

MARYLAND STATE ARTS COUNCIL

ARTS AND ENTERTAINMENT DISTRICTS - DESIGNATION GUIDELINES AND APPLICATION

**DEADLINES:
APRIL 1, 2017 & OCTOBER 1, 2017**



MARYLAND STATE
ARTS COUNCIL



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www.msac.org.**

Those receiving State designation as an Arts and Entertainment District must comply with Section 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, which states that no otherwise qualified person shall, solely by reason of his or her handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination related to the Arts and Entertainment District.

NOTE: THE PURPOSE OF THE ARTS AND ENTERTAINMENT DISTRICTS (A&E) GUIDELINES IS TO PROVIDE JURISDICTIONS THAT ARE APPLYING FOR ARTS AND ENTERTAINMENT DISTRICT DESIGNATION WITH SPECIFIC INFORMATION ABOUT THE APPLICATION PROCEDURE IN ORDER TO FACILITATE THE APPLICATION PROCESS. THE A&E GUIDELINES SHOULD NOT BE CONSIDERED A SUBSTITUTE FOR THE ARTS AND ENTERTAINMENT DISTRICTS STATUTE AND REGULATIONS.

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MARYLAND STATE ARTS COUNCIL

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INTRODUCTION

What is an Arts and Entertainment District?

An Arts and Entertainment district has been defined by Americans for the Arts as a “well-recognized, labeled, mixed-use area of the city in which a high concentration of arts and cultural facilities serve as the anchor attraction.” Nationally they can be found in cities and towns of all sizes – each one is uniquely reflecting a local mission, history, and cultural development. Some districts succeed with thoughtful landscaping and signage, while others are involved in the renovation of existing buildings and attracting complimentary businesses. Many are found in downtown areas, but they can thrive in suburban, rural, and neighborhood locations as well. **The components of a successful arts and entertainment district are its location, management, content and funding.**

Arts and Entertainment Districts in Maryland

Maryland is one of the first states in the country to develop Arts and Entertainment Districts on a statewide basis. The benefits offered to designated districts include 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 by “qualifying residing artists” within the districts, and an exemption from the Admissions and Amusement tax levied by an “arts and entertainment enterprise” or “qualifying residing artist” in a district. Arts and Entertainment Districts will further the goals of Smart Growth by locating within a Priority Funding Area and by carefully coordinating with local plans and policies for economic development.

The State’s Goal is to develop, promote and support diverse artistic and cultural centers in communities throughout Maryland that preserve a sense of place, provide unique local experiences and spur economic revitalization and neighborhood pride. Strategies include:

- Create accessible, unique, arts destinations
- Leverage the State’s regional identities, natural resources and heritage
- Supply opportunities for dynamic and participatory arts experiences
- Give artists – visual, literary, performing and folk the opportunity to live, work and create an economically prosperous future
- Invest in the power of place

ARTS AND ENTERTAINMENT DISTRICTS GUIDELINES

ELIGIBILITY

A. Who Can Apply

County Applicants: A county may apply for designation of an area within its corporate or political boundaries as an arts and entertainment district. If all or any portion of the area is within a municipal corporation, the governing body of the municipal corporation must consent. The county shall state in its application that, if the district is designated, it will offer a property tax credit and exemption from the admissions and amusements tax. Written consent from the municipal corporation must be obtained before submitting the application, and the consent document should be included as part of the application.

Municipal Applicants: A municipal corporation may apply for designation of an area if, before it applies, the municipal corporation:

- Obtains acknowledgement in the form of a letter or resolution from the county in which it is located that the income tax subtraction modification to be offered in the district may affect the county's income. The county's acknowledgement must be included in the application.
- Obtains a statement from the county as to whether, if the district is designated, the county will offer a property tax credit and the exemption from the admissions and amusement tax.
- The municipal corporation shall state in its consent, if the district is designated, what property tax credits it will offer and acknowledge the exemption from the admissions and amusement tax, and the income tax subtraction modification.
- Written consent shall be in the form required by local law or the governing body of the municipal corporation, or both. This is generally a Resolution.

