

CULTURAL SPACE ACCESS & STABILIZATION PROJECT

Using the Tools of Real Estate Development to Benefit Arts and Cultural Activities and Small Businesses

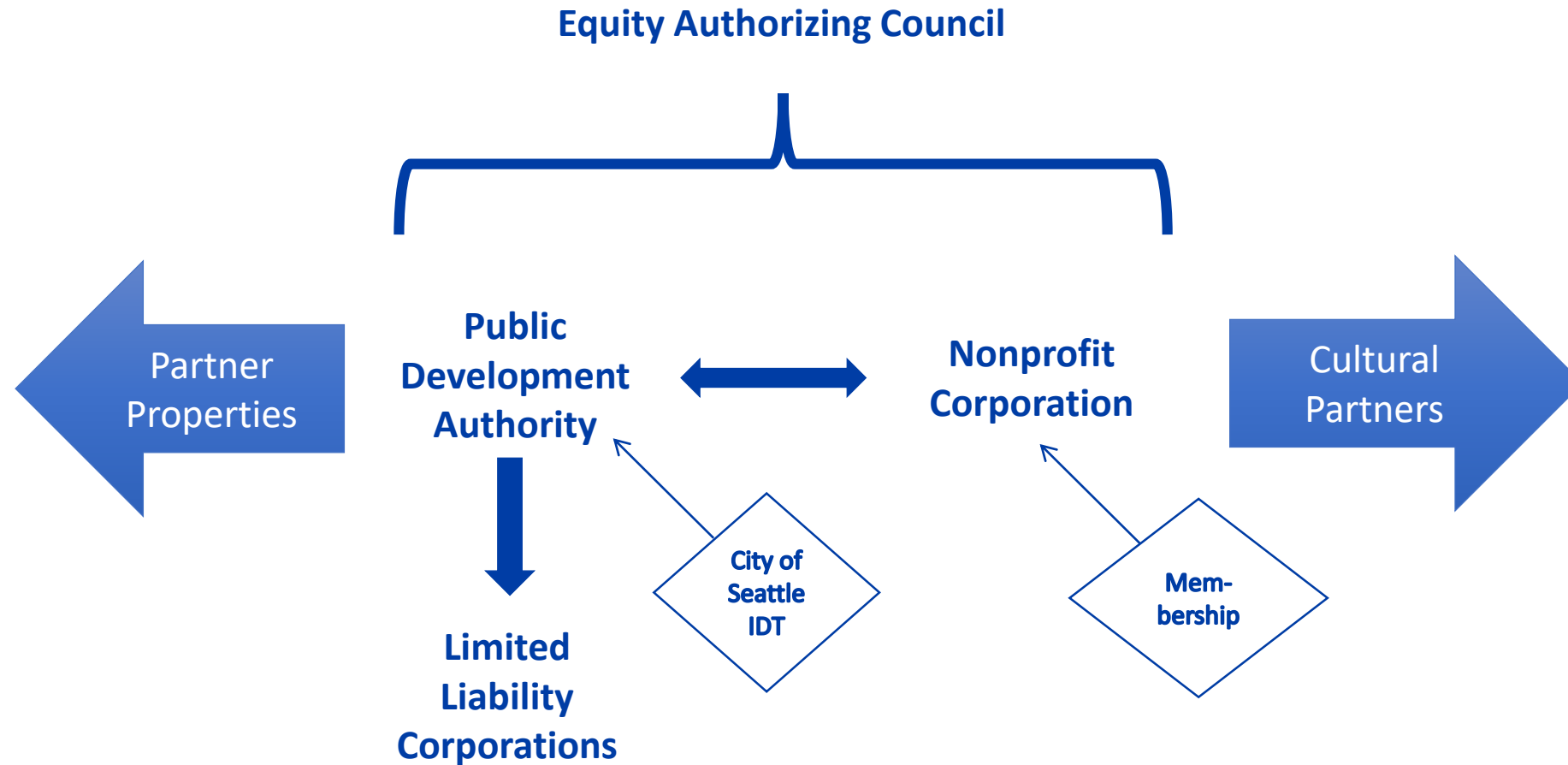
Affordable and Accessible Cultural Space

- Increasing the availability and affordability of cultural space is one way to preserve and strengthen our communities, fight displacement, and bolster the cultural character of Seattle's neighborhoods.
- ARTS has been working with community stakeholders and partner departments on a solution that would allow for the purchasing, leasing, and development of real estate for the purpose of subleasing to cultural users at affordable rates, as well as partnering on community ownership models
- Creating a PDA (or similar governing structure) would allow the City to leverage both municipal funds and philanthropic contributions for this mission and create a dedicated entity to find and manage these spaces.

