ARTS AS ECONOMIC DEVELOPMENT

CITY OF BERKELEY
MAYORS INNOVATION PROJECT
2016 SUMMER MEETING
Introduction

- Overview of Berkeley’s Arts Sector
- History of Downtown Arts District
- Tools Used to Implement, Retain and Attract Arts Organizations
- Lessons Learned
Berkeley’s Arts Community Today
Established and Diverse

- 140+ non-profit arts organizations
- Hundreds of working artists
- 14 museums
- Rich University-related arts and cultural activity
- Berkeley’s Civic Arts Program
  - Arts Grants
  - Oversight of Public Art and % for Arts Programs
Arts-Based Economic Development Strategies

- Economic Development Work Plan informed by Berkeley as Regionally-Serving Arts and Culture Hub
- ‘Placemaking’ in Commercial Districts
- City Identity and Marketing
- Cultural Plan Guides and Strengthens Arts in Civic Life
Pivot to the Arts – Early 1990’s

- It wasn’t always clear that Berkeley’s arts and culture resources could be the basis of a successful economic development strategy
  - Early 1990s: Downtown lacked economic identity and had an 18% ground-floor vacancy rate.
  - ED Strategy focused on other sectors
  - Intercept Survey: Established Downtown art and entertainment uses were a major draw
  - Berkeley Rep Board voted to leave
  - Existing arts and entertainment uses were at risk
Addison Street Arts District
An Idea Emerges....

- Economic Development Strategy: build on strength in the arts to create a compelling sense of place
- Retain and expand existing venues like the Berkeley Rep
- Attract new and arts organizations through clustering and creation of arts infrastructure
- Encourage upgrading of historic buildings and new mixed-use development
City and Civic Leadership Come Together...

**Challenge:**
- Limited resources
- Fear of Big Change

**Opportunity:**
- Adopt a ‘scrappy’ approach
- Public/Private Partnership
- Power of a big idea
  - Motivated action
  - Spurred creative thinking
- Incremental Implementation
Tools Used

- Penalty Waivers
- Certificates of Participation
- Pro Bono Design Work
- Unused End of year Capital Funds
- Private Donor Fundraising
- Public Percent for Art Funds
- Voter Approved Bond Funding
- Design Review Negotiations
- Direct Loans to art organizations from the General Fund
- New Market Tax Credits
- Direct Grants and Permit Fee Deferrals
- Coordinate and Leverage Marketing of the Business Community
- Developer Incentives
- Active Support for Collateral Private Investment in the District
- Engage Institutional Partners
Penalty Waivers

Berkeley Rep Roda Theater (1990s)
Certificates of Participation
Certificates of Participation
Unused End of Year Capital Funds

- Addison Street Improvements
  - Narrowed street width
  - Added designated places for future public art
Private Donor Fundraising

- Poetry Walk
Public Percent for Art Funds

Public Art Installations (2002)

- Earth Song (Po Shu) and S-Hertogenbosch (John Toki)
Voter Approved Bond Funding

- Measure S, 1996
- Funds Streetscape Improvements: Lights, Art, and Trees
Design Review Negotiations

- BARRA building (art display at ground floor)

Addison Street windows, 24-7 gallery
Direct Loans

- Freight and Salvage Coffeehouse
- Aurora Theater
- The Jazz School
Direct Loans
Direct Loans
New Market Tax Credits
Direct Grants and Permit Fee Deferral

- Adaptive reuse of the UC Theater (closed 2001)
Direct Grants and Permit Fee Deferral

- UC Theater: Interior and Exterior 2016
Coordinate and Leverage Marketing of the Business Community

SPOTLIGHT: BERKELEY

Explore this famous college town outside San Francisco, which is always on the cutting edge. We've highlighted festivals, museums, and surprising diversions like a sake tasting room.

LEARN MORE
Arts Now Integral to Berkeley’s Identity

- Downtown Area, Arts and Culture District
- Visit Berkeley
Developer Incentives

- Arts Density Bonus
  - Marsh Theater
  - Berkeley Central Arts Passageway
Support Collateral Private Investment

- The Tepping Building becomes the Art Tech Building
Support Collateral Private Investment

- **Francis Kittredge Shattuck Building** key corner property at Addison/Shattuck
Support Collateral Private Investment

- Nevo Education Center
  (built 1905, renovated 2001)
Support Collateral Private Investment

- Adaptive reuse of the Kress Building
Support Collateral Private Investment

- David Brower Center, gallery
Engage Institutional Partners: U.C. Berkeley

- Adaptive reuse of 1939 UC Berkeley Printing Plant Building
Engage Institutional Partners: U.C. Berkeley
Engage Institutional Partners: U.C. Berkeley

Diller Scofidio + Renfro design, opened January 2016
The Arts District Today

- In the first 8 years of the effort the City put in about **$6 million**
- By 2001 this leveraged **$50 million** in other private dollars -- just on Addison Street.
- **Since that time there have been another $150 million in new investment** in arts and culture venues in the greater Downtown area.
- New arts organizations spurred new business activity in the area:
  - Quality Restaurants
  - New Housing
  - Co-working office space
## Arts District Patronage – Venues in 2016

<table>
<thead>
<tr>
<th>Arts District Venue</th>
<th>Annual Patrons</th>
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<tbody>
<tr>
<td>Berkeley Repertory Theater</td>
<td>250,000</td>
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<tr>
<td>Freight &amp; Salvage</td>
<td>90,000</td>
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<tr>
<td>Aurora Theater</td>
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<td>Movie Theaters</td>
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<tr>
<td>Central Library</td>
<td>685,000</td>
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<tr>
<td>Jazz School</td>
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<tr>
<td>Other Venues</td>
<td>8,000</td>
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<tr>
<td>BAM/PFA</td>
<td>200,000*</td>
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<tr>
<td>UC Theater</td>
<td>120,000*</td>
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</tbody>
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*Projected (still in first year)
Earned Media Attracts Visitors & Sparks Civic Pride
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