Note: Two or more political subdivisions may jointly apply if the proposed area is within each of their common boundaries.

B. Pre-Application Requirement

Intent to Apply: Prospective applicants **must** submit the Intent to Apply form (page 9) to the Maryland State Arts Council (MSAC). Once this form has been received, MSAC staff will work with members of the prospective district to arrange a tour of the proposed Arts and Entertainment District and a meeting with key personnel. The tour and meeting serve the interests of applicants by enabling MSAC staff to provide appropriate guidance and assistance before the application deadline.

Intent to Apply Deadlines: 5:00pm February 1, 2017 for April 1, 2017 Deadline
 5:00pm August 1, 2017 for October 1, 2017 Deadline

CONTACT INFORMATION: Steven Skerritt-Davis, 410-767-6494 or steven.skerritt-davis@maryland.gov

IMPORTANT NOTE: This meeting in no way implies or guarantees that the application for designation as an Arts and Entertainment District will be considered complete or eligible, or that the designation as an Arts and Entertainment District will be granted.

C. Eligibility/Criteria

To be eligible, the applicant should be able to document a threshold level of existing arts and cultural assets such as those listed below:

- High concentration of artistic, cultural or entertainment enterprises
- 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
- Strong leadership/management team and plan
- Defined management budget with associated income and expenses
- Professional paid personnel dedicated in total or in part to the A&E District operations and programming

D. Application Deadline: April 1, 2017 and October 1, 2017

E. Application Requirements: All applications and cover sheets must be typed. The application must be complete, meet all stated requirements and be properly signed by the chief elected officer or officers in the case of a joint application, or, if none, by the governing body of each of the political subdivisions. An application signed by the chief elected officer shall include a written expression of sentiment of the local elected governing body or bodies regarding the filing of an application for designation. This may be in the form of a letter or a resolution at the discretion of the local jurisdiction.

Applications must be received (not postmarked) before 5:00 PM on the application deadline listed in section D above. Eight (8) complete, signed copies* of each application and a disk or flash drive containing a complete digital version must be delivered to:

Steven Skerritt-Davis
Program Director
Maryland State Arts Council
175 W. Ostend Street, Suite E
Baltimore, MD 21230

*Please note materials will not be returned.

F. Review Process

Staff Review: Applications will initially be reviewed for completion and adherence to regulations. An application must be complete to move forward in the review process.

Committee Review: An internal review committee consisting of staff members from the Department of Commerce, the Department of Housing and Community Development, the Forum for Rural Maryland, Department of Transportation and the Department of Planning will review the applications and forward recommendations to the Secretary of Commerce.

Secretary Review and Approval: Within sixty (60) days after a submission date, the Secretary may designate one or more arts and entertainment districts for a designation period of up to ten (10) years from among the applications submitted. The Secretary will notify all applicants of their status in writing within the 60 days. No more than one designation per county per calendar year may be selected. No more than six (6) designations per calendar may be made.

All decisions made by the Secretary of Commerce are final.

The Secretary shall give the Comptroller of the Treasury notice of the establishment of an arts and entertainment district on or before July 1 before the effective date of the district's establishment. The income tax subtraction modification is applicable to the taxable years beginning January 1 after the July 1 deadline.

IMPORTANT NOTE: Submission of an application in no way implies or guarantees that the application for designation as an Arts and Entertainment District will be granted.

**ARTS AND ENTERTAINMENT DISTRICTS
DESIGNATION
INTENT TO APPLY FORM –
Deadline February 1, 2017 or August 1, 2017**

Prospective applicants **must** submit the Intent to Apply form to MSAC. Once this form has been received, MSAC staff will work with members of the prospective district to arrange a tour of the proposed Arts and Entertainment District and a meeting with key personnel. The tour and meeting serve the interests of applicants by enabling MSAC staff to provide appropriate guidance and assistance before the application deadline.

Completed forms may be mailed to Steven Skerritt-Davis, Program Director, MSAC, 175 W. Ostend Street, Suite E, Baltimore, MD 21230 or faxed to 410-333-1062 or scanned and e-mailed to steven.skerritt-davis

Arts and Entertainment District Name			
Mailing Address			
City	County	State: MD	Zip Code + Four
Contact Person		Title	
Work Phone – include area code			
Home Phone – include area code			
Cell Phone – include area code			
Email		Website	

Please indicate the best time to contact you.