Feasibility Study

- Beginning in January of 2018, ARTS embarked on a deep research phase of local and national models and case studies. This research involved many interviews and focus groups both locally and nationally, and included representatives from the real estate, finance, philanthropy, arts and culture, small business, and legal communities. It was through this study (CAP Report) that recommendations for a Cultural Space PDA were developed
- In late 2017, Councilmember Herbold, through a Statement of Legislative Intent (SLI) tasked ARTS with conducting a feasibility study on the Cultural Space PDA recommendation as well as a Racial Equity Toolkit (RET)

Cultural Space Agency



Racial Equity Toolkit

Expression of Values

Keep Race in the Room

There was broad desire to see the conversation about race and the centering of the needs of communities of color not restricted to the RET process. There was consensus that the organizations must continue to center voices of color beyond the formal meetings of an RET.

Recognize that Assets are not Always Financial

Community capital can show up as intergenerational knowledge, as cultural richness, as volunteer capacity, as ecological richness, and in many other intangible and often non-quantified ways. Use an asset-based approach to working with community, as opposed to a deficit-based approach. Also continue to recognize the importance of financial capital and continue to “chase the money” on behalf of community priorities

Always be Learning

Understand change and anticipate it. Assume nothing. Remain open to new ideas and nontraditional (non-dominant-culture) points of view. Be fluid, find the contours of the landscape. Always question. Explore paradoxes. Embrace un-knowingness

Build Community Ownership

Create structures that encourage literal property ownership by community. Use this strategy to narrow financial inequality. Build capacity for financial and property-based growth in community. Educate, lift up, and train. Make reparative investments to build community health

Who Decides Who Decides?

Create clear pathways for community to inform and impact institutional decision-making, acknowledging our shared history of inequity in decision-making. Create a structure where power flows from the bottom up



Racial Equity Toolkit

Areas of Inquiry

Engagement

- How will this affect wealth of communities, families and individuals?
- How are we defining cultural organizations? How are projects and organizations vetted, chosen, curated?
- How are property deals vetted, chosen, and acted on?
- What do good community partnerships look like?

Policy

- What could a cultural space PDA do for the City that the City is not doing?
- How do you create structures that ensure community engagement, community responsiveness, and community control?
- Comparative value of investing large sum once vs. funding smaller amounts more frequently?

Program Design

- How does this PDA avoid the pitfalls of inequity that other models have fallen victim to?
- What mechanisms exist for coding community-based values into the creation of organizational structures?
- Governance – Who decides? And who decides who decides?
- What do the relationships between the various entities look like, and how do they operate in concert?



Racial Equity Toolkit

Recommendations

- Strong endorsement of the idea of using the City's **bonding capacity** to create an **initial capitalization**, even if this reduces annual granting capacity to meet the urgency of the moment
- Interest in the **leveraging of private capital** to support mission-driven real estate projects from investors willing to be patient and accept smaller returns, as well as **leveraging private philanthropy** and private investment interest in exploring the impending creation of **Opportunity Zones**
- Changes were proposed to the **organizational structures** and **governance models** proposed to keep **community in control** of the project. Opportunities for community placement on boards of directors and involvement with staff and operations were highlighted
- Must be grounded in **clear values** that are reflected in its **authorizing legislation** (mutually accountable systems)
- Must be **adaptive** and **responsive** to past and future opportunities (reconciliation of past injustices)
- Leverage **existing City relationships** in board and governance (BASE, EDI)
- Integrate **basic needs** into site planning (daycare, health care, housing services)
- Intentional roles for community on staff, board, and non-profit level

Benefits of a PDA or similar governing structure

- Mission-driven, philanthropic, partners in community, centering the under-represented
- Can look forward as well as address historical discrimination and inequitable funding practices
- A partner in affordability strategies grounded in race and social justice
- Well-capitalized, market player, with partnerships in real estate
- Operate both within and outside of an overheated market
- Incubate cultural spaces and protect small businesses

Ongoing research in 2019

- Continue to work the Mayor's Office, City Council, Arts Commission, and key stakeholders to explore and refine governance models
- Test assumptions about projects, governance models, and financing
- Continue to work interdepartmentally to advance shared City goals with Housing, Economic Development, Planning and Community Development, Neighborhoods, Sustainability and Environment, and Construction and Inspections.