

Enhancing Creative East Dedham

Strategies for Implementing the East Dedham Village Charrette

Jason Desrosier
Anthony Harrison
Noah Hodgetts
Winthrop Roosevelt

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Executive Summary

The goal of the Town of Dedham as well as East Dedham stakeholders is to utilize an Arts Overlay District in East Dedham to encourage the development of a vibrant, mixed-use environment that allows and enables artistic production. With the understanding of this goal, this report presents recommendations that could be implemented individually or consecutively, as part of a phased revitalization strategy.

The creation of an Arts Overlay District (AOD) alone is unlikely to lead to neighborhood revitalization without additional investment in East Dedham. This is not to say that East Dedham can't be successful in implementing an AOD, but rather that reaching the Vision outlined in the *East Dedham Village Charrette Strategic Action Plan* may take up to 20 years. This report outlines several strategies for investing in East Dedham. East Dedham's proximity to Boston and the presence of the Mother Brook are also vital elements for this project's success.

In addition to providing recommendations concerning the creation an AOD and further defining aspects of the proposed AOD bylaw which will be voted on at next month's Annual Town Meeting, this report outlines a series of supplemental recommendations that are likely to aid in making the desired vision for East Dedham, a reality. These recommendations include creating a marketable community campaign to ensure passage of the AOD, expansion of the Mother Brook Community Group to facilitate the desired growth of East Dedham's creative economy, creation of a vibrant and attractive physical space with public art, expanded use of existing economic development tools, and the creation of a Business Improvement District.

If East Dedham is successful at enacting the AOD and taking advantage of the recommended additional economic development tools, the Town will also need to identify strategies for building additional housing units to house artists wishing to locate in the East Dedham AOD. These strategies are beyond the scope of this report. However in order to minimize displacement of current residents in East Dedham, many of the new units should be marketed as workforce housing keeping in mind that the census tract East Dedham is located in has the lowest median household income of any census tract in Dedham, at just under \$65,000. One way to guarantee the affordability of a significant number of new units while further encouraging mixed-use development in East Dedham would be through the creation of a 40R Smart Growth Overlay District.

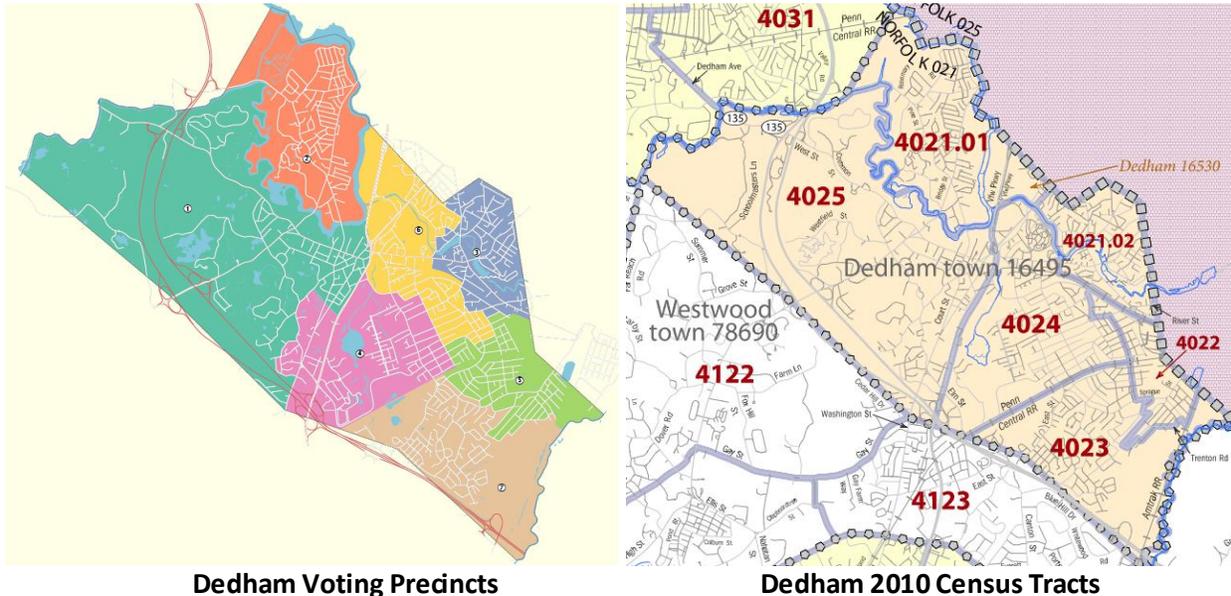
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Introduction to East Dedham

Location

The Village of East Dedham as the name suggests is located in the eastern section of Dedham. East Dedham covers Voting Precinct 3, which is shown in baby blue in the map of Dedham below, on the left (Town of Dedham GIS Division 2012):



Dedham Voting Precincts

Dedham 2010 Census Tracts

Demographics & Housing

Precinct 3 roughly matches the boundary of Census Tract 4021.02, shown in the map of Dedham's Census Tracts above, on the right (U.S. Census Bureau 2010). The most recent available census tract data is from 2010 as this is when the last decennial census was conducted. Census Tract 4021.02, covering East Dedham, is unique for many reasons. Foremost among these reasons, it has the highest population density of any census tract in Dedham of 5,364 people/square mile, nearly 5.5 times the density of Census Tract 4025, covering Dedham Square and West Dedham (Billingham and Barry Bluestone 2013:24).

Census Tract 4021.02's median household income of \$64,811 makes it the only census tract in Dedham with a median household income below \$70,000 (ibid:25). Census Tract 4021.02 also has the youngest residents, with a median age of 39.8, the only census tract in Dedham with a median age below 40, as well as the most diverse population and lowest percentage of units housing married couples in Dedham (ibid:34-35). Finally, the East Dedham Census Tract contains some of the oldest housing stock in the entire Town, of which only 60% is owner-occupied and only two-thirds are single family homes, giving East Dedham the highest percentage of multifamily, rental units of any area in Dedham (ibid:30-35). Consequently East Dedham has some of the lowest median home prices in the entire Town (ibid:34).

East Dedham Yesterday

Formerly the site of a thriving industrial economy, East Dedham was once home to a vibrant and proud village center. Pictures of the old Village show the thoroughways bisecting the neighborhood full of pedestrians and multiple modes of transportation. Businesses crowded the street-level properties, readily offering the Village's working class residents easy access to food, culture, entertainment, and social interaction just a short walk away from their home and work. Sadly, as these industries died out, the village fell victim to the automotive-centric planning policies of the post-industrial era and the once thriving heart of this village was converted from a quintessential streetscape to a stereotypical roadway:



East Dedham Village is visible in the center bisected by Milton & High Streets

East Dedham Today

East Dedham today exists as a working class residential node populated with an increasingly aging demographic, that lacks the amenities, infrastructure, and charm needed to attract new businesses and residents. East Dedham has underperformed in both economic and physical growth over the past several decades compared to the markedly positive growth seen in other areas of Dedham. This is somewhat surprising due to the demographic and physical assets East Dedham possesses, including its population density, diverse housing stock, and access to the Mother Brook. Unfortunately, due to factors including lack of resources, past land use planning decisions, and just simple circumstance, these assets have not been fully tapped into to turn East Dedham into a local economic engine and cultural resource for its inhabitants.

East Dedham Tomorrow: The East Dedham Village Charrette

In response to its economic potential as well as the creation of the Mother Brook Arts & Community Center (MBACC) in March 2013, the Town of Dedham along with many members of the East Dedham community embarked on a community-driven planning process culminating in a day-long Charrette in April 2013, where the desired future of East Dedham was envisioned (Smith, Winter, and O'Connell 2013:6).

The East Dedham Village Charrette focused on revitalizing the High Street, Bussey Street, and Milton Street corridors as well as Mother Brook, highlighted in the image below (ibid:8):



From this visioning process, the idea of a creative East Dedham was born. Participants expressed a desire to attract young creative industry professionals who would be interested in living and working in East Dedham (Smith, Winter, and O'Connell 2013:6). The final product of this inclusive summit was the *East Dedham Village Charrette Strategic Action Plan*.

Specifically *The East Dedham Village Charrette Strategic Plan*, from heretofore referred to as the *East Dedham Plan*, envisioned taking advantage of the burgeoning local creative economy in East Dedham to revitalize the neighborhood into an active, amenity-rich, mixed-use environment, with vibrant street life, jobs, shops, and housing (Smith, Winter, and O'Connell 2013). Strengths and challenges that East Dedham faces in growing its creative economy were also identified and community generated recommendations were made (ibid).

East Dedham Arts Overlay District

One of the most important recommendations in the *East Dedham Plan* was that the Town of Dedham create an Arts Overlay Zoning District in East Dedham that would allow for a more dynamic and diverse amount of commercial and residential activity in East Dedham. This report presents a comprehensive plan on how to create, implement, and promote an innovative new arts overlay zoning district that has the capability to be transformative in attracting and growing East Dedham's creative economy while recognizing the Town's limited capability to invest financially in the area.

The creation of an Arts Overlay District in East Dedham provides a strategy to keep the area's median age young, given the Town's aging population and loss of younger prime age residents, by attracting young creative economy professionals to live and work in East Dedham (Billingham and Bluestone 2013:36–37; Bluestone 2013: 5–6). Creating an Arts Overlay District which fosters a mixed-use environment in East Dedham will also allow East Dedham's aging residents "to age in place" in smaller housing, meeting the growing demand by older residents to downsize (Bluestone 2013:13,21). Finally the creation of the East Dedham Arts Overlay District is a way for East Dedham to become more attractive to businesses looking to locate in the Dedham area (ibid: 24).

Vision, Goals, and Recommendations

The vision and recommendations that follow are designed to build upon the vision established during the Charrette process to aid in the implementation of the *East Dedham Plan*, while the goals are taken directly from the *East Dedham Plan*.

Vision:

East Dedham will be a vibrant, mixed-use environment that promotes creative-economy development. At its economic center, East Dedham Village will be the thriving and attractive core of the East Dedham community, with an appropriate mix of retail, commercial, dining, and unique local amenities that cater to its diverse population. Flowing through the community, the Mother Brook recreational area will take center stage by harnessing its natural and historical identity to energize and activate a creative environment with waterfront walking trails, recreation, and art festivals.

Goal 1: Build organizational capacity within East Dedham to advocate for community revitalization and economic growth

Recommendation 1.1: Expand networking strategy to take full advantage of the capacity of the Town of Dedham by implementing a more inclusive grassroots program

Recommendation 1.2: Expand the Mother Brook Community Group (MBCG) to facilitate the desired growth of East Dedham’s creative economy

Goal 2: Ensure that the regulatory environment appropriately encourages the type and form of development desired within East Dedham

Recommendation 2.1: Define ‘Arts Related Uses’ in Purpose section of AOD bylaw

Recommendation 2.2: Define ‘exceptions’ in Conflict section of AOD bylaw

Recommendation 2.3: Define ‘standards’ in Conflict section of AOD bylaw

Recommendation 2.4: Pursue potential 43D expedited permitting opportunities

Goal 3: A visually attractive public realm with a system of connected open space amenities that maximizes connections to the Mother Brook

Recommendation 3.1: Support public art projects and facilities; both integrated and site-specific art-work

Recommendation 3.2: Improve streetscapes and park walkways to enhance walkability

Goal 4: Market East Dedham as a regional center for creative economy workers and businesses

Recommendation 4.1: Create Town of Dedham Cultural Development Committee

Recommendation 4.2: Create East Dedham Business Improvement District (BID)

Goal 1: Build organizational capacity within East Dedham to advocate for community revitalization and economic growth

Recommendation 1.1: Expand networking strategy to take full advantage of the capacity of the Town of Dedham by implementing a more inclusive grassroots program

The proposed changes to the zoning bylaws to create an effective Arts Overlay District in East Dedham is a crucial first step in the process of realizing the revitalizing goals set out in the *East Dedham Plan* (Smith, Winter, and O’Connell 2013:Section V). The AOD will allow the Town of Dedham and the residents of East Dedham to harness the momentum created by the MBACC in order to transform the village into a vibrant, culture-driven community.