Briefly describe the proposed Arts and Entertainment District for which you are applying.

Signature: _____

Printed Name of Signer: _____

Date: _____

ARTS AND ENTERTAINMENT DISTRICTS APPLICATION

The application must be presented in the format listed below.

1. Table of Contents

2. Cover Sheet With the Following Information:

- Name of Proposed Arts and Entertainment District
- Name of Local Jurisdiction Applying (city/county)
- Legislative District(s)
- Location of the Arts and Entertainment District (county)
- Approximate Area of Arts and Entertainment District (acreage of total area)
- Contact Person's Information:
 - Name (please include Dr., Mr., Mrs., or Ms.)
 - Title
 - Mailing Address, including city and zip code
 - Telephone Number (please include area code, and direct line or extension number)
 - Fax Number
 - Email
 - Website URL
- Signature of Chief Elected Official in Jurisdiction (please also print name, give title, full address, and telephone number) and date signed.

3. Endorsement by Chief Elected Official (CEO) – in the form of a letter on CEO's letterhead

MAPS: One set of large color maps must be included. A digital version of the map layers is required in Esri shapefile or CAD file format. Esri shapefiles must include FGDC-compliant metadata (WWW.fgdc.gov/metadata). Also include 8 ½" x 11" maps (make sure they are legible) for the application copies. If they are color maps, color copies should be included. Make sure legends are included with the maps and that all parts of all maps are legible.

4. Vicinity Map and plan of the proposed district indicating:

- existing real property improvements and, if known, their historic significance;
- existing transportation facilities;
- existing arts, entertainment, and tourist facilities;
- any proposed State or local capital improvements projects that affect the proposed district;
- existing and proposed handicap accessibility features;
- existing arts facilities/organizations;

Make sure the vicinity map reflects the written narrative (especially for the description of the district boundaries – see narrative description)

5. Tax Map or Block Plat identifying:

- properties in the proposed district, and their property valuations by class (a listing of properties in the district is required);
- properties publicly or privately held;
- current building use or uses including their zoning;
- zoning designations of the area;
- the availability of affordable housing, studio and performance space;
- any other pertinent information.

6. Map showing geographic relationship to Smart Growth Priority Funding Area – this can be included with the Vicinity Map

7. Building Inventory – list all buildings in the proposed district by address and note the following:

- publicly or privately owned;
- assessed value of the property;
- occupied or vacant;
- current zoning;
- any known plans for modification of buildings;
- current arts and/or entertainment purpose, or immediate plans for said use, if applicable.

8. Written Narrative Must Include:

A. General

- a detailed description of the proposed district boundaries, including street names and directions, sides of the streets, blocks, etc. that adequately describes exactly which properties are included in the district;
- the area to be served, identifying each governmental unit, i.e. town, county, etc. to be affected by the proposed district;
- the potential for affordable housing (rental or purchase), studio and performance space; transportation /walking plans for the proposed district (may include signage, parking, shuttle buses, walking maps, etc.);
- ADA Accessibility features of the proposed district (individual enterprises as well as transportation and common areas);
- a description of how the proposed district will coordinate economic development and Smart Growth initiatives with other economic development activities in the area (include other designations received, such as Main Street, Heritage Areas, etc.);
- an explanation of goals and objectives of the proposed district and their expected outcomes;
- details of proposed activities and time frames for completion;
- a description of how the arts and entertainment designation will benefit the proposed district, and, if applicable, the surrounding area;
- a description of how the proposed district complements the county/municipal economic development plan;
- a description of how the proposed district will impact tourism;
- a description of how the proposed district will impact the economy.

