advisory board/ committee	Partnership organization
California			
Colorado	X	X	
Connecticut		X	
Indiana			X
Iowa			
Kentucky			
Louisiana			
Massachusetts			X
Maryland			
Nebraska			
New Mexico			
Oklahoma	X	X	
South Carolina			
Texas			
Washington			
West Virginia			
<b>Total</b>	<b>2</b>	<b>3</b>	<b>2</b>

Sample staff and leadership requirements:

- Connecticut:** The municipality must form a Cultural District Commission based on one of the following models: create a new board/commission, assign to an existing board/commission and create an Advisory Council subcommittee, or assign Cultural District oversight to an existing board/commission if it meets the community representation requirement.
- Massachusetts:** The partnership must include diverse stakeholders that represent the district’s shared interests, which should include city or town staff, local cultural council members, cultural organization(s), at least two artists that live and/or work in the proposed district, organization(s) that represent artists, for-profit creative businesses, and local business and/or chamber of commerce. Depending on the district’s goals and assets, the municipality can also include entities related to tourism, historic preservation, the leisure industry, or education institutions.

**TABLE 5: PLANNING**

	Memorandum of understanding	Strategic/business plan	Management/marketing plan	Goals/objectives
California	X			
Colorado		X		
Connecticut				
Indiana				
Iowa				
Kentucky				
Louisiana				
Massachusetts			X	X
Maryland				
Nebraska		X		
New Mexico				
Oklahoma				
South Carolina				
Texas				
Washington		X		
West Virginia				
<b>Total</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>1</b>

Sample planning requirements:

- **California:** “Each district will enter into a memorandum of understanding (MOU) with the [California Arts Council].”
- **Massachusetts:** “The cultural district partnership must develop: goals and objectives, a management plan, a marketing plan, assessment measures for the district.”
- **Nebraska:** “A Strategic Plan with a clearly defined mission, vision, and core beliefs for the district. The plan must identify the strengths and weaknesses, opportunities, and threats of becoming a district.”

**TABLE 6: ASSETS**

	Survey/inventory	Widely recognized	High concentration	Cultural facilities/ resources	Infrastructure/amenities	Existing anchors	Property owners	Arts programming/ education	Strong collaborations	Unique resources	Affordable space
California	x										
Colorado		x									
Connecticut	x		x	x	x						
Indiana											
Iowa		x	x	x		x					
Kentucky											
Louisiana				x		x	x	x			x
Massachusetts				x							
Maryland	x										
Nebraska	x										
New Mexico											
Oklahoma								x	x		
South Carolina											
Texas											
Washington		x	x							x	x
West Virginia											
<b>Total</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>2</b>

Sample asset requirements:

- Connecticut:** “An inventory of cultural assets must be identified and included on a map. This defines and locates the district’s cultural assets. Many municipalities have access to GIS mapping system and tools. Google maps and other asset mapping software may be utilized. Designated Regional Service Organization may be able to help identify and develop a list of assets.”
- Iowa:** The district must be “widely viewed and readily recognized as a hub of cultural activity. It is a gathering place, filled with cultural facilities, arts organizations, individual artists or arts-based businesses, as well as an array of other uses such as office complexes, restaurants, retail spaces or residences.”
- Louisiana:** “The district must be distinguished by cultural resources that play a vital role in the life, economic, and cultural development of a community...focus on an existing cultural anchor...contain a variety of structures, residents, businesses, organizations, spaces, and experiences to support cultural economic activity.”

**TABLE 7: BOUNDARIES**

	Well-defined	Walkable/accessible	Contiguous	Small	Attractive
California	x				
Colorado		x			
Connecticut	x	x			
Indiana					
Iowa	x				
Kentucky					
Louisiana		x	x	x	
Massachusetts	x	x			
Maryland					
Nebraska		x			
New Mexico					
Oklahoma	x				
South Carolina					
Texas					
Washington		x	x		x
West Virginia					
<b>Total</b>	<b>5</b>	<b>6</b>	<b>2</b>	<b>1</b>	<b>1</b>

Sample boundary requirements:

- **Iowa:** The district “has well-defined boundaries and people can sense when they have arrived at this unique place.”
- **Louisiana:** “A Cultural District should...be reasonably compact and small enough for accessible pedestrian traffic” and “small enough that sales tax exemptions and tax credits do not become a burdensome loss of revenue to the state and local government.” It must “be geographically contiguous.”
- **Washington:** To become a certified Creative District, it must “comprise a contiguous geographic area” and “be walkable and/or accessible, and attractive to locals and visitors alike.”