However, the creation of the AOD is just a means to that end. In order for this bold endeavor to be successful, a coordinated effort is needed from a broad range of stakeholder groups to succinctly define, explain, brand, and eventually promote this vision of the AOD. This process of community action and engagement will be vital to pass Article 28 at next month’s Annual Town Meeting, creating the AOD, and, if passed, build the organizational capacity for it to create growth in East Dedham.

For this process to be successful, the *East Dedham Plan* rightfully identified that its first goal, as stated in its *Recommendations*, should be to foster significant buy-in and involvement from the Dedham community. This section focuses on providing recommendations and options on how the Town of Dedham can build a grassroots network specific to East Dedham that can become the foundation for the community capacity needed to make the AOD economically successful. It does so by presenting best practices from other communities that have created effective grassroots support for AODs.

Creation of a Coordinated Grassroots Campaign

The basic grassroots network is an effective and inexpensive strategy for creating community support and applying political pressure to achieve a shared goal. The ‘organic’ nature of these networks gives them tremendous credibility in the public and political forum, while giving the social or policy movement they create tremendous ability to speak to an agenda as an unbiased community voice. That being said, effective grassroots organizations need to be carefully formed and driven by a dedicated and informed group of core participants with a strong organizational strategy.

Although there is no single tried-and-true method for how to create and grow these networks, there is a general narrative that the Town of Dedham can follow. This narrative will be helpful as the Town seeks its own path to elicit support from Dedham’s Town Meeting members to ensure passage of Article 28, creating the AOD and to advocate for economic development. The general progression of a grassroots network can be described in three basic action steps:

Action One: Identify, organize, and educate a diverse core-group of like-minded community activists and stakeholders with a shared objective into a loose coalition framed around that objective

Action Two: Form an organizational framework around the core coalition that works to expand the grassroots network to include larger but less active groups of supporters and stakeholders

Action Three: Through the organization, continually educate, update, and provide institutional campaign materials concerning the objective to the larger network of supporters as it expands and matures.

Action Four: Once formed, use the core organization to identify ‘pressure point’ opportunities to advance the objective by activating the larger grassroots network through engagement with political, media, commercial, or regulatory actors or with the general public

With these steps in mind, the strategies laid out in the *East Dedham Plan* to achieve Goal 1 allow for the organic formation of a grassroots organization. The facilitation of regular networking events and the formation of a Dedham Village Revitalization Working Group neatly fit into the chronology of the general narrative described above (ibid:Section V). In addition to this positive first conceptualization step, the Town of Dedham can easily build on the initial strategies and add additional strategies to lay the foundations for greater organizational capacity in the East Dedham Village.

Building Community Capacity in East Dedham through a Grassroots Campaign

In order to build organizational capacity that can effectively advocate for community revitalization and economic growth in East Dedham, the Economic Development Department, the Office of the City Manager, and established advocates of the vision presented in the Charrette (e.g., the Mother Brook Arts and Community Center and Mother Brook Community Group) will need to help facilitate the initial steps. Understanding that “time is money” and that the capacity of the Town of Dedham is limited, these recommendations present options that are effective, efficient, and inexpensive, while trying to maximize the assets of the Town.

As the campaign grows and builds on itself, the commitments needed from town officials will decrease as the community itself takes control of what will become *their* movement. The following recommendation will follow the narrative outlined above, for purposes of convenience, and will seek to provide additional options for the Town of Dedham to enrich the strategies in the Charrette.

The first strategy in *Goal 1* of the Charrette identifies the need to build community support for the AOD by facilitating forums for supporters and stakeholders to interact at quarterly networking events at the Mother Brook Arts and Community Center (ibid:Section V). This strategy will implement the initial action step by putting together the core coalition that will serve as the springboard for the creation of the East Dedham Village Revitalization Working Group, the organizational framework of the grassroots campaign.

The current strategy is limited in scope, with the focus of these events being networking amongst artists, local businesses, and entrepreneurs; the events will be centralized in East Dedham (ibid:Section V). By confining the initial strategy in these ways, the formation and make up of this original coalition may not include community assets outside of East Dedham. This strategy can be built out in the following ways:

- 1) Initially vary the location and frequencies of networking to attract a broader coalition of core stakeholders

(Despite their name, grassroots campaigns do not just sprout out of nothing. Focused gathering events, a strong unifying message, and coordinated institutional support from activated stakeholders is needed to energize a collation.)

The *East Dedham Plan* also recommends that quarterly networking events be held at the Mother Brook Arts and Community Center (MBACC). Although regular coalition-building events are important, on their own, they may not be enough to get an influential grassroots network off the ground. As stated above, the main purpose of *Action One* is to identify and engage the core coalition of supporters that will make up the institutional core for the grassroots network.

To better achieve this strategy, the Town of Dedham, Mother Brook Community Group (MBCG), and Mother Brook Arts and Community Center (MBACC) should expand on the idea of regular events by holding a more coordinated and dedicated series of networking events that have a broader reach throughout the community.

Often referred to as a ‘roadshow,’ this grassroots strategy would consist of a series of branded events that are held at different key locations in ‘regions’ within the town. For example, the Town and MBACC could schedule six East Dedham Village Revitalization Community Forums in Oakdale, Riverdale, Greenlodge, the Manor, East Dedham, and Precinct One. Each event could be tailored to appeal to the unique concerns each area has about the AOD.

Since East Dedham and Riverdale have already established community buy-in for the project, the events in those communities could focus more on coalition identification. On the other hand, the events in the Manor and Precinct One could be oriented towards educating participants about the benefits the AOD will have for the town as a whole.

This strategy would not only give the grassroots campaign an organizational shot in the arm to get it up and running, but would also access potential community assets and core supporters that may not be activated if the events were held just in East Dedham. Although it is important that the main driving forces for this campaign come from the East Dedham community, this initial town-wide outreach could bring in important voices from outside the Village and create legitimacy for the formal organization that will be created in the next step of this process.

The number and frequency of these events can vary as the planners see fit, but in general, the roadshow strategy is inexpensive and easy to plan and implement, while providing maximum return in the form of a broader and more-clearly-defined core coalition of supporters. After these events have taken place, the Charrette’s original recommendation of holding simple

networking gatherings could be established to keep the momentum of the roadshow moving and to keep participants engaged.

2) Educate and ‘sell’ the AOD to participants by including a presentation or forum at events.

(Getting people into the same room is the hard part of this process; what you’re able to do with them in the room is the most important.)

No matter what strategy the Town of Dedham and the MBACC decides to implement in regards to the initial networking events, it is important that the campaign takes advantage of any formal gathering of stakeholders to further educate and inform participants on the merits of the AOD and ‘sell’ the district. Each event should include some sort of direct engagement from informed and trusted surrogates that support the AOD.

Each event should focus on supporting the AOD through various means of communication, including power point presentations, speaker forums, or town hall style meetings. The addition of these forms of communication to the event will give the Town and MBACC the opportunity to include talking points, coalition’s strategies, and other important information that will then be projected into the community.

3) Utilize digital tools to organize and communicate with participants after the events.

(The digital tools available to organizers of grassroots campaigns are numerous, inexpensive, and POWERFUL!)

Another effective strategy that the Town of Dedham, MBACC, and the MBCG can implement to facilitate an organic grassroots campaign is to build digital platforms that keep the attention of participants during the early stages of the campaign’s conception. As identified in *Goal 1*, the organizers of these original coalition-building events should focus on capturing the ‘footprint’ of participants. A ‘footprint’ is the information that organizers can obtain from individuals to help them organize and understand the members of a community who actively support a specific initiative. This information can include personal data (name, address, age), digital data (email address, social media profiles, cell phone number), and campaign data (why they are attending the event, position on the goal of the initiative, desired level of participation to support initiative).

Social Media

Once this information has been collected, there are a variety of options that the campaign organizers can utilize. A dedicated Facebook page and Twitter handle should be created and actively populated with participant’s accounts. These sites should also be regularly updated with useful information and opportunities for stakeholders to get involved. These sites not only provide an inexpensive but powerful organizational tool, they also make it easy for a group to stay on the ‘radar’ of supporters with regular posts. Additionally, social media provides supporters with the ability to easily participate in the campaign by posting their own content, liking other posts, and commenting.

If resources are available, social media sites, especially Facebook, offer very inexpensive and sophisticated advertisement and promotion of pages. This is a highly effective tool to gain more supporters and get more eyes on an issue. For example, a promotion of a Facebook ad is targeted to people who share seminal characteristics with your supporters and can be geographically targeted to just residents of Dedham.

Email Communications

Another useful digital tool is effective use of email communications. Many inexpensive services exist that allow you to manage and control an email outreach campaign. Other than regular ‘blasts’ that alert supporters to upcoming events, outreach and volunteer opportunities, and campaign status updates, a common practice in grassroots campaigns is producing a regular ‘journal’ email that provides more content than a normal email blast. The MBACC or MBCG could send out a regular (weekly, bi-monthly, monthly) ‘journal’ with an update or op-ed style lead to the email, followed by links to relevant recent news articles, specific calls to action, and a list of important upcoming events.

Recommendation 1.2: Expand the Mother Brook Community Group (MBCG) to facilitate the desired growth of East Dedham’s creative economy

As stated above, the *East Dedham Plan* provides an effective road map for East Dedham stakeholders to create the community capacity to successfully promote and implement an AOD. As part of that strategy, the Charrette recommended creating a diverse group of stakeholders in the *East Dedham Revitalization Working Group* “to help existing businesses grow, attract new creative and supporting businesses, and retain existing businesses in East Dedham” (Smith, Winter, and O’Connell 2013:Section V). It is recommended that this working group be formed under the organizational umbrella of the current Mother Brook Community Group and that the MBCG be expanded as a main nonprofit group focused on the revitalization efforts of East Dedham.

This recommendation is based on an expansive literature review and studies of best practices from other municipalities that have implemented successful AOD initiatives including Dedham’s own *Dedham Square Circle* and Pittsfield’s *Downtown INC* (Forman 2013). One similarity present within these examples was the creation of a community nonprofit as the main entity in efforts to build sufficient community capacity (Dusty 2009).

The inclusion of a dedicated community nonprofit working in tandem with associated stakeholders, including the Town, initiating the AOD, offered many added positive externalities that allowed these community nonprofits to perform important activities that the working group recommended in the *East Dedham Plan* wouldn’t be able to provide alone, including:

- Fundraising – A community nonprofit has expanded capabilities to raise revenue from public and private donations, utilize grants, and add revenue gained from events and other activities.

- Community Driven – Positioning the main organizational body within the control and review of the community builds true grassroots support, makes certain that the community desire for the AOD is being addressed, and allows the confines and membership of the group to be correctly calibrated under the purview of the true stakeholders.
- Comprehensive Inclusion of the Business Community – What is clear is these community nonprofits are very effective in merging the needs and visions of both the community members and the business community.
- Tax Hurdles – Other nonprofit community groups that have been created to promote AODs and the expansion of creative economies within those districts have utilized creative plans centered around the favorable tax status and expanded allocations that nonprofits status provides.

The town of Dedham should expand the MBCG to fit these nonprofit models in coalition with the current members of the MBCG, the MBACC, the Dedham Cultural Council, local business owners, and local property owners. This expanded MBCG nonprofit should be located in the MBACC to solidify the importance of that institution to both the AOD initiative and the MBCG nonprofit.

An initial steering committee should be formed by identified leaders from the coalition and include representatives from the Town of Dedham. This steering committee should map out the organizational framework of the newly expanded MBCG by identifying and appointing chairs for specifically dedicated subcommittees focused on the specific business, artistic, and revitalization goals set out in the *East Dedham Plan*.

The steering committee should review other groups, including Dedham Circle Square, Downtown Pittsfield INC, and other like organizations in Lowell, Springfield, and Holyoke, Massachusetts, to form a nonprofit that utilizes best practices while keeping the distinct need of East Dedham Village closely intertwined with the process of further organization of the group.

Goal 2: Ensure that the regulatory environment appropriately encourages the type and form of development desired within East Dedham

Past Efforts to Amend East Dedham Zoning

In May 2013 The Mother Brook Community Group (MBCG) unsuccessfully sought to realize the Vision articulated in the *East Dedham Village Charrette Strategic Action Plan*, heretofore referred to as “The East Dedham Plan.” This plan sought to create a vibrant, mixed-used, art-centered village in East Dedham (Smith, Winter, and O’Connell 2013). The MBCG attempted to implement part of the recommendations of the plan by amending the Dedham Zoning Bylaw to better align East Dedham’s business district zoning with that present in Dedham Square at Dedham’s Annual Town Meeting held on May 20, 2013 (Dedham Board of Selectmen 2013).

Specifically, Article 23, called for changing the Floor Area Ratio (FAR) and parking requirements for commercial buildings with subsidiary apartments in the General Business district to those applicable in Dedham Square’s Central Business District (Dedham Board of Selectmen 2013:7). While the Planning Board and Finance Committee both unanimously supported the Article in a slightly amended form, Article 23 failed to garner the support of the two-thirds of town meeting members required for passage (Planning Board 2013:2; Finance Committee 2013:3).

While this effort was unsuccessful, two key lessons can be learned from this experience. First, pressing for a zoning change that will only affect three parcels throughout the entire town, as this zoning change would have done, is likely to be perceived by some as not reflecting the interests of the Town as a whole (Planning Board 2013:2). Second, support for adoption of such a change needs to come from more than just East Dedham’s Precinct Three Town Meeting members and the MBCG if it is to garner the support of the two-thirds of Town Meeting members required for passage.

Proposed Arts Overlay District Bylaw for 2014 Annual Town Meeting

Consistent with Strategy 2.2 of the *East Dedham Plan* to “adopt an Arts Overlay Zoning District to encourage creative professionals to work and live in East Dedham and to create a vibrant, mixed-use village environment” an Article creating an Arts Overlay District in East Dedham has been placed on the Warrant for the 2014 Annual Town Meeting to be held on Monday, May 19th, 2014 (Smith, Winter, and O’Connell 2013:39).

As defined in the *East Dedham Plan* (ibid:17):

Overlay districts are special zoning districts placed over the existing base zoning that provide additional use and dimensional allowances to encourage specific types of development. They are additive districts; they do not take away what is already permitted under the base district. In particular, arts overlay districts seek to enhance the overall vitality of a community by creating the types of places that appeal to artists. They do so by allowing for a broader range of uses such as live/work spaces, galleries, and broader use allowances not typically allowed in business or residential districts (e.g. welding, artisan manufacturing). Essentially, they seek to foster a mix of uses, including studios and other work spaces, supportive retail and services, and residential units, all within a walkable, connected environment.

Specifically Article 28 would amend the Dedham Zoning Bylaw by adding a new section, “12.0 Arts Overlay District (AOD)” (Dedham Board of Selectmen 2014:14). Section 12 would include three sub-sections: the purpose of the AOD (12.1), a description of how conflicts between underlying zoning and the AOD are to be resolved (12.2), and the boundaries of the AOD (12.3) (ibid:14).

Section 12.1 states (ibid:14):

The Arts Overlay District (AOD) is established to encourage the development, preservation and enhancement of **Arts-Related Uses**, particularly within East Dedham. The district shall preserve and enhance the area as a center for a variety of retail, business services, housing, and office uses, and promote a strong pedestrian character and scale throughout the district.

Section 12.2 states (ibid:14):

Development in the AOD shall be governed by the bylaws underlying zoning district except when developing **arts-related uses**. For projects incorporating **Arts-Related Uses** hereunder, certain **exceptions** may be allowed; in the event of conflicts, the **standards** within this section shall be applied.

Section 12.3 states “The boundaries of the AOD are depicted on the Zoning Map on file with the Town Clerk” (ibid:14). *Note that passage of Article 29 is also necessary procedurally to amend the Town of Dedham Zoning Map to include the Arts Overlay District (AOD).* The proposed boundary of the AOD is shown in pink in the map below (Town of Dedham GIS Division 2014):



In summary Article 28 statutorily creates an Arts Overlay District in the Dedham Zoning Bylaw, but leaves the definitions of “Arts-Related Uses” in Section 12.1, and “exceptions” and “standards” in Section 12.2 to be defined in future revisions of the AOD bylaw. As the Town has adopted this two-step approach to forming an Arts Overlay District in East Dedham, this report seeks to offer recommendations concerning definitions of the above terms.

Current Zoning in East Dedham

To make recommendations concerning what “exceptions” should be allowed and “standards” applied in the event of a conflict between the AOD and underlying zoning, it is imperative to understand what zoning currently allows and prohibits in the area covered by the proposed East Dedham AOD (ibid:14). As the *East Dedham Plan* notes, East Dedham is covered by four Zoning Districts: Single Residence B (SRB), General Residential (GR), General Business (GB), and Limited Manufacturing (LMA) (Smith, Winter, and O’Connell 2013:16). As the proposed boundaries of the AOD only cover the GR, GB, and LM zoning districts, only these districts are discussed in detail. The location of these districts in East Dedham is shown in the map below (Town of Dedham GIS Division 2013):



Current Zoning in East Dedham

The General Residence (GR) district, shown in orange in the above map, covers the area immediately south of the intersection of High and Milton Streets as well as most of the land west of Bussey Street between High Street and Mother Brook. The GR District restricts all housing to single and two-family homes (Smith, Winter, and O’Connell 2013:16).

The General Business (GB) district, shown in red in the above map, covers East Dedham's commercial center located to the immediate north, west, and east of the intersection of High and Milton Streets. The GB district limits mixed-use buildings to two dwelling units each and mandates buildings be at least 15 feet apart (*Town of Dedham Zoning Bylaw 2013*, Table of Dimensional Requirements). While the *Zoning Bylaw* also allows for apartments deemed "subsidiary units" in commercial buildings in the GB district, conditions limit the size of these units to one bedroom and occupancy to not more than two adults as well requiring one parking spot for each unit and a Floor Area Ratio (FAR) of 0.4 (*Town of Dedham Zoning Bylaw 2013*, §7.4, Table of Dimensional Requirements). These conditions make it nearly impossible to construct a subsidiary unit in a commercial building in East Dedham's GB district.

The Limited Manufacturing (LMA) district, shown in light purple in the above map, covers the area immediately south of the Mother Brook at the point where the Brook becomes a narrow stream as well as the area around the intersection of Colburn and High Streets in the western section of East Dedham. The LMA district allows retail uses, but not housing, effectively prohibiting mixed-use development in this district (Smith, Winter, and O'Connell 2013:16). In addition, much of the area zoned LMA which abuts Mother Brook is owned by the state Department of Conservation and as such is protected as open space, making any development on it impossible (COMMUNITY OPPORTUNITIES GROUP, INC. et al. 2009:27).

Other relevant elements of *Dedham's Zoning Bylaw* include the restrictive definition of 'Home Occupation' which "discourage[s] some types of working at home that could be accommodated through a special permit process and special conditions" (ibid:22). Consequently live-work space for those engaging in creative industry occupations would not be allowed under the existing *Zoning Bylaw*. Furthermore, home occupations are prohibited outright in the GB district, located in the heart of East Dedham's commercial center (*Town of Dedham Zoning Bylaw 2013*, Table of Use Regulations).

Because live-work space is prohibited and mixed-use, pedestrian development is greatly restricted in the underlying zoning districts within the AOD, in order to realize the Vision articulated in the *East Dedham Plan* to create a vibrant, mixed-used, art-centered village in East Dedham the underlying zoning will need to be changed and/or the "exceptions" that are allowed and the "standards" that are applied for AOD "arts-related uses" will need to significantly deviate from what is allowed by the underlying zoning. These recommended "exceptions" and "standards" are detailed at the end of this section.

Other Arts Overlay Districts in Massachusetts

Several towns in Massachusetts have attempted to use an Arts Overlay District (AOD) to revitalize and incentivize development in a particular area similar to East Dedham. Among these are the cities of Lowell and Pittsfield. Although these cities have very different demographic make-ups than East Dedham there are certain lessons that could be important for the proposed East Dedham AOD.

Lowell, MA

In Lowell, an AOD was instituted in 1998 (Nicholas 2002, 10). Within the Lowell AOD “any existing building more than sixty (60) years old may be converted to artist live/work or residential use, containing two or more dwelling units” (*City of Lowell Zoning Ordinance 2013*: sec. 9.2.5). While permitted in the AOD, “the use of a building or structure for Artist Live/Work Space for art use by an artist” requires a special permit from the Zoning Board of Appeals (ibid: sec. 9.2.3). Lowell’s AOD bylaw also sets minimum floor areas for studio/one-bedroom units and 2+ bedroom units (ibid: sec. 9.2.5.3), but doesn’t provide exceptions to the dimensional requirements of the underlying zoning (ibid: sec. 9.2.5.4).

The *Lowell Zoning Ordinance* defines “Art Use” as “the production for art or creative work either written, composed, created or executed for a ‘one of a kind limited’ production exclusive of any piece or performance created or executed for industry oriented distribution or related production. Such use may include the fine and applied arts including painting or other like picture, traditional and fine crafts, sculpture, writing, creating film, creating animation, the composition of music, choreography and the performing arts” (ibid: sec. 9.6.2). Additionally it defines ‘artist live/work space’ as “the use of all or a portion of a building for both art use and the habitation of artists” (ibid: sec. 9.6.2). The *Lowell Ordinance* separately defines an Art/Craft Studio as “A facility for art use that is separate from any residential uses, occupied by no more than three (3) individuals at any one time” (ibid: sec. 9.6.2).

While Lowell’s AOD bylaw contains definitions which are useful to East Dedham’s proposed AOD bylaw (Section 12), it is important to understand that the City of Lowell had a very different motivation than the Town of Dedham for creating an AOD. Lowell’s motivation for creating an AOD was primarily to revitalize the many abandoned factory buildings in the Downtown left over from the city’s large planned industrial community created in the 19th century (Nicholas 2002:10).

Furthermore, while the AOD “stimulated growth of a concentrated arts, cultural, and entertainment district” and “has been a catalyst for a vibrant, 24-hour downtown life and stimulated new economic opportunities for the district”, the Lowell AOD had the benefit of “an existing network of historic, cultural and artistic entities; the cumulative effect of 20-plus years of preservation; and culturally based economic development, tourism, and marketing efforts” (ibid: 10-11).

These existing artistic and cultural entities include the Arts League of Lowell and the Cultural Organization of Lowell, which is actively engaged in developing a creative economy setting to entice creative industry businesses to locate in Downtown Lowell, where the AOD is located. The Lowell AOD also benefits from the location of the Lowell National Historical Park, Lowell Heritage State Park and the Hamilton Canal 40R Smart Growth District within its boundaries (Lowell Division of Planning & Development 2004). This is not to say that East Dedham can’t replicate what Lowell has done on an appropriate scale, but rather that reaching the Vision outlined in the *East Dedham Plan* may take up to 20 years.

At a 2001 meeting of the City of Lowell's Downtown Plan Community Advisory Committee ideas were put forth on where to incorporate other industries that are not traditionally thought of as creative economy businesses including outdoor cafes, bars and restaurants that have live entertainment including music and comedy, movie theatres, and arcades (Downtown Plan Community Advisory Committee 2001). The Committee also recognized the need to continue to promote the arts atmosphere in order to continue developing the creative economy (ibid). To this end the Cultural Organization of Lowell successfully got the Massachusetts Cultural Council to designate the Lowell AOD as one of 17 state cultural districts, named the "Canalway Cultural District" (O'Brien 2012). The importance of state designated cultural districts is detailed later in this section.

Pittsfield, MA

In the City of Pittsfield, located in Western Massachusetts, an AOD was adopted in 2005 (Tree 2006). The AOD was created to "to enhance vitality in downtown by fostering a mix of uses through increasing downtown housing opportunities and fostering arts-related development and activities" (*City of Pittsfield Zoning Ordinance 2013: sec. 4.320(A)*). While similar in structure to Lowell's AOD bylaw, Pittsfield's Downtown AOD bylaw's definition of 'arts-related uses' encompasses more uses, which the City recognizes as tangentially related to developing the creative economy they desire.

Specifically the Pittsfield AOD bylaw defines 'arts-related uses' as (ibid: sec. 4.320(C)(2)): Stage and screen theaters (excluding adult entertainment); shops selling locally created arts and crafts; art centers (community educational arts-related activities); art galleries; art schools and studios (including dance, photography, filmmaking, music, writing, painting, sculpting, or printmaking); artist housing; artist supply stores; arts services, including set design and restoration of artworks; concert halls or other performing arts spaces; cabarets; musician rehearsal space; dinner theaters; restaurants and bars, nightclubs, or cocktail lounges; museums; performing arts ticket offices or booking agencies; picture framing shops; record or musical instruments stores; television and radio broadcast studios; and specialty artistic manufacturing establishments.

The Pittsfield AOD bylaw also goes into more detail than the Lowell bylaw in defining what buildings can be repurposed for creative businesses and live/work artist spaces and what standards must be met for development/redevelopment in the AOD (ibid: sec. 4.320(E)). Specifically, the Pittsfield AOD bylaw defines an "Artist and/or Creative Services Live/Work Unit" as "(a) residential use that permits up to 50% of the gross floor area of a residential dwelling unit to be used for the production, showing and sale of arts and crafts made on the premises by the occupant of said unit" (ibid: sec. 4.321(B)).

While the Pittsfield AOD allows for the development of live/work spaces for artists, the City realized this alone was not attracting as much of the desired business, and there were other businesses that wanted to locate in the AOD, yet they required specific zoning not covered by the overlay district (Levulis 2013). As a result in November 2013, Pittsfield approved an amendment to the zoning code that allows for, "manufacturing and distribution of foods and beverages, including baking, cheese-making, brewing, distilling and winemaking" (ibid: sec. 4.320(C)(2)).

Adoption of 40R Smart Growth Zoning in areas within the AOD in 2008 also warrants mentioning as this incentivized mixed-use housing development in certain areas within the AOD (ibid: sec. 4.321). The official designation of the Pittsfield Downtown AOD as the Upstreet Cultural District by the Massachusetts Cultural Council in March 2012 further helped to put the Downtown AOD on the map (Murray 2012).

Themes & Lessons Learned From Other Arts Overlay Districts in MA

Two noteworthy themes emerge from these two case studies. In both of the subject communities of these case studies the AOD contained a 40R Smart Growth Overlay District, giving credence to the *East Dedham Plan's* vision for a mixed-use, pedestrian-oriented arts centered village. Second, adoption of an AOD in both of these communities led to designation by the Massachusetts Cultural Council of the respective AODs as state recognized Cultural Districts.

The designation of AODs as state designated cultural districts is significant because it gives these areas access to state programs, services, and funding which would otherwise be unavailable (Murray 2012). Neither the adoption of 40R Smart Growth Zoning, which is primarily a tool to incentivize smart growth oriented multifamily affordable housing production, or application for designation of East Dedham as a state recognized Cultural District are sensible actions at this time. But, if the proposed East Dedham AOD and economic development incentives succeed at creating the desired creative economy in East Dedham, the Town may want to consider adoption of both of these programs/tools at a later date to help further creative economy development in East Dedham.

Additionally, these case studies show that an AOD bylaw should not be overly restrictive in defining “arts-related uses” so that it requires being amended after adoption to allow for other types of businesses that are deemed appropriate, yet are unforeseen. If a business can’t legally locate in the AOD, it is very likely that they will find somewhere else to go as opposed to waiting for the AOD bylaw to be amended.

Recommendations

Based on this thorough review of the history of Arts Overlay Districts in East Dedham as well as the Commonwealth of Massachusetts as a whole, there are several specific recommendations that are made in order to maximize the effectiveness of East Dedham’s AOD bylaw.

Recommendation 2.1: Define ‘Arts Related Uses’ in Purpose section of AOD bylaw

It is recommended that at a future town meeting, “arts-related uses” in the purpose of the AOD bylaw be further defined. Based on the “arts-related uses” allowed in the City of Pittsfield and Lowell MA’s AODs, detailed above, it is recommended that the following “arts-related uses” be allowed in the East Dedham AOD:

- Live-work space for artists
- Potter Studio with kiln
- Performing arts space
- Shops selling locally created arts and crafts
- Art galleries
- Art schools and dance studios
- Artist supply stores
- Arts services
- Restaurants
- Art Museum
- TV & radio broadcast studios
- Specialty artistic manufacturing establishments

Some of these “arts-related uses” may need to be defined further in the AOD bylaw to provide clarity as to, for example, what type of “specialty artistic manufacturing establishments” are allowed in the AOD. While some of these uses are defined in the Pittsfield and Lowell AOD bylaws, which you can find links to in the Reference section at the end of this report, it is for the East Dedham community to decide what specific types of art-related uses it finds compatible with the existing environment.

Recommendation 2.2: Define ‘exceptions’ in Conflict section of AOD bylaw

It is recommended that the word “exceptions” in the conflict section of the AOD bylaw be further defined to include outdoor dining and outdoor entertainment along the Mother Brook in addition to the “arts-related uses”, defined above. While current zoning allows outdoor dining, it is important that outdoor dining located in the AOD can benefit from the same more flexible development standards as “arts-related uses.”

Recommendation 2.3: Define ‘standards’ in Conflict section of AOD bylaw

Strategy 2.1 of the *East Dedham Plan* recommends replacing “existing General Business zoning districts in East Dedham with Central Business zoning to allow for the same mix of uses found in Dedham Square” (Smith, Winter, and O’Connell 2013:39). Consistent with this strategy, it is recommended that “standards” in the Conflict section of the AOD bylaw be defined further by extending the appropriate zoning/dimensional requirements found in the Central Business Zoning District to the AOD for “arts-related uses.”

Strategy 2.3 of the *East Dedham Plan* recommends, “establishing design guidelines within the East Dedham Arts Overlay District zoning for new development that encourage and promote an active, mixed-use village setting” (ibid, 39). Consistent with this strategy, it is recommended that “arts-related uses” in the AOD be evaluated based on the guidelines for the Crossroads Village Character District outlined in the Town of Dedham’s *Building Better Design Manual* (Brown & Keener 2012:3). The *Building Better Design Manual* offers guidance for the design of building improvements subject to the Town of Dedham’s design review process, which the Town of Dedham Design Review & Advisory Board administers (ibid:1).

Together these two changes would create the desired vibrant mixed-use, pedestrian oriented East Dedham Village by requiring new buildings to be located closer to the street with rear parking, minimize the distance new buildings with “arts-related uses” have to be built from each other and also make it easier to build two story mixed-used buildings with live-work space, as well as first floor commercial space.

Recommendation 2.4: Pursue potential 43D expedited permitting opportunities

43D expedited permitting is an economic development tool that allows a municipality in the Commonwealth to guarantee that the permitting process for large-scale renovations or construction will occur within 180 days (Town of Dedham Department of Economic Development 2014). It is very enticing for developers researching a location for new development to know that the permitting process will be expedited.

43D expedited permitting is allowed in the Town of Dedham for use by developers in the area (ibid). And a few projects have utilized the tool including the Town-owned Keystone parking lot in Dedham Square (ibid). It is recommended that the Town work with the local developers to generate interest in revitalizing an existing space or constructing a new building which could house either the artist live/work spaces or other creative economy businesses. It is also recommended that the Dedham Department of Economic Development widely publicize the fact that they are open to the use of 43D expedited permitting in East Dedham. A potential developer may have no idea that the Town of Dedham is willing to pursue and expedited permitting process unless the information is disseminated. Further study is required to identify specific parcels in East Dedham for 43D utilization and development.

Goal 3: A visually attractive public realm with a system of connected open space amenities that maximizes connections to the Mother Brook

Recommendation 3.1: Support public art projects and facilities; both integrated and site-specific art-work

To ensure that East Dedham becomes the vibrant, creative-economy desired by town officials, community advocacy groups and residents, public art should play a key role in East Dedham's revitalization strategy. Although this is out of this report's intended scope, this section will provide options and offer next steps required to produce the creative environment that is desired by artists and other creative industry professionals.

Public art will play a critical role in East Dedham's revitalization efforts and will improve the quality of life for residents, business owners, and visitors. East Dedham can use public art as a tool in order to enhance the image of the town by creating a "sense of place," and developing its own unique identity. Additionally, public art will refresh the community by beautifying the environment and showcasing East Dedham as a vibrant community in which to live, work, shop, and be entertained.

East Dedham will benefit from public art through the:

- Preservation and enhancement of artistic and civic pride
- Beautification of the immediate environment and surrounding area(s)
- Provision of financial opportunities and professional benefits to local artists
- Enhancement of public "eye sores" and reduction in vandalism and graffiti
- Increased accessibility of public art by providing a public forum
- Promotion of the interaction and collaboration among artists, planners, developers, business owners and merchants, and residents
- Enhancement of the current streetscape

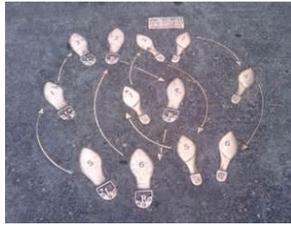
Types of Public Art

There are two main types of public art that can enrich the East Dedham area. The following section describes the forms public art can take, with photos of each type to illustrate the range of possibilities.

Integrated Artwork (Integrated into current streetscape design)

A wide range of everyday, basic physical forms and elements can be used to incorporate public art into the pedestrian landscape. Elements such as tree boxes, paved areas, utility covers and lamp poles, for example, can transform these indiscernible elements into points of interest (City of Avondale 2006). Additional elements include:

Manhole covers and sidewalk treatments



Custom seating areas



Architectural/"Place-Making" artwork



Drinking Fountains and bike racks



Metal decorative fixtures and/or fabric banners on lamp poles



Site-Specific Artwork

Site-specific artwork takes the form of freestanding, outdoor murals, sculptures, contained within a specific area, which can be temporary or permanent. Site-specific artwork can be used to invigorate and enliven an area and should be located in areas that have high concentrations of pedestrian activity. Additionally, selected locations should be chosen based on the availability of space and opportunity for integration (DC Commission on the Arts and Humanities 2003). For example, the placement of integrated artwork will depend upon the availability of tree grates, light posts and fixtures, and opportunities for informal signage. Other enhancements can be integrated with less restriction (i.e. fixtures and signage that attach to exterior walls). Site-specific artwork, however, should create a “gateway” to East Dedham and fill the area within the AOD boundary, placed within strategic locations. The specifics of each piece (i.e. size, style) should be determined with respect to its placement and surroundings (DC Commission on the Arts and Humanities 2003). Examples of site-specific artwork include:

Outdoor murals and sculptures



Plaza enhancements



Public art can be a valuable tool in the re-imagining of East Dedham. The next step in developing a comprehensive public art plan will be the creation of an East Dedham Public Art Master Plan. This Master Plan can act to establish the criteria for artist selection, the process, and the implementation of artwork. For an example of an artist certification form, please refer to Appendix C. In addition, the Public Art Master Plan developed by the City of Avondale (see References section for link to the Plan), can be used to provide an in-depth review of how East Dedham can move forward in implementing their own Public Art Master Plan.

Recommendation 3.2: Improve streetscapes and park walkways to enhance walkability

In order to develop a comprehensive public space plan, public realm improvements will need to be researched and surveyed. To do this, it is recommended that the Town of Dedham collaborate with a group of Masters students from the Design for Sustainable Urban Environments program at Northeastern University.

Goal 4: Market East Dedham as a regional center for creative economy workers and businesses

Recommendation 4.1: Create Town of Dedham Cultural Development Committee

As has been stated in other parts of this report, the *East Dedham Plan* provides a comprehensive plan for the implementation of its goals, set forth by the Charrette participants, for the revitalization of their community. The strategies laid out in *the East Dedham Plan* for Goal 4 are no different and if followed should lead to success in the area of promoting the AOD to artists and businesses outside of Dedham.

That being said, to implement the strategies described within the *East Dedham Plan* most effectively, it is recommended that the Town of Dedham take responsibility for this portion of the AOD initiative, through the creation of a Town of Dedham Office of Cultural Development. If resources are not available to staff an office with a director, the town should instead create a Cultural Development Committee within the municipal structure of the Town.

This recommendation is based on the experience of other towns who have successfully implemented strategies that have led to AOD institutions, which in turn have led to meaningful revitalization of struggling areas of their municipalities. Aside from having a non-profit community group, described in Recommendation 1.2, another constant among the group of successful towns was the inclusion of some sort of organization within the town government that was dedicated to the promotion of the AOD and the activities tied to the district.

The towns used as examples in this report all created such municipal entities. The Town of Pittsfield created its own Office of Cultural Development to serve “as the City’s first point of contact for artists of all stripes, cultural organizations, event organizers, and creative businesses in Pittsfield” (Town of Pittsfield 2012). The location of Pittsfield’s Office of Cultural Development in the city-owned Lichtenstein Center for the Arts in their Upstreet Cultural District AOD, also allows the Downtown Pittsfield, INC non-profit to work in tandem with the Town (Town of Pittsfield 2012).

These town entities’ act as de facto tourism boards for the entire town, but considering that the new activity within the AOD would encapsulate most of the ‘promotable’ events, the main focus should be on furthering the strategies laid out in the *East Dedham Plan*. These could include the creation of promotional material, working with organizations outside of Dedham to promote the AOD, and organizing public events designed to attract people to the AOD.

The reasoning behind this recommendation is two-fold. The first advantage this strategy would bring to the Town of Dedham is that it provides a town committee to work directly with the MBCG community nonprofit described in Recommendation 1.2. This would take some organizational and fiscal pressure off the MBCG so that it can focus on organizing events, communicating with the community and implementing the revitalization work, though the Town can work to assist the MBCG when needed. Additionally the new Cultural Development Committee can utilize its official position to bring a higher level of legitimacy to the process and

create necessary separation between the MBCG and the Town as the process of implementing the AOD plays out. Finally, this type of direct involvement from the Town will be indicative of the entire community's buy-in to this process and provide accountability to neighborhoods outside of East Dedham, as the Town invests in this revitalization process.

Recommendation 4.2: Create East Dedham Business Improvement District (BID)

Business Improvement Districts (BIDs) are designated districts in towns in which property owners vote to initiate, manage, and finance additional services from the town for the district. The goal is that the additional services promote business activity in the targeted area. Once established, a BID levies an additional tax, generally referred to as a 'common area fee,' on the property owners in the district that is used to finance the projects that are believed to increase business activity. This is not only beneficial to existing businesses, which may see an increase in their business, it also provides for a more attractive and business friendly environment for other businesses that are looking for somewhere to locate. A relevant and noteworthy example BID is the Boston Downtown Crossing Business Improvement District. Operating with a budget of \$2.9 million, one of the Boston BIDs key initiatives is the Summer Street: Music, Markets & More program, which provides outdoor shopping, Zumba classes, and a live concert series throughout the summer (Keaveny 27).

What follow is a brief overview of BIDs in Massachusetts as well as recommendations for the practical application of a BID in East Dedham for the use of fostering creative economy growth. For a comprehensive description of the process necessary to pursue a BID, please see A Guidebook of Massachusetts' Public Financing Programs for Infrastructure Investment, Appendix B.

Powers, Rights, and Requirements for BIDs

The supplemental services provided by a BID range across many different areas of potential need:

- District Management Services
- Maintenance and Security
- Promotion and Marketing Services
- Business Services
- Physical Improvements and Property Management

Towns are authorized under M.G.L. Chapter 400 to establish BIDs. Naturally, there are certain requirements and restrictions that exist for a community to pursue creating one of these districts. The proposed BID must:

- Be a contiguous geographic area
- Contain 75% land zoned for commercial, retail, industrial, or mixed uses

A BID is established through a local petition and public hearing process. This petition, which is created by the town wishing to create the BID, must be signed by the owners of at least:

- 60% of the real property in the BID
- 51% of the assessed valuation of the real property in the BID

The petition may also include delineation of the proposed BID boundaries, a proposed improvement plan, a budget, and an assessment fee. Because certain options may not be desired by all of the local business owners within the BID, it is a good idea to have at least two options available, including different fee assessments and proposed scope of the projects that will occur. It is also a good idea to have a more complex option, such as the possibility for the fee that has many or larger services offered, as well as a more mundane one that is smaller in scope, which may be more attractive to the hesitant property owners that are not familiar with the idea. For an example of an improvement plan, see the Amherst Business Improvement District Improvement Plan, Appendix A.

There is a limit on the fee amount that can be imposed on the participating property owners. It cannot exceed one-half of one percent of the total participating members' assessed property values. For every \$1 million in assessed valuation of participating property owners within the district, the BID can generate a maximum of \$5,000 each year. However, this is only the high level for the amount of money that can be generated through the fee. If the participating property owners are skeptical or hesitant, the BID petition can include a fee that is less than this, which may be enough to convince property owners that it is not a large investment.

In addition to the traditional streams of revenue, many BIDs are good at generating funding through other fundraising endeavors, including donations from business owners and other residents who are not part of the BID. "According to the international survey of BIDs, one-half of the BID managers in New Zealand (52%) and the United States (50%) reported that they received voluntary donations or in-kind contributions from tax-exempt properties in the district" (Hoyt, Gopal-Agge 2007:4).

Recommended Uses For Generated Revenue From BID

The purpose of the BID is to generate revenue by imposing a small fee on the participating property owners. Once the fees are collected, which occurs annually, the money is then used to finance an improvement project for the business district. As is listed above, the uses for the generated revenue is rather varied with several different options available. As these recommendations are intended to facilitate and incentivize the growth of an arts community and creative economy, it is recommended that the money be used to further that end.

Other towns that have implemented BIDs have pursued more creative uses of the revenue that is generated. Springfield, MA, hosted a pancake breakfast in which everyone from the Town was invited to attend. Hyannis, MA hosted a street fair with local businesses and other vendors. Indeed, Springfield has devoted a great effort to making the BID work for them. An online calendar boasts events practically every night, as well as an impressive section on the restaurants that are available, and a gallery with photos from some of the many events. The Westfield BID hosts a weekly farmer's market and Amherst hosts an annual block party, in addition to providing public art and other community events. These are the sorts of options that are available to the East Dedham community provided a BID is created.

The first recommendation is to use the acquired funds to host a street art fair along the main business district in East Dedham. Local businesses should be invited to come and provide their wares in the street. Additionally, several kiosks should be made available to local artists who wish to sell their artwork. Local restaurants should also be invited to provide food and drinks.

The revenue generated should be enough to provide a sizeable number of kiosk tents and table rentals as well as provide for a number of personnel hired for the day. Security guards, maintenance, and sanitation employees could be paid for the day to set up and take down all of the kiosk tents and clean up after the event. Traffic would not need to be closed for more than a single day.

By working with local business owners and the Mother Brook Community Arts Center, a large number of artists, businesses, restaurants, and other specialty and artisan producers of goods from East Dedham and the surrounding communities would likely accept the invitation to participate in the event. The generated revenue from the BID would make it so that no fee would need to be imposed on those wishing to participate in the street fair increasing the number of individuals who wish to be a part of it.

The second recommendation for the generated revenue is to use the money to finance public artwork within the BID or other physical space improvements that are deemed necessary. Not only does this beautify the area, but it adds an artistic element to the local business environment that is attractive to businesses wishing to locate in East Dedham. For recommendations regarding physical space and public art please see the previous section of the report.

It is very important to incorporate the creative industries as the use of the generated revenue. A recent study by CreativeNEXT, an organization focused on developing creative economies in Massachusetts, indicated that some of the most important elements that businesses intending to relocate look for in a potential area are industry visibility and marketing. (CreativeNEXT 2102:8-9). The recommended street fair option provides a free and relatively simple marketplace for small, creative, businesses to show to a large and local population what services they have to offer. Additionally, if the street fairs become a standard event to be held annually, or so, it brands the entire area as locally produced and creative industry friendly, which is a big draw for businesses to locate somewhere.

Size and Area of the Proposed East Dedham BID

As mentioned above, there are a few requirements for the physical designation of a BID. Specifically, it must have a contiguous land area and at least 75% of that land area must be zoned for commercial, retail, industrial, or mixed uses. Without being too specific, it is recommended that the BID incorporate the major East Dedham corridor along High, Milton, and Bussey Streets. There are many businesses along this route that could benefit from the services that would be provided by a Business Improvement District.

Concluding Remarks on BIDs

There is a certain controversy regarding the use of BIDs to stimulate economic development and industry growth. Certain organizations have proven to not be successful or have faced a backlash from the community. In Northampton, MA, certain property owners have taken the issue all the way to the Supreme Court. This controversy is mainly based on the idea that it is an additional 'tax,' for lack of a better word, on a select group of business owners, and that if a majority of the proposed BID supports the idea, it is compulsory for those that voted against it.

However it has been proven that when executed properly, BIDs have a prolonged positive effect on a neighborhood/community. "There is some consensus that the BID model represents a success story because it generally functions to harness private sector creativity" (Hoyt, Gopal-Agge 2007:11). This article, from the Massachusetts Institute of Technology provides a fair overview on the debate regarding BIDs in Massachusetts. Critics argue that BID-driven branding creates a homogenous environment that does not demonstrate the vitality of the neighborhood, however, this is taken to an extreme in some parts of Massachusetts. Some BIDs are able to capture over \$1million a year, which is not going to be the case in East Dedham.

Additionally, the authors are keen to indicate that without sufficient transparency and accountability for the projects that are undertaken, the BID could face backlash from the community (Hoyt, Gopal-Agge 2007:7-8).

One of the largest studies on the effects of a BID was conducted on BIDs in New York City. What the researchers investigated primarily were the effects on the commercial property values for property within the district. They found that, "On average, the value of commercial property within a BID increases by approximately 15 percent more than comparable properties in the same neighborhood outside of the BID" (Furman Center 2007:5). This is driven predominantly by the larger BIDs in the study. However it is some indication that BIDs have a positive effect on the overall economy. There is also strong evidence that BIDs reduce crime, however, it is important to note that a majority of the BIDs that do, focus a large portion of their capital on providing additional security services. (Hoyt, Gopal-Agge 2007:9; Furman Center 2007:2).

An additional study focused on the CBD/BIDs in San Francisco. A CBD or Community Benefit District is a comparable development tool used in addition to the BID in California. This study focused on the effects of the CBD/BIDs in San Francisco, and the effects that they produced. It was indicated that there are several areas of improvement that can be accomplished by the use of these districts, including reduced crime, cleaner streets, insulation from the effects of the recession, additional revenue generated, and additional community support for economic development projects (San Francisco 2012:19).

If a BID were to be created in East Dedham, of a relative limited scale, in regards to the fees to be collected, the Town of Dedham would have an opportunity to provide a service for the East Dedham community that goes beyond the scope of traditional governance. Working with the Mother Brook Community Arts Center and the Mother Brook Community Group, who have demonstrated significant interest in pursuing activities of this kind, a significant benefit could be seen for the development of a creative economy in East Dedham.

Conclusion

There are several recommendations contained within this report that could lead to the desired goal of a creative economy in East Dedham. By utilizing the natural resources of the town and working to produce an attractive business environment, the Town of Dedham can generate a significant interest for artists and other creative industry business owners that are looking for the right environment to locate in.

The regulatory framework, physical attributes, community involvement, and a marketing plan to share the vision of East Dedham with the rest of Dedham as well as surrounding communities are all related and necessary steps to achieving the desired goals of the *East Dedham Village Charrette Strategic Action Plan*.

For further development of these strategies it is recommended that the Town employ the services of Barry Bluestone, Director of the Dukakis Center for Urban & Regional Policy. Professor Bluestone is very knowledgeable in this area and is also familiar with Dedham's housing needs having recently authored two housing and population studies for the Town.

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Amherst Business Improvement District Improvement Plan

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Appendix B:

A Guidebook of Massachusetts' Public Financing Programs for Infrastructure Investment

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Appendix C:

Rezoning Union Square: The Arts Perspective - A Guide for Citizens, Businesses, and City Agencies

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Amherst Business Improvement District Improvement Plan



*Exhibit C to Petition, Pursuant to Massachusetts General Laws Chapter 40a
Filed: September 15, 2011, Amherst, Massachusetts*

Over the past 30 years, Business Improvement Districts have been a proven tool in over 1,200 large and small communities across the United States. Through self-imposed fees for services, property owners have aided in the renewal of their areas by cooperatively pooling resources to provide a wide range of services and programs not provided in the communities' basic public services. Historically, these service elements have included:

- Physical improvements
- Supplementing public services
- Improving the downtown marketplace
- Marketing and public relations
- Illumination of the streets
- Addressing social needs
- Improving access and mobility
- Guiding economic development

The Amherst Business Improvement District ("BID") will provide a comprehensive supplemental package of programs and services that will create an attractive, safe, well programmed and aggressively promoted location in which to live, conduct business, shop and visit. The BID will establish a private sector-directed entity to provide programs and services that supplement the basic services provided by the Town of Amherst and other organizations. The BID will be a partnership with the Town, other public property owners, private property owners, academic institutions and non-profit organizations, with the goal of generating greater attractiveness and profitability through cooperation than any individual property owner could accomplish alone.

The following is a brief description of the BID program components within the approved area (the "District").

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Curt Shumway

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Executive Director

I. MARKETING PROGRAM

The BID marketing program will put a strong emphasis on marketing the District to both potential businesses and consumers including the valuable customer base represented by the academic community and its visitors. The BID will promote the unique “Amherst Brand” to a broad audience of businesses, residents and visitors.

Through special events, common advertising and public relations, tours and an expanded One Card program, the BID will promote businesses, dining and cultural/entertainment attractions in downtown Amherst.

Program Elements

1) Marketing Program

- a) Support Amherst Brand program
- b) Market Research
- c) Marketing/Advertising for Consumers and Businesses
- d) Information Kiosks and Signage
- e) Website and Social Media

2) Special Events

- a) Art/Culture/Speaker series/festivals
- b) Restaurant Weeks or other events

3) College/University Marketing Initiative

- a) Promote BID in marketing materials
 - (1) College/University Concierge – BID tours by college/university for visitors and students
- b) Expansion of One Card Program
- c) College/University Events

Objectives

1. Increase the number of visitors and expenditures in the BID from within the Pioneer Valley as evidenced in top line results for downtown businesses and attractions.
2. Enhance employee, office worker and resident experience.
3. Enhance visitor experience, including shoppers and professional office clients.
4. Increase occupancy for retail, office and residential opportunities.
5. Promote award winning attributes of downtown Amherst.
6. Enhance and add special events and entertainment programs.
7. Create business promotions geared to increase customers and tenants.
8. Increase cross-promotional opportunities with attractions, restaurants, shopping, transportation, institutional attractions, and cultural and entertainment venues.
9. Develop ongoing public relations opportunities to promote the BID.
10. Maximize and leverage public and private resources available for marketing.



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II. MAINTENANCE/BEAUTIFICATION PROGRAM

The BID will create enhanced levels of seasonal and targeted maintenance to maintain a high level of cleanliness in the BID. It will also add landscaping and decorative lighting or other enhancements to help tie the District together as a destination. The downtown will be an even more attractive place to enjoy and in which to work, shop, gather, connect and socialize. The maintenance programs will supplement the general maintenance efforts of the Amherst Departments of Public Works.

Maintenance/Beautification Program Components

- 1) Enhanced maintenance: Bi-weekly Sidewalk/Troubleshooting for Hotspots in the BID.
- 2) Targeted Snow Removal
- 3) Graffiti Removal
- 4) District-wide Landscaping and Plantings
- 5) Decorative Lighting

III. BUSINESS DEVELOPMENT

The BID will focus on recruitment and retention of businesses in downtown Amherst. The BID will partner with the Town of Amherst to create a streamlined permitting process, encourage multi-use sidewalks and music venues. It will undertake market analysis to identify customer needs, new markets and business opportunities, and help develop incentives for businesses to locate in downtown Amherst.

Business Development Program Components

- Business Ombudsman
- Market Analysis
- Retail Incentive Strategy
- Music Venues
- Multi-Use Sidewalks

IV. TRANSPORTATION/PARKING

The BID will work in collaboration with the Town of Amherst to implement a comprehensive approach to manage parking and provide transportation in downtown Amherst that is convenient, affordable and fun.

Parking/Transportation Program Elements

- 1) 5 College Shuttle
- 2) Bike Storage
- 3) Valet Program
- 4) Parking Management participation



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V. PUBLIC INFRASTRUCTURE PROJECTS/ADVOCACY

The BID, in partnership with the Town of Amherst, will undertake programs to enhance the physical and economic development of the District and the convenience and comfort of those who use it. The BID will be an active participant with other key stakeholders to represent the needs of the BID as major downtown infrastructure projects are developed. The BID will communicate with its members regarding projects that will impact the District. The BID will work with the Town of Amherst to identify and advocate for funding to address infrastructure needs of the BID.

Public Infrastructure Program Elements

- 1) Public Bathrooms
- 2) Gateway Project
- 3) Kendrick Park

VI. ADMINISTRATION/MANAGEMENT

The BID will be managed by the Board of Directors of the Amherst Business Improvement District, Inc. (the "Corporation"), a non-profit corporation whose directors will be participating members of the BID. The Corporation will contract for appropriate office space, equipment and general staff support for its administrative operations. The offices of the Corporation will be located within the District.

General Provisions

- 1) As determined by the Board of Directors, the Corporation may provide such additional programs and services as are permitted by law.
- 2) The District shall exclude residential condominiums and residences with less than four (4) units.
- 3) The Corporation may incur indebtedness in the course of providing the programs and services permitted by law.
- 4) The Board of Directors will set policy and the budget for the BID. Daily operations will be conducted by BID staff.
- 5) The Corporation shall have all of the powers permitted by G.L. c. 40 O and other provisions of law, and as set forth in its Articles of Organization and its By-Laws.



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VII. SERVICES OF THE TOWN OF AMHERST

The Town of Amherst has agreed to enter into a Memorandum of Understanding to provide municipal services within the District.

Baseline Services

The Memorandum of Understanding includes detailed lists of programs and levels of services currently provided by the Town through its respective municipal departments (the Baseline Services”), which the Town shall continue to provide within the District.

Baseline Plus: Town Participation in BID

- 1) Fund BID at the rate of \$0 in year 1, \$15,000 in year 2, and \$20,000 in year 3 and \$30,000 annually beginning in year 4.
- 2) Purchase equipment to execute the maintenance and landscaping program undertaken by the BID. Initial acquisition will include a sidewalk sweeper. The Town will provide storage, maintenance, and fuel for the equipment. Acquisition of additional equipment will be considered and negotiated based on need, funding availability, and mutually agreed upon schedule of acquisition.
- 3) Provide quarterly BID billing and collection at no cost to the BID and maintain the official database of BID members.
- 4) The Town will provide police, DPW and other Town services for a series of up to four marketing events developed by the BID, Amherst College and/or UMass with dedicated hours and thresholds of service such as College Welcome Events, Restaurant Week, Sidewalk Sales, and one other event to be mutually identified at no additional cost to the BID.
- 5) The Town and the BID will undertake a comprehensive landscape and streetscape design plan for the District and will work to secure funding for long term streetscape improvements in the District.
- 6) The Town will match tree replacements within the BID on a one-for-one basis and seek available grants for tree planting.
- 7) The Town will develop a plan to design and build public bathroom facilities in the BID and work jointly to secure funding for implementation.
- 8) The Town will invest up to \$110,000 in new parking system infrastructure in year 1 as part of the installation of a new parking management system in the BID. The Town will include the BID on the parking advisory committee to develop policy relating to pricing, administration, management and parking enforcement within the BID.
- 9) The Town will assign a staff person to serve as ombudsman to facilitate business development and permitting process in downtown Amherst.
- 10) The Town will work with the BID, UMass and Amherst College to develop and promote a Bus Loop for linking academic institutions and the BID.

Rules and Regulations

The Town will agree not to impose additional rules and regulations upon the BID or the Board of Directors of the Corporation.



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VIII. FEE STRUCTURE

BID Fees

All private and public properties are included in the District except residential condominiums and residences having less than four (4) units. The BID annual fee schedule is:

- Commercial properties will have a fee equal to the assessed value multiplied by .005.
- Commercial components of mixed-use properties will have a fee equal to the assessed value multiplied by .005, and residential components will have a fee equal to the assessed value multiplied by .001.
- Public/academic and non-profit properties will have negotiated fee agreements with contributions of cash and/or in-kind services.
- Hotels/Inns/B&Bs will have a fee of \$200/room per year, which may be increased annually by a percentage not greater than the percentage by which the real estate tax rate in Amherst for commercial properties has increased over the prior fiscal year.

Waiver of Fee

The BID may waive or reduce the annual District fee for any member for whom the imposition of such a fee would create a significant financial hardship based on policies established by the Board of Directors.

Applications for waivers will be available annually at the offices of the Corporation. The Corporation may request additional or sufficient information from the member to evaluate the claimed hardship. Applications will be reviewed by the Board of Directors, or a committee designated by the Board of Directors. A member not satisfied with the initial decision on a requested waiver may request a meeting with the Board of Directors to review the decision. The decision of the Board of Directors will be final.

IX. BUDGET STRUCTURE

The fiscal year of the Corporation shall be as determined by the Board of Directors. Its budget shall include income and expenses that are both "cash/or cash equivalents" and "in-kind." The proposed budget for fiscal year 2012 is attached to this Plan as Exhibit 1.

X. AMENDMENTS AND UPDATES

This Improvement Plan may be amended as permitted or as required by Mass. G.L. c. 40 O, as amended from time to time. This Improvement Plan shall, within the limitations described in G.L. c. 40 O, § 9, be updated by the Board of Directors at least once every three (3) years, and each update shall be effective upon approval of a majority of the electors. An amendment of the Improvement Plan in accordance with G.L. c. 40 O shall be deemed an update of the Improvement Plan.



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Exhibit 1



To the Amherst Business Improvement District Improvement Plan

Estimated Budget for First Fiscal Year

The Amherst Business Improvement District anticipates an aggregate annual budget of approximately \$400,000 of receipts and expenditures, including BID fees, donations, sponsorships, and in kind services. The revenues generated by the BID will be allocated in the following manner:



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A Guidebook of Massachusetts' Public Financing Programs for Infrastructure Investment



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A Guidebook of Massachusetts' Public Financing Programs for Infrastructure Investment was written by Margaret Keaveny, a Rappaport Fellow and a Ph.D. student at Northeastern University. The initiative was a collaborative effort between public and quasi-public agencies. Staff members from the Executive Office of Housing and Economic Development, the Department of Housing and Community Development, and the Massachusetts Development Finance Agency were instrumental to the successful completion of this guidebook. I would like to sincerely thank Victoria Maguire, Emmy Hahn and Rebecca Sullivan for their time, instruction and encouragement.

CHAPTER 1 INTRODUCTION

PLANNING AHEAD FOR GROWTH

Massachusetts' cities, towns, and regions have the potential to develop new and existing industries that expand the state's competitive advantage. Home to established and burgeoning industries, world class institutions for higher education and health care, and a growing green energy industry, Massachusetts harbors a competitive advantage matched by few. However, the state's potential for growth relies on having the tools in place to support new infrastructure, which will pave the way for future economic development.

Since 2007, the Administration in partnership with local communities has been planning ahead for job and housing growth. To facilitate growth and strengthen regional partnerships, the Patrick-Murray Administration has taken steps to implement a state vision, which focuses on supporting high-quality employment, housing and targeted investment.

The Administration's planning ahead for growth strategy involves four critical elements:

- **IDENTIFY** promising places for growth that not only have community support, but are also consistent with regional considerations and with the Commonwealth's Sustainable Development Principles;
- **CREATE** prompt and predictable zoning and permitting in those places (both state and local);
- **INVEST** in public infrastructure needed to support that growth; and
- **MARKET** those places to businesses and developers interested in locating and growing in the Commonwealth

Given the current market realities, the Administration recognizes that cities and towns operate within tight budgets and at times, are unable to access state and federal resources that are needed to address unmet infrastructure needs. Recognizing this, the Administration has taken steps to provide communities with a set of additional tools that can supplement finite funding sources.

The Business Improvement Districts (BID), District Improvement Financing (DIF), Infrastructure Investment Incentive Program (I-CUBED) and the Local Infrastructure Development Program are four programs available to all cities and towns of the state that provide communities and developers with an alternative set of tools in order to establish a funding mechanism to support their economic development plans. The Administration endorses these tools and encourages communities to utilize these tools to address unmet public improvement and infrastructure needs that will enable communities to retain and attract business activity and enhance the quality of life for their residents.

In summary, BID, DIF, I-CUBED and the Local Infrastructure Development Program are programs designed to promote new investment in targeted areas where infrastructure, community assets, and transit opportunities are operational. These targeted funding programs aim to renew

the vitality, livability, and sustainability of the area by empowering municipalities with the means to finance infrastructure improvements through an array of financing mechanisms, such as assessments, bond issuance, and tax increment financing.

EMPOWERING MUNICIPALITIES

Strategies to sustain and improve the economic vibrancy of communities have been a primary focus of elected officials, community planners, and business leaders in the Commonwealth of Massachusetts. A range of strategies and policy initiatives has been developed in an effort to support economic development and foster community revitalization through targeted infrastructure investments. Programs, such as Chapter 43D Expedited Local Permitting, provide opportunities for municipalities to eliminate inefficiencies and support a streamlined and predictable local permitting process. Another program is the MassWorks Infrastructure Program, which provides grants for publicly owned infrastructure including, but not limited to sewers, utility extensions, streets, parking facilities, site preparation, demolition, and water treatment systems to support housing development, transportation improvements, and community revitalization.

Municipalities throughout the state are faced with a myriad of challenges. While the specifics vary by community, the challenges are common. For instances, some communities have outdated or inadequate infrastructure to support even the most highly embraced development projects. For other communities, state and federal discretionary grant resources are not enough to address unmet infrastructure needs. The Administration recognizes the challenges that confront cities and towns and have taken steps to provide an alternative set of financing tools to empower cities and towns move economic development projects forward.

In the following chapters, BID, DIF, I-CUBED and the newly created Local Infrastructure Development Program will be explained. Each chapter will provide an overview of the program; how the program is formed, managed, and financed; and the approval process of each program. Last, Appendix A contains a program matrix.

TAX REVENUE FINANCING

State and local governments are responsible for providing an array of services: education, roads and bridges, public safety, a social safety net, and public health. To pay for these services, cities and towns of the state depend on tax system composed of many distinct types of taxes.

Massachusetts' revenue system is structured using a variety of state and local taxes: 1) property taxes which cities and towns collect to pay for municipal services; 2) state personal income tax; 3) general sales tax; 4) excise taxes on specific goods, such as gasoline or tobacco; and 5) the corporate income tax.

At the local level, the property tax is the principal tax levied by local governments in Massachusetts and is the largest source of revenue. In Massachusetts, Proposition 2^{1/2} limits the

total amount that a jurisdiction may collect each year through the property tax and limits the growth rate of property tax levies for all cities and towns throughout the State.¹ The property revenues generated are used to pay for, but are not limited to, education, public safety, and infrastructure improvements.

Moreover, cities and towns may generate additional revenues through assessment levies. The Business Improvement Districts (BID), District Improvement Financing (DIF), Infrastructure Investment Incentive Program (I-CUBED) and the Local Infrastructure Development Program are four programs that provide cities and towns with a locally controlled mechanism to finance infrastructure and beautification improvements in a particular area of the municipality. These programs allow municipalities to use increased revenues realized through new development and neighborhood improvements and/or new revenue realized through assessment levies on property owners with a specified district to implement improvements that will help the entire district without relying solely on traditional infrastructure funding sources such as Chapter 90, MassWorks or TIP funds. Utilizing the funds raised from the assessment fees, cities and towns will be able to finance infrastructure improvements within the district through bond issuance and debt financing. Each program discussed in the subsequent chapters will expound on the financing methods and the community benefits.

PURPOSE OF THE GUIDEBOOK

While it is the intent of this guidebook to promote a clear understanding of the public financing resources available to communities for infrastructure investment, it is not intended to be prescriptive or provide specific legal advice. The sole objective is to provide community leaders, developers, building owners and business owners a working knowledge of the process of implementing and utilizing tax financing programs that support neighborhood revitalization and to allow communities and businesses to evaluate which program best fits their needs and goals. This guidebook is designed to supplement, not replace, the assistance you will receive from the Executive Office of Housing and Economic Development (EOHED), the Executive Office for Administration and Finance (ANF), MassDevelopment, or related consultant.

There are many programs that support neighborhood revitalization. The programs discussed in this guidebook form the core of Massachusetts revitalization programs that involve the participation of both the public and private sector and are funded through a public/private finance mechanism.

¹ *Understanding Our Tax System: A Primer for Active Citizens*. Massachusetts Budget and Policy Center. Updated December 2010, found here http://massbudget.org/report_window.php?loc=Tax_Primer_83110.html

CHAPTER 2

BUSINESS IMPROVEMENT DISTRICTS: AN OVERVIEW

2.1 WHAT IS A BUSINESS IMPROVEMENT DISTRICT?

The first BID in the United States was established in 1975 and was known as the Downtown Development District of New Orleans. In 2011, the International Downtown Association, Business Improvement District: Census and National Survey, reported that there were more than one thousand business improvement districts in the United States, and more than 1,500 worldwide.

In Massachusetts, BIDs are an emerging form of publicly approved districts that allow business and property owners to levy an assessment fee on property owners within the district in order to fund additional public services and improvements (Hoyt and Gopal-Agge, 2007). The assessment is levied only on property within the district and expended within the district for a range of services and programs, such as sanitation, marketing, maintenance and public safety. This stable, local management structure provides a funding source for the revitalization and long term maintenance of a city or town center district.

A BID creates a way for property owners to pool their resources to fund and coordinate improvements and supplemental services in commercial areas with the ultimate goal of promoting business and cultural activity and enhancing property values. BIDs have a proven track record of success.

In 1994, the BID Program was established by the Massachusetts General Law Chapter 400.

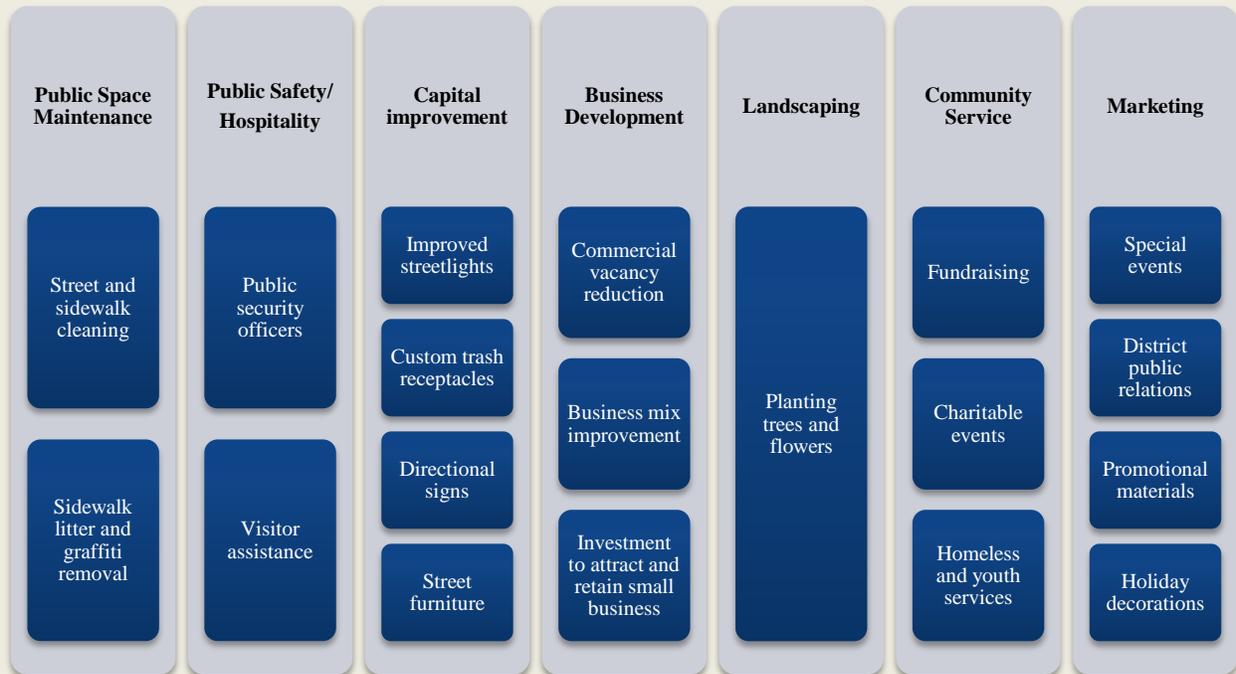
2.2 WHY CREATE A BUSINESS IMPROVEMENT DISTRICT?

- ❖ Create a cleaner, safer, and more attractive business district
- ❖ Create a steady and reliable source of funding for supplemental services and programs
- ❖ Be able to respond quickly to the changing needs of the business community
- ❖ Build potential to increase property values, improve sales, and decrease the number of vacant properties
- ❖ Help the district to compete with nearby retail and business centers

2.3 WHAT ARE THE BENEFITS OF DEVELOPING A BUSINESS IMPROVEMENT DISTRICT?

BIDs deliver a range of services over and above baseline services provided by the municipality and invest in long-term economic development of their Districts. BID services can include:

Figure 1: The Services Provided By Business Improvement Districts



Once initiated, under M.G.L Chapter 40O, the BID will have a pre-determined set of rights and powers. In addition to the activities listed in Figure 1, other powers include managing parking, leasing, owning, or acquiring real property.

2.4 HOW IS A BUSINESS IMPROVEMENT DISTRICT FORMED?

Throughout the United States, BIDs are authorized by state-enabling legislation that delineates the rules and regulations that govern the district. In 1994, Massachusetts launched the BID program, and in 1998 Springfield was the first municipality to establish a BID.

In Massachusetts, a BID may be formed in any community. A BID is established through a local petition and public hearing process. There are two key requirements in order to successfully implement a BID. First, the proposed District must be a contiguous geographic area with at least 75 percent of the area zoned or used for commercial, industrial, retail, or mixed-use. In addition, the petition must also include delineation of the BID boundaries, a proposed improvement plan, a budget and an assessment fee structure strategy.

As of 2012, there are seven BID sites in Massachusetts.

- ❖ Amherst,
- ❖ Boston,
- ❖ Hyannis,
- ❖ Northampton,
- ❖ Springfield,
- ❖ Taunton,
- ❖ Westfield

2.5 HOW IS A BUSINESS IMPROVEMENT DISTRICT MANAGED?

A Board of Directors, designated by the members of the District, governs each BID. The Board of Directors may include commercial owners or tenants, and/or residents. The Board of Directors has a fiduciary responsibility to the BID members. This said, the municipality may establish rules and regulations governing the BID Board of Directors. Furthermore, the Board of Directors may elect to designate a management entity to administer the BID on a day-to-day basis and ensure the implementation of the Improvement Plan.

2.6 HOW ARE THE SERVICES AND PROGRAMS WITHIN THE BUSINESS IMPROVEMENT DISTRICT FINANCED?

A BID assessment is a fee that each property owner within the District pays to support BID operations. All property owners within the BID are assessed a fee in addition to their real property taxes to fund the supplemental services and programs. The collector-treasurer of the municipality collects the fee and distributes it to the management entity designated by the BID. Although the fee amount is established for each BID individually, it cannot exceed an annual one-half of one percent (.005) of the total participating members' assessed property value. For example, for every \$5 million in assessed valuation of participating property owners within the district, the BID can generate a maximum of \$25,000. However, through its improvement plan, the BID does have the option to limit or cap this maximum annual fee derived from individual properties or the total annual revenue generated by the BID.

Figure 2: The Formula for Calculating the Business Improvement District Fee

The BID fee is determined by a formula using any one or a combination of the following:

different levels for varying classifications of real property;

benefit zones;

assessed valuations;

square footage;

street frontage; or

any other formula which meets the objectives of the BID.

All real property located within the proposed BID area will be considered in the fee formula for the supplemental services and programs as outlined in the improvement plan. However, the municipality may exempt certain properties from the assessment fee. These properties include owner-occupied residential, agricultural and tax exempt properties, such as schools and places of worship.

2.7 STEPS TO FORMING A BUSINESS IMPROVEMENT DISTRICT IN YOUR COMMUNITY

Establishing a BID in your community will require coordination, collaboration, and commitment. Forming a BID requires a high level of consensus, political corporation and property owner support to be successful. This can be time consuming but the time committed in the beginning will pay dividends during the approval process.

ESTABLISHING A BID REQUIRES FOUR STEPS

This guide is designed to lead you through the steps of BID formation: Test the Feasibility; Create a BID Improvement Plan; Conduct The Petition Process; and Initiate Operations. For further guidance, please refer to [*A Guide to Establishing a BID in Massachusetts.*](#)

STEP ONE: TEST FOR FEASIBILITY

The first phase requires serious consideration of the feasibility of creating a BID in your community.

1. Determine whether or not to form a BID
2. Contact your municipal governing body
3. Form a steering committee
4. Hold an initial steering committee meeting
5. Develop a database of property owners and commercial tenants
6. Conduct a needs assessment survey
7. Draft a district plan

STEP TWO: CREATE THE BID IMPROVEMENT PLAN

The second phase is planning, which involves local outreach and preparation of the BID Improvement Plan.

8. Send out informational mailings, contact newspapers and radio stations to raise awareness and encourage engagement from property owners and community residents.
9. Hold community forums, property owner meetings and focus groups to identify needs and priority programs to be included in the Improvement Plan.
10. Create the BID Improvement Plan through the consensus that was built. The BID Improvement Plan contains a detailed description of the proposed BID including boundaries, operations plan, budget, fee structure, management, memorandum of understanding with the municipality and other required information.

STEP THREE: CONDUCT THE PETITION PROCESS

Once the stakeholders are satisfied with the BID Improvement Plan, it is appropriate for the District with the strong support of the local community to initiate the petition process.

11. At this point, the BID Improvement Plan is incorporated into a petition and property owner signatures are attached. The petition must include signatures representing 60 percent of the real property owners and 51 percent of the assessed valuation of the district. The submission of the petition to the municipality is the formal launch of the

local legislative approval process.

12. The petition and signatures are presented to the municipality and a request for a public meeting is made. The municipality will hold a public hearing and vote to approve the BID petition within the MGL c. 40O statutory requirements.
13. After the petition is approved by the municipality, all property owners are considered members of the BID.

STEP FOUR: INITIATE OPERATIONS

Once the formal approval process is complete, the BID is officially established and enters its fourth or operational phase. Now, the BID membership, through the Board of Directors, has the full authority to manage or delegate management of the BID based on the enabling legislation.

CHAPTER 3

DISTRICT IMPROVEMENT FINANCING: AN OVERVIEW

3.1 WHAT IS DISTRICT IMPROVEMENT FINANCING?

In August 2003, the District Improvement Financing (DIF) Program was established by the Massachusetts General Law Chapter 40Q. The accompanying regulations, CMR 402 3.00, were promulgated in August 2004.

The District Improvement Financing Program (DIF) is a locally driven public financing alternative available to all cities and towns in the Commonwealth. The DIF program enables municipalities to finance public works and infrastructure projects in a designated area by “capturing” the increase in property tax revenues, or tax increment, derived from new housing, commercial or industrial activity in the designated area and applying the revenues towards the municipality’s development program.

A tax increment is the difference between the beginning assessed value of the targeted property in its dilapidated state and the assessed value going forward in time, as the planned improvements take shape. The tax increment, calculated by the local Assessor, is the tax on the added value of new construction, rehabilitation or new equipment or machinery. Using DIF, municipalities can pledge all or a portion of tax increments to fund district improvements over time.

A DIF is a municipal financing vehicle. DIF enables municipalities to pay for the public works and infrastructure necessary to attract growth by pledging the future incremental tax revenue resulting from growth within a designated area to the municipalities year-to-year development initiatives or pledged to service bond financing obligations. DIF is not a tax abatement tool or a new tax. Additionally, DIF does not increase future taxes, and does not reduce or redirect current property taxes.

Property owners in the designated district do not pay additional fees; rather, a portion of the real estate taxes from the new development goes to a dedicated fund to pay the bond obligations necessary to finance major public works projects. Thus, the DIF supports important revitalization projects without increasing taxes to the general public.

3.2 WHY IMPLEMENT DISTRICT IMPROVEMENT FINANCING?

Among the various initiatives at the local level, DIF empowers municipalities to independently shape their community. DIF encourages and supports municipality’s ability to aggressively develop business districts and other special locales economically and socially, yet in a manner that ensures sound fiscal health.

DIF provides municipalities with an innovative tool to target districts or specific projects for redevelopment. By allowing significant flexibility in planning for the district's housing and commercial needs, municipalities have the ability to initiate and finance their redevelopment plans in response to changing needs and priorities of property owners and residents.

3.3 WHAT ARE THE BENEFITS OF DISTRICT IMPROVEMENT FINANCING?

When implemented properly, there are numerous benefits from district improvement financing. All cities and towns are eligible to utilize this financing alternative without qualifying as blighted, substandard, or economically impaired. First and foremost, the municipal investment is designed to stimulate private investment, which in turn increases the taxable value of property and generates the incremental taxes. The incremental taxes generated and captured are pledged to finance development projects and/or pay bond obligations.

Moreover, DIF is a flexible financing tool that empowers municipalities to promote quality of life for residents, while assisting their private partners in accomplishing their development goals. The benefits generated by the tool do not depend on new taxes or redirect or reduce current property tax revenues. DIF allows developers to take advantage of flexible financing terms and debt structure. For instance, it is not uncommon for municipalities and developers to arrange for lower payments during the early stages of construction and longer terms of financing in an effort to reduce the burden on municipalities and developers early in construction.

It is important to note that as long as there is sufficient revenue generated from the assessments the municipality is under no obligation to pay the debt obligation. The bonds issued according to the terms of DIF are outside the municipality's bond cap. Thus, DIF is a tool that can further a municipalities development goals without placing undue hardship on taxpayers or city budgets.

3.4 HOW IS DISTRICT IMPROVEMENT FINANCING INITIATED?

Through a public process, a municipality defines a development district and documents a development program describing how DIF will encourage increased commercial, industrial, and/or residential activity within the district. The municipality must also detail the public improvements (the development plan), financing plans, and community benefits.

3.5 HOW IS DISTRICT IMPROVEMENT FINANCING MANAGED?

DIF enables municipalities to propose and implement a development district and program. The development program will name the municipality and the private developer(s) initiating and proposing the implementation of district improvement financing development and the program. With the approval of the DIF application, the municipality in coordination with the private developers will establish the original base valuation of the properties within the development district, collect the tax increment, issue municipal bonds and monitor the district program.

3.6 WHAT IS THE FUNDING SOURCE FOR DISTRICT IMPROVEMENT FINANCING?

After DIF approval and prior to the start of development, municipalities can designate a particular development district as an “invested revenue district” and a development program within such district as an “invested revenue district development program.” The municipality will conduct a baseline valuation of properties in the redevelopment area, which will establish the “original assessed value” prior to the implementation of the development plan. The revenue generated above the original assessed value is the tax increment.

With the tax increment, municipalities undertaking development programs within an invested revenue district may finance the development programs by issuing general obligation or revenue bonds, which are to be repaid by some or all of the program revenues, including revenues generated from special assessments and/or the captured tax increment. Annually new valuation is conducted and tax receipts in excess of the original valuation are “captured” to pay for the public improvement costs and debt obligations. The incremental revenue can directly pay for the planned municipal improvements, or the funds can be estimated and pledged in advance towards the repayment of the municipal bonds.

A bond is issued to pay for land acquisition, site preparation, or public improvements, depending on the needs of the proposed development project as outlined in the development plan. The bonds are amortized over 30 years or shorter, and debt service mold to the tax revenues collected in the DIF District. It is important to note that the existing tax base continues to fund other municipality obligations, but does not fund the district improvement or the debt services.

When a development program for an invested revenue district is adopted, the city or town adopts a statement of the percentage of captured assessed value to be retained in accordance with the development program. A municipality can choose to pledge all or a portion of the tax increment (as well as other revenues) towards repayment of the bonds that it issues. If a city or town elects to retain all or a percentage of the captured assessed value, then the city or town must establish a development program fund that consists of a development sinking fund account. This fund pays the principal and interest on any notes, bonds or other indebtedness, as well as the project costs.

3.7 STEPS TO IMPLEMENT DISTRICT IMPROVEMENT FINANCING