B. Management Plan

- proposed district leadership/management team and their demonstrated capability in providing the proposed district assistance, including experience of key staff member and persons who will be managing projects; also note their anticipated roles and responsibilities, chain of command, and which entity (i.e. county, municipality, or CDC) has ultimate responsibility for the proposed district;
- proposed budget for district management – include expenses and income and identify income sources;
- plans to market the proposed district to artists, businesses, and tourists; include the manner in which the state designation will be recognized in publications and other marketing efforts;
- plans to provide professional paid personnel dedicated in total or part to the A&E District operations and programming;
- voluntary registration procedures to be used for the artists and businesses that will be included in the district.

9. Listing of Artists and Arts and Entertainment Enterprises and Assets located in the area – not necessarily just those that are in the district, but in the immediate area. Include restaurants, lodging, signature festivals or events on this listing. Identify those which are within the proposed district boundaries.

10. Local Standards that will be imposed by the local jurisdiction on the A&E enterprises or qualifying residing artists, whether initially or continuously, as a precondition to receiving any additional local benefits (such as special signage, publicity, local grants, etc.) not described above from the A&E District. Examples could be local annual reporting requirements of artists or enterprises to the district administrator, or a review process that might be required for permits by an historic commission or planning and zoning department, etc.

11. Evidence that the county, municipal corporation, or both in the case of a joint application, will offer the following incentives to arts and entertainment enterprises and qualifying residing artists if the request for designation is approved. Please be as specific as possible with the incentives offered. If local law requires a resolution, the resolution must be passed prior to submission of the application, but it may include a statement that the resolution is rescinded if the proposed district does not receive the Arts and Entertainment Designation.

- a property tax credit, including the percentage and applicable years;
- exemption from the Admission and Amusement Tax;
- acknowledgement of the potential effect of the income tax subtraction modification;
- any additional incentives and initiatives the political subdivision may provide or establish to encourage arts and entertainment enterprises and qualifying residing artists to locate within the proposed district.

Include a statement from the attorney representing the jurisdiction(s) certifying that the enclosed resolutions, ordinances, public hearings, etc., meet local requirements.

12. Evidence and certification that the political subdivision, before submission of application, held a public hearing with adequate notice and publicity on the application. Please include a copy of the public notice, an attendance list, and either minutes from the hearing, or a resolution that has passed.

13. If the size of the proposed district exceeds one hundred (100) acres, a written justification of the size of the district must be included.

14. A certification from the county or municipality that is applying that the entire proposed arts and entertainment district is a priority funding area as defined under State Finance and Procurement Article ss 5-7B-03, Annotated Code of Maryland.

15. Attach any reports, feasibility studies, visioning results, news articles, etc., that may have been generated regarding the proposed arts and entertainment district.

ARTS AND ENTERTAINMENT DISTRICTS APPLICATION CHECKLIST

- Table of Contents
- Cover Sheet
- Endorsement by Chief Elected Official

Existing Status of Proposed District - one large map with corresponding maps in application and digital; maps should reflect the written narrative whenever possible

- Vicinity Map
- Tax Map or Block Plat
- Map Showing Geography Relationship of Districts to Smart Growth Areas
- Building Inventory

Written Narrative

- Brief Overall Description – include boundaries of proposed district
- Area(s) to be Served
- Affordable Housing and Studio Space Description
- Traffic/Movement Patterns throughout the Proposed District
- ADA Features
- Coordination with Economic Development and Smart Growth Initiatives
- Goals and Timelines
- Benefits of Proposed District
- Proposed Tourism Impact
- Proposed Economic Impact

Management Plan

- Management Team
- Proposed District Budget
- Marketing Plan
- Optional Registration Procedures

Listing of Artists and Arts and Entertainment Enterprises

Local Standards

Local Incentives

- Property Tax Credit (be specific)
- Admissions and Amusement Tax Abatement
- Recognition of Income Tax Subtraction Modification
- Additional Incentives
- Letter from Jurisdiction Attorney Verifying Legal Requirements Have Been Met

Other Requirements

- Local Resolution(s)
- Evidence that a Public Hearing was Held
- Justification for Districts that Exceed 100 Acres, if applicable
- Certification that all Properties to be Included in the District are in Priority Funding Areas as Defined under State Finance and Procurement Article ss 5-7B-03, Annotated Code of Maryland

Optional Requirements

- Additional Reports/Studies