Similarly, NASAA finds that while states typically do not specify a standard geographic size, and each state has a unique process for determining boundaries, most have common language specifying well-defined boundaries, concentration of assets, tourist amenities, walkability and accessibility, transportation, and being a manageable size.<sup>3</sup>

Interviewees discussed how their state determines the area footprint size of a district. Some warned against an entire city or county becoming a district due to resource allocation issues. Another interviewee noted that tax and funding opportunities related to business improvement districts work better in urban areas due to larger concentrations of businesses. At least one interviewee does not want districts to be too big or small. States with a walkability and accessibility requirement consider the availability of sidewalks and public transportation, but recognize that it is harder for rural communities to meet this requirement. For some communities, walkability is recommended so the district can be more intentional and have a clearer focus. If a community cannot meet the walkability requirement, some agencies consider the potential district's solutions for issues they may encounter. One state has not limited communities on size but it is reevaluating this and wants to better define districts.

Of course, some states are too rural to have a walkability requirement. To deal with the sprawl of rural artists, districts can be areas where people can come together, not necessarily where all artists have to live. One interviewee warned that county-wide districts are harder to manage.

For states with rural districts, state leaders mainly believe they have a positive experience in the program. Some argued rural communities may get more out of the program than urban areas. They have more personal interest and are empowered by the work that comes with certification. Rural communities have their own niche and identity that strengthen their district. Once they are in the program, rural communities become more aware of, and better candidates for, other grant opportunities. Urban communities could not do much with their districts during the height of the COVID-19 pandemic because of more pressing concerns, especially in districts run by cities. Rural communities have an easier time getting representatives around the table because higher level officials have fewer issues to deal with. In other states, urban and rural districts have comparable levels of impact.

Interviewees warned about unique challenges facing rural districts. Local politics is harder to navigate, especially with transitions in government positions. Another interviewee noted that it can be harder for rural communities to get people on board. Leaders in these communities are more likely to get behind the program once they see its impact.

Some actionable insight about managing rural districts emerged. One state's rural communities wanted additional training and resources so the program now involves a targeted rural cohort of districts that meets monthly. Partnerships between arts and non-arts sectors are even more important for rural districts.

# PROGRAM BENEFITS

An academic study contends that the local incentives to apply for CD certification “range from being able to market themselves as such to investors and tourists, to financial incentives through exemptions or reductions on state-level taxes within the districts.”<sup>4</sup> However, arts agencies have more recently emphasized the benefits of technical assistance and evaluation instead of offering tax incentives, possibly due in part to the tightening of agency budgets.<sup>5</sup> NASAA’s interviews with state program managers found that local districts value official recognition, collaborative focus, technical assistance, network convening, and funding leverage.<sup>6</sup>

**TABLE 8: PROGRAM BENEFITS**

	Branding materials	Technical assistance	Marketing	Evaluation/impact analysis	Funding/grants	Networking/collaboration	Tax exemptions/credits	Artist space/housing	Other
California	x	x	x	x					
Colorado			x	x	x	x			
Connecticut			x						
Indiana									
Iowa	x	x	x			x			
Kentucky									
Louisiana		x					x		x
Massachusetts									
Maryland							x	x	
Nebraska	x		x		x	x			x
New Mexico		x					x		
Oklahoma		x	x		x				
South Carolina									
Texas									
Washington		x	x	x	x	x		x	
West Virginia									
<b>Total</b>	<b>3</b>	<b>6</b>	<b>7</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>2</b>

## Sample program benefit details:

- **Iowa:** “Designated Cultural & Entertainment Districts are encouraged to use the Iowa Cultural & Entertainment District logo in marketing efforts and are provided marketing collateral, including an Iowa Cultural & Entertainment District sign... Designated Cultural & Entertainment Districts will be included in the Iowa Creative Places Network which provides regular opportunities for connection through networking and learning opportunities with Creative Places across Iowa...Iowa Department of Cultural Affairs staff will provide technical assistance to Cultural & Entertainment Districts, including communication on grant opportunities and professional development workshops.”
- **Maryland:** Benefits include “locally determined property tax credits for new construction or renovation of certain buildings that create live-work space for artists and/or space for arts and entertainment enterprises; an income tax subtraction modification for income derived from artistic work executed and sold within the districts by qualifying residing artists; and an exemption from the Admissions and Amusement tax levied by an arts and entertainment enterprise or qualifying residing artist in a district.”
- **Nebraska:** Benefits of certification are branding materials, attracting visitors through joint marketing efforts, revitalizing and beautifying historic buildings and communities, and joining a cohort of other districts for support and growth. Nebraska has two types of grants for districts: Creative District Certification Grants for districts that become certified and the opportunity to apply for a Creative District Development grant.
  - *Certification grant:* “\$10,000 is available once the Creative District Plan is approved and the district is considered certified. The funds are non-matching in nature and a final report will be required to show how the funds were spent.” Examples of how to use the grant award include consultants, marketing materials, community enhancement projects, and events.
  - *Development grant:* “The maximum grant request amount is \$250,000, but there is no minimum amount. Grant funds are limited to one per district per year as funds allow. Priority will be given to districts that have not received funds in the past in this grant category.” Funds can be used for programming, physical enhancements, marketing, and operational support.

Interviewees are split on the role of funding. States with less funding tend to believe that the privilege of a community calling itself a certified district is a valuable incentive on its own. States with stronger financial resources contend that money is the most important incentive and there would not be much interest if the program did not involve funding; the exclusivity of certification is not an important driver of community interest in the program. In terms of general program benefits, one interviewee noted that cities now recognize sustainable economic development requires a high quality of life among its residents and becoming a district is one way of improving this outcome. Similarly, another interviewee said poor quality of life leads to brain drain in their state and certification helps alleviate this problem.

# APPLICATION PROCESS

**TABLE 9: APPLICATION PROCESS**

	Letter of intent	Invitation-only	Site visit/orientation meeting	Application window	Re-certification
California	X		X		
Colorado		X	X		X
Connecticut	X		X		
Indiana	X		X		
Iowa					X
Kentucky		X	X		
Louisiana			X	X	
Massachusetts			X		
Maryland	X		X		
Nebraska	X				X
New Mexico					
Oklahoma				X	X
South Carolina					X
Texas	X		X		X
Washington	X		X		
West Virginia					
<b>Total</b>	<b>7</b>	<b>2</b>	<b>10</b>	<b>2</b>	<b>6</b>

Sample application processes:

- Maryland:** “Prospective applicants are strongly encouraged to meet with...program staff prior to beginning work on an intent to apply or application. Staff are able to provide technical assistance in all phases of application preparation...The tour and meeting allow program staff and [committee] members to provide appropriate guidance and assistance prior to the application deadline.”
- Oklahoma:** Program applications are accepted every three years. Staff “pre-screens all applications to validate requirements compliance.” Previously certified districts must apply for renewal every three years.
- Texas:** “Applicants must schedule an orientation meeting and work closely with Commission staff in the development of their application. Interested applicants must submit a letter of intent that includes plans for the cultural district...recertification will be required every ten years.”



# APPLICATION MATERIALS

**TABLE 10: APPLICATION MATERIALS**

	Budget	Narrative	Map	List of assets/resources	Baseline metrics	Goals/desired outcomes	Other
California	x	x					x
Colorado	x	x	x	x	x	x	x
Connecticut			x	x	x		x
Indiana							
Iowa							
Kentucky							
Louisiana			x	x			x
Massachusetts			x	x			x
Maryland	x	x	x	x		x	x
Nebraska							
New Mexico							
Oklahoma							
South Carolina		x	x			x	x
Texas			x	x			x
Washington	x	x	x	x	x	x	x
West Virginia							
<b>Total</b>	<b>4</b>	<b>5</b>	<b>8</b>	<b>7</b>	<b>3</b>	<b>4</b>	<b>9</b>

Sample application material requirements:

- Colorado:** Materials include information (map, oversight, staffing, budget, membership structure, strategic planning, goals, challenges, sample promotional tools); district characteristics (data, businesses, history, events); and community buy-in (local government ordinance, planning documents, letters of recommendation).
- Texas:** The application asks detailed questions about the area’s general information, district governance, profile, baseline data, assets and amenities, planning, marketing, and five-year budget.
- Washington:** The application follows Colorado’s and asks how the district engages with the community and has established a unique sense of place, potential data sources and collection methods, and how it will interface with existing plans.

# REVIEW PROCESS

**TABLE 11: REVIEW PROCESS**

	Separate committee	Agency staff	Secretary/director	Agency board	Decision appealable
California	X				
Colorado					X
Connecticut		X			
Indiana					X
Iowa	X	X	X		
Kentucky					
Louisiana	X	X			X
Massachusetts	X	X			
Maryland	X	X	X		
Nebraska	X	X			
New Mexico	X	X			
Oklahoma	X	X		X	
South Carolina		X		X	
Texas					
Washington					X
West Virginia		X		X	X
<b>Total</b>	<b>8</b>	<b>10</b>	<b>2</b>	<b>3</b>	<b>5</b>

Sample review process:

- Maryland:** Staff review applications to ensure eligibility. Applications are then reviewed by a committee and the agency secretary. “An internal A&E Districts Advisory Committee consisting of staff members from the Department of Commerce, Department of Housing and Community Development, Rural Maryland Council, Department of Transportation, and Department of Planning as well as current A&E District managers will review the applications and MSAC staff will forward the committee’s recommendations to the Secretary of Commerce... Following his or her review, the Secretary may designate one or more A&E districts for a designation period of up to ten years from among the applications submitted. The Secretary will notify all applicants of their status in writing within sixty days of submission. Per statute, no more than one designation may be approved per county per calendar year. No more than six designations per calendar year may be made.”

# REPORTING REQUIREMENTS

**TABLE 12: REPORTING REQUIREMENTS**

	Annual report	Ad hoc requests	Specific metrics
California			
Colorado	X		
Connecticut		X	X
Indiana	X		
Iowa	X		X
Kentucky			
Louisiana	X		
Massachusetts	X		
Maryland			
Nebraska			
New Mexico			
Oklahoma			
South Carolina	X		X
Texas			
Washington	X		
West Virginia		X	
<b>Total</b>	<b>7</b>	<b>2</b>	<b>4</b>

Sample reporting requirements:

- Connecticut:** “Cultural Districts Commissions may be asked for data from the [agencies] to help measure the impact of the district. The data should reflect the Cultural District’s specific goals. Examples include: visitation data, building occupancy rates, aggregate sales tax in the district, number of full-time jobs, number of artists, box office sales, and consumer surveys. Cultural District commissions must respond to requests for data from the state in a timely fashion.”
- Massachusetts:** “An annual progress report is required each year of the five-year designated period. Report deadlines align with Mass Cultural Council’s fiscal year (July 1 – June 30). The impact of a cultural district is tangible and measurable. Designated cultural districts must gather baseline data. This is each year of the designation...The data should reflect the district’s specific goals. Examples include: aggregate sales tax in the district, number of full-time jobs, number of artists, box office sales, consumer surveys.”

# DISTRICT GOVERNANCE

Organization governance varies by district. An Americans for the Arts report classifies districts as being mainly led by governmental, quasi-governmental, nonprofit (non-arts or arts), or private for-profit organizations in addition to artist-led voluntary efforts.<sup>7</sup> In many cases the district itself chooses the type of organization to spearhead its governance model.

- **Government:** The advantages of government organizations include strong political leadership and financial and administrative support,<sup>8</sup> whereas limitations relate to its restricted revenue support from the government and its susceptibility to political whims.<sup>9</sup>
- **Quasi-governmental:** A government or multiple governments can create a quasi-governmental organization for daily operations of a district.<sup>10</sup> An example is a Business Improvement District (BID). This model has a financial advantage because of revenue generation possibilities through its taxing authority.
- **Nonprofit non-arts:** A typical example is community development corporations (CDCs). CDCs can assume the governing responsibility of a district especially if an immediate goal of the district is economic or community development or urban revitalization.<sup>11</sup> A financial advantage for this model is property or income tax benefits.
- **Nonprofit arts:** This is a popular organizational type for district governance since arts fits nonprofits' mission of advancing the public good.<sup>12</sup> This model can expect public and private donations and grants as well as tax benefits, while it can suffer from a lack of financial stability.<sup>13</sup> Compared to other models, nonprofit arts organizations can focus solely on the arts.
- **Private for-profit:** In some cases, private and business interests may align with the arts since a business can have an interest in developing a space, while creatives have a desire to help arts thrive within the space. In this case, the district can be initiated and governed by the business.<sup>14</sup>
- **Artist-led efforts:** Artists can serve as volunteers to govern a district. This effort can evolve into one of the other governance models discussed. It relies on dues paid by their members.<sup>15</sup>

In interviews with state arts agency program managers, three findings about district governance emerged. First, most states allowed their districts a good level of autonomy in their choice of a governing organization's form. Second, government and nonprofit forms are the most common types of district governance. In other words, districts tend to be operated by a city government organization (e.g., a local arts council or cultural district commission) or a nonprofit organization (e.g., local arts institution). One state observed that nonprofit leadership is more popular among larger cities. This makes sense given the number of available resources in larger cities that could support nonprofit organizations, whereas districts in smaller cities may have to depend on their city governments for fiscally-sustainable operations. Third, there is no clear indication governmental or nonprofit leadership structures are more effective than the other. This may be due to the fact that the performance of a governing organization would depend, beyond its form, on several other factors such as the individuals leading the district or the level of support from stakeholders.

Looking at cultural districts in other countries, a survey of 26 district managers about their current governance models revealed: 14 nonprofit organizations, followed by government-led (6), dues-paying membership structure (5), anchor institutions (5), public/private partnerships (4), real estate owners (2), and business improvement districts (2), among others.<sup>16</sup>

The survey also asked about funding sources. Regional or local governments were indicated most frequently (7), followed by the national government (3), subscriptions/membership dues (2), individual donations (1), and sales such as tickets (1).<sup>17</sup> In terms of representation, the survey found cultural districts tend to include local cultural nonprofits, universities/colleges, and politicians in their respective boards while having artists, local shops, and local community nonprofits in their advisory groups.<sup>18</sup> Overall, there is not one single model that fits all cultural districts. Each district ultimately needs to determine which model will work best for its unique circumstances.<sup>19</sup>

## STATE LEADERSHIP

State arts agencies can foster a successful CD program and communicate its benefits “by allowing for statewide collaboration and learning, leveraging investments from other sources, and actively managing programs.”<sup>20</sup> NASAA identifies specific state roles such as cultivating places, certifying districts, articulating standards, helping planning efforts, ensuring equitable benefits, offering incentives, facilitating access to state assistance, enhancing district visibility, fostering a supportive climate, and delegating power to local levels.<sup>21</sup> Success factors include dynamic partnerships, strong advocacy and clear communication, professional development opportunities, and public and private sector support.<sup>22</sup>

While the types of technical assistance offered depends on agency resources and CD needs, they include access to knowledge, consulting, networking, leadership and governance, program design and planning, marketing, evaluation, fundraising, and guidance to noncertified communities.<sup>23</sup> The most common are marketing and networking assistance. Agencies provide technical assistance by offering staff time and agency resources, receiving help from third-party consultants and volunteer partnerships, and by awarding grants.<sup>24</sup>

For states, the program’s value comes in the form of economic benefits, data, visibility, and partnerships.<sup>25</sup> However, states have faced challenges in stretching limited budgets, program managers being divided between other responsibilities, and needing to overcome other resource limitations.<sup>26</sup> Other barriers include passing enabling legislation, creating guidelines for both rural and urban areas, and evaluating the program.<sup>27</sup>

## AGENCY ROLE

In most states, the state arts agency manages the entire creative district process from prior to application, during authorization, and after certification. In Colorado and Connecticut, the entire process is managed by an economic development-focused department. In New Mexico, the arts agency authorizes districts while the MainStreet Program housed in the Economic Development Department administers the program. Conversely, Maryland's Department of Commerce authorizes districts while the arts agency handles program administration.

Asked whether their agency's role is effective, one leader in an arts agency that manages the entire process believes it is effective as a vehicle for advancing creative community development, in part because the agency organizes statewide conferences to show local leaders how to advance the interests of arts and culture in their communities. Another leader noted that their agency provides a peer advisory network of consultants from the private sector to assist certified districts. The agency helps pay for consulting during districts' first year in the program. However, one program manager warned arts agency staff often have other responsibilities that can interfere with overseeing the program. To avoid overburdening one person, they recommend expanding the number of staff members responsible for the program, especially when the program grows in popularity and more districts become certified.

## STATE PARTNERSHIPS

NASAA emphasizes the importance of formal and informal partnerships. "Collaborations can expand the resources that a state arts agency can bring to bear to support cultural districts and can widen the circle of supporters and stakeholders that buy into creative placemaking efforts."<sup>28</sup> Common partners include economic development, tourism, cultural affairs, historic preservation, Main Street, and small business administration agencies.<sup>29</sup> Main Street programs are especially helpful partners because they often share similar boundaries, values, and management structures.<sup>30</sup>

California's arts agency partners with Visit California to evaluate potential certified districts and promote certified districts in welcome centers, press efforts, industry events and presentations, and other promotional efforts. It also partners with Caltrans to provide districts with public transportation art opportunities, technical assistance, street closures for activities, and signage. Connecticut's program offers marketing resources through the Office of Tourism. This partnership is likely more seamless since both Tourism and Office of the Arts are within the Department of Economic and Community Development. Nebraska recently introduced a "Support the Arts" license plate with proceeds going to its creative district program. New Mexico's cultural district program is jointly operated by the Economic Development Department's MainStreet, Department of Cultural Affairs' Arts and Historic Preservation, and Tourism Department.

In Massachusetts, cultural districts have access to a number of programs and services provided by other agencies: Office of Business Development resources and tax credits, Department of Housing and Community Development technical assistance and initiatives, Department of Conservation and Recreation venues and facilities, Mass Humanities grants, Historical Commission preservation assistance, Department of Transportation signs, and

Office of Travel & Tourism promotion.

In interviews, state agency partners were largely viewed as helpful and supportive. At least one agency leader wished they had more partnerships. Specifically, in a district program with a Main Street partnership, the close ties have helped ease the walkability requirement by leading to infrastructure improvements in potential districts. Partnerships with tourism agencies increase the visibility of certified districts within media organizations. A partnership with an economic development agency will soon lead to the creation of a unique district-only grant opportunity. Overall, interviewees highlighted the importance of the program manager speaking “multiple languages”—not just arts but also economic, transportation, and other topics that facilitate partnerships. However, interviewees expressed caution that in some states the political climate is a potential barrier to fostering partnerships if potential stakeholders do not initially recognize the value of arts and culture.

## EVALUATION METRICS

Ultimately, the goals of creative district programs are to attract artists, support businesses, address urban and rural needs, bolster tourism, preserve buildings, increase property values, and generate development.<sup>31</sup> Although states want to see if CD policies are working, it can be difficult to demonstrate the program’s impact.<sup>32</sup> NASAA identifies challenges related to identifying data, selecting evaluation criteria, and standardizing reporting across districts.<sup>33</sup>

State-identified CD reporting metrics are influenced by policy outcome goals; political factors; input from districts, stakeholders, model programs, researchers, professional evaluators, and organizations; and state and federal reporting requirements.<sup>34</sup> Types include systematic reporting, special evaluations, personal contact, consultants.<sup>35</sup> An Americans for the Arts report recommends collecting data most relevant to individual districts and using it to measure incremental progress within communities.<sup>36</sup>

**TABLE 13: LAND USE METRICS**

	State requested	Community self-reported
Change in the number of businesses (creative or other)	X	
Active business addresses		
Conservation (heritage and other)		
Number of shops (e.g., antiques, tea shops, cuisine)		
Number of companies		
Open-minded spaces		
Loft living		
Arts, culture, and humanities nonprofits	X	
Arts-and-entertainment-related establishments	X	

	State requested	Community self-reported
Third places (community gathering spaces)		
Occupancy rates and changes (commercial, residential, other)	X	X
Residential buildings/total buildings		
Percent of residential addresses not collecting mail		
Retail and service establishments		
Mixed-use/Multi-use		
Brownfield sites		
Re-use of developed land		
Open space and amenity		
Diversity (eco-, landscape)		
Variety and density of building stock		
Compact city		
Civic engagement establishments		
Property values (commercial, residential, other)	X	X
Housing units		
Percent of households renting		
Rent	X	
Total floorage (commercial and other)		
Median home purchase loan amounts		
Length of residents (median length)		
Proportion of housing units owner-occupied		
Capacity for homeownership (proportion of single-unit structures)		
Capital project data such as property enhancements, new constructions, and rehabilitations	X	
Number of studio spaces and live/work spaces	X	



**TABLE 14: ECONOMIC METRICS**

	State requested	Community self-reported
Employment/unemployment (art related or otherwise)	X	X
Total number of creative jobs	X	
Number of jobs created	X	X
Share of jobs (arts, cultural, digital media, high tech)		
Spending		
Household outflow (tax returns leaving)		
Total industry earnings in creative industries		
Nonprofit arts organization revenue data	X	
Percent income from creative/artistic sales		
Willingness to pay for cultural amenities/contingent valuation		
Skills and training		
New opportunities for collaborations		
New projects		
Employer (re)location		
Public-private leverage/ROI	X	
Cost benefit analysis		
Input-output/leakage	X	
Regional development		
Wealth creation		
SMEs/micro-enterprise		
Innovation and knowledge		
Trade invisibles (e.g., tourism)	X	
Evening economy		
Inward investment		
Median household annual income		
Income diversity		
Income/spending in an area		
Median earning of residents employed in arts-and-entertainment-related establishments		
Sales tax	X	X
Value of historic preservation tax credits	X	

	State requested	Community self-reported
Value of other tax incentives such as admissions taxes	X	
District budget (revenues and outlays from multiple sources)	X	
Number of businesses and individuals taking advantage of tax incentives	X	
Property tax base		
Consumption possibilities		
Design quality		

**TABLE 15: DEMOGRAPHIC METRICS**

	State requested	Community self-reported
Population	X	
Population density		
Diversity	X	
Percent of adults with college degrees		
Percent of population under 150 percent of poverty line		
Percent of families with working adults		
Percent of population that is white		
Percent of families with children in the home		
Demographics of district beneficiaries	X	
Net migration		
Number of visitors (from inside or outside the district)	X	X
Proportion of employees working in arts-and-entertainment-related establishments	X	
Number of artists (makers, retailers, etc.)	X	
Percent of population in same residence 5+ years		
Total number of arts events, new initiatives, and capital projects	X	
Commute time		
Number of arts education activities	X	
Number of events and festivals	X	

	State requested	Community self-reported
Ease of access to work of local creatives among community members		
Ease of access to work of local creatives among tourists and visitors		
Permeability and accessibility		
Town center mobility		
Reduced car use		
Public transport/usage		
Increase in activity		
Number of more commercial vs. less commercial art activities		
Attendance/participation		

**TABLE 16: SOCIAL METRICS**

	State requested	Community self-reported
Health and wellbeing		
Identity	X	
Citizenship		
Crime rate (violent, property, vandalism)	X	
Free and reduced lunch rate	X	
Quality of life	X	
New community networks		
Improved leisure options		
Social cohesion; lessened social isolation		
Internet speed	X	
Reduced truancy and antisocial behavior		
Volunteering		
Increased cultural offer		
Relation networks		
Number of beneficiaries of district program activities	X	

**TABLE 17: LOCAL METRICS**

	State requested	Community self-reported
District staffing or other operational data	X	
Individual district goals identified at local level		
Narrative of district accomplishments	X	
Changes in boundaries of cultural districts		
Percent who know where to find information about creatives in community		
Local development incentives available (and changes in these incentives)	X	
Neighborhood renewal		
Level of connection between local creatives		
Available resources and tools for creatives		
Types of sources for creative information		
Relative payroll of arts-and-entertainment-related establishments		
Number of partnerships achieved at the local level	X	
Governance		
Increased audience and sponsorship		
Change in district's number of social media followers		
Actor diversity/representation in governance of cultural district		
Modes of selling/displaying creative work		
Localism		
Fine-grain urban morphology		

The literature discusses various metrics for evaluating creative districts. It extensively details many different aspects, though only some are used by states and communities to evaluate their districts. The metrics required for reporting differ from state to state, and many also allow districts to choose metrics that are not required to better capture the impacts of their district. These metrics may include economic development metrics that best suit a district such as sales tax and number of visitors to the district.

Interviewees discussed their use of evaluation metrics in their programs. Many expressed an interest in their program using more traditional economic development metrics when it was first established. Two programs require an annual report that details their evaluation metrics, though they may vary on these metrics. While some programs were able to continuously use more traditional metrics, others found this was not possible due to the make-up of their districts. Many found rural districts did not have the same capacity to track and report those metrics as their urban counterparts. Due to this, some found it more useful and inclusive to use qualitative narratives. One program has districts set goals and objectives for the next year and then evaluates the districts based on whether they met those goals.

Each program worked to cater their expectations on reporting to what their districts were capable of producing given the resources available to them. Programs offering more resources and funding also expected more extensive reporting, whereas those lacking many resources expected less reporting.

For districts where little to no improvements were made, interviewees said they would meet with them to get a better picture of what is going on in the district and how they can work together to improve. Overall, interviewees expressed a desire to work with districts to make reporting more applicable and useful for them and to make sure they were able to overcome any obstacles for reporting or making improvements.

## NARRATIVE QUESTIONS

Some state programs allow districts to answer narrative questions as evidence of progress.

- **Texas:** The annual report asks about accomplishments and growth: “Provide a narrative overview of cultural district activity for calendar year 2021 and include any new initiatives, arts events, new public art projects, any capital projects completed, new restaurants, new retail, and new lodging businesses that opened in the district, along with any other outcomes you wish to share.”
- **Washington:** The workbook for interested communities asks for a detailed district plan, having leaders provide 3-5 goals the district would like to achieve over the next 3-5 years and how each goal will advance the district, as well as annual program milestones for the first five years. Prospective districts are asked, “Are there additional categories of data, based on stated community values or standards, that the district would like to track that demonstrate creative economy vitality in the region?”
- **California:** The application has the prospective community “describe the specific anticipated local benefits of a state designation of [the] district.”

- **Colorado:** The original and recertification applications ask:
  - Please provide the top 3 short-term and top 3 long-term goals you have for your Creative District.
  - How do you see certification as a Creative District advancing your district and your community?
  - Please provide other meaningful data you have collected for your Creative District (e.g., property value trends, sales tax data, occupancy rates, crime statistics)
- **Maryland:** As part of a five-year plan, applicants are asked for their goals and objectives. Also, “How will the success of the proposed activities be determined? What are the indicators and how will they be evaluated?”
- **Massachusetts:** Not as narrative, but still open-ended, Massachusetts’ reporting requirements states: “You must track data that measures the impact of the district. The data should reflect the district’s specific goals. Examples include aggregate sales tax in the district, number of full-time jobs, number of artists, box office sales, consumer surveys.”

## CONCLUSION

Drawing on existing research and a review of all active programs in 18 states, this report identifies several creative district best practices and lessons learned.

**Certification process:** States require potential districts to meet various eligibility criteria involving entity types, public involvement, funding, staff and leadership, planning, assets, and boundaries. Certification processes also vary in terms of program benefits, application process and materials, review process, and reporting requirements.

**District governance:** Creative district leadership can involve governmental, quasi-governmental, nonprofit (non-arts or arts), private for-profit, and artist-led efforts. These models come with different funding sources and types of community representation. Research suggests that certain models may work better for different districts.

**State leadership:** State arts agencies typically manage the entire creative district process, but some agencies only oversee district authorization or program administration. To administer creative district programs, arts agencies have partnered with a range of other state agencies, including ones focused on tourism, transportation, economic and business development, housing, recreation, and humanities.

**Evaluation metrics:** States use various evaluation metrics to measure the impact and success of individual creative districts. Metrics suggested in previous research and covered in program materials include a range of data categories and types, while some states allow districts to report progress through narrative responses or give communities the flexibility to choose their own data.

# APPENDIX A: STATE PROGRAMS

	Program Link
California	<a href="#">California Cultural Districts</a>
Colorado	<a href="#">Colorado Creative Districts</a>
Connecticut	<a href="#">Connecticut Cultural Districts</a>
Indiana	<a href="#">Indiana Cultural Districts</a>
Iowa	<a href="#">Iowa Cultural &amp; Entertainment Districts</a>
Kentucky	<a href="#">Kentucky Creative Districts</a>
Louisiana	<a href="#">Louisiana Cultural Districts</a>
Massachusetts	<a href="#">Massachusetts Cultural Districts</a>
Maryland	<a href="#">Maryland Arts &amp; Entertainment Districts</a>
Nebraska	<a href="#">Nebraska Creative Districts</a>
New Jersey	New Jersey Artistic Districts (not funded)
New Mexico	<a href="#">New Mexico Arts and Cultural Districts</a>
Oklahoma	<a href="#">Oklahoma Cultural Districts</a>
Rhode Island	<a href="#">Rhode Island Tax-Free Arts Districts</a>
South Carolina	<a href="#">South Carolina Cultural Districts</a>
Texas	<a href="#">Texas Cultural Districts</a>
Washington	<a href="#">Washington Creative Districts</a>
West Virginia	<a href="#">West Virginia Certified Arts Communities</a>

# ENDNOTES

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