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Art Calendar®

THE BUSINESS MAGAZINE FOR VISUAL ARTISTS

Artists and City Renewal Incentives:

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Wild Roses, oil on canvas, 18"x14", by Camille Engel, Nashville, TN

The Arts and Economic Incentives

Municipal and State Programs that Support Artists

by Noelle Backer

The phrase “starving artist” is not obsolete and it may never be. But many towns, cities and states across the country are recognizing the challenges artists face in making a living — and they’re doing their part to lend support. The efforts go far beyond the “Percent for Art” programs implemented by many cities and states in the ’70s and ’80s.

Don’t think for a minute, however, that this is a charitable movement. The movement is, instead, a part of these cities’ and states’ plans for economic development and growth. They are using the arts to revitalize declining areas, improve community culture, draw in more residents and businesses, and foster economic growth.

Artists are being lured by tax incentives and business support to move to certain towns and cities, and government funds are being allocated for redevelopment programs that involve the arts and create new opportunities for artists. The hope is that artists will make these towns and cities their new homes and, by doing so, will help improve the local environment.

Some programs started years ago, but many have emerged in the last year. It didn’t hurt that last summer, the National Governors Association (NGA) released an issue brief (“The Role of the Arts in Economic Development,” June 25,

2001; online at www.nga.org) that said, “The non-profit arts industry, with \$36.8 billion in annual revenue, is a potent force in economic development nationwide.”



*Freda Fairchild Studio
Paducah, KY*

Michigan Governor John Engler stated, “We have found that the arts are a concrete economic development asset ... enhancing states’ abilities to attract knowledge-workers, building livable communities and giving states a competitive edge in the new economy Our studies indicate that every dollar we invest in the

state’s Council for Arts and Cultural Affairs results in \$10 of in-state direct spending.”

With this kind of financial return, it’s no wonder many new programs have emerged, drawing on the arts to rebuild and strengthen communities.

PADUCAH, KENTUCKY

One of the leaders of this movement is the city of Paducah, Kentucky. It has set up an Artist Relocation Program that offers an incentive package specifically for artists, to encourage them to move to Paducah’s Downtown and Lowertown areas.

The relocation program offers artists incentives including:

- low interest rates on real estate loans,
- discounts on closing costs,
- free lots for new construction,
- preservation tax incentives,
- Enterprise Zone incentives

(an example is that in these zones all materials artists buy are tax-free),

- free Web pages and other joint marketing programs,
- health insurance packages for individuals and businesses through the Kentucky Arts Council.

The unique aspect of Paducah’s program is that it involves essentially the entire city: the inspection department, the police department, the city council and even Paducah Bank. The bank recently bought empty lots and is building a

framework for storefront and living spaces for artists. "The bank is fronting all the money for that project," says Mark Barone, an artist and the inspiration for Paducah's Artist Relocation Program.

The city also has approximately 30 properties available for artists to purchase, including old Victorian homes, bungalows, historic office buildings, storefronts, and studio/gallery apartments. Barone says that not only do artists have a lot to offer Paducah, but that the city has a lot to offer artists as well. It is home to the National Quilt Museum and its annual show, which draws 30,000 visitors and has an annual statewide impact of nearly \$17.5 million. It is also home to the River Heritage Museum, Market House Theatre, Yeiser Art Center and the Four Rivers Performing Arts Center.

For more information, call 270-444-8690; www.paducaharts.com.

THE STATE OF MARYLAND

The state of Maryland works to attract artists by providing them with affordable housing and a nurturing environment for the arts. Maryland is the first state to implement "Arts and Entertainment District" legislation statewide. The legislation enables city and county governments — if they are located within an established "Smart Growth/Priority Funding" area — to apply for the Arts and Entertainment District designation. The designation offers area artists certain income tax breaks, and area developers can earn exemptions from certain property taxes if they create living and working space for artists. Designated

districts will also be exempt from admissions and amusement taxes.

"This landmark legislation will not only build upon our already strong arts community, it will help to provide jobs, attract and retain businesses and build the tax base," said Governor Parris N. Glendening. "These districts will also further the goals of Smart Growth by encouraging



St. Luke's Press, Mark Barone's Live/Work/Retail Space Paducah, KY

neighborhood revitalization and improving the attractiveness and safety of the areas."

In December 2001, the first four jurisdictions were designated: the Gateway Arts and Entertainment District in Prince George's County, the Hagerstown Arts and Entertainment District, the Silver Spring Arts and Entertainment District, and the Station North Arts and Entertainment District in Baltimore.

■ **The Gateway Arts District**, one of the most comprehensive arts-development plans, actually began several years ago. The Gateway Municipalities Community Development Corporation (CDC) began exploring ways to support artists in communities along the

Route 1/Rhode Island Avenue, the region's central commercial corridor, and to develop its communities through the arts.

The Gateway CDC entered into a development plan with Artspace Projects Inc., which creates and manages residential and commercial space for artists.

Three new buildings are now in development to provide residential and studio space for low-income artists. The first will consist of 44 residential and work units in an urban neighborhood, in conjunction with Mount Rainier Community Housing. 12,000 sq. ft. of commercial space will be available for lease by community-oriented artists, and the building will also

include performance and event space, and a rooftop garden. This building will serve as the entrance to the Gateway Arts District.

Early this year, the Maryland Dept. of Housing and Community Development kicked in \$8,000,000 of federal tax credits to support the Artspace project in Mount Rainier. Construction is expected to begin this fall; the anticipated completion date for the project is fall 2003.

The Gateway Arts District's overall goal is to create communities of artists in three areas of Prince George's County: Mount Rainier, Brentwood, and Hyattsville.

The Arts District effort also includes plans for a community arts center, an African-American History Museum, a performing arts space, and an arts incubator for emerging arts organizations. The project has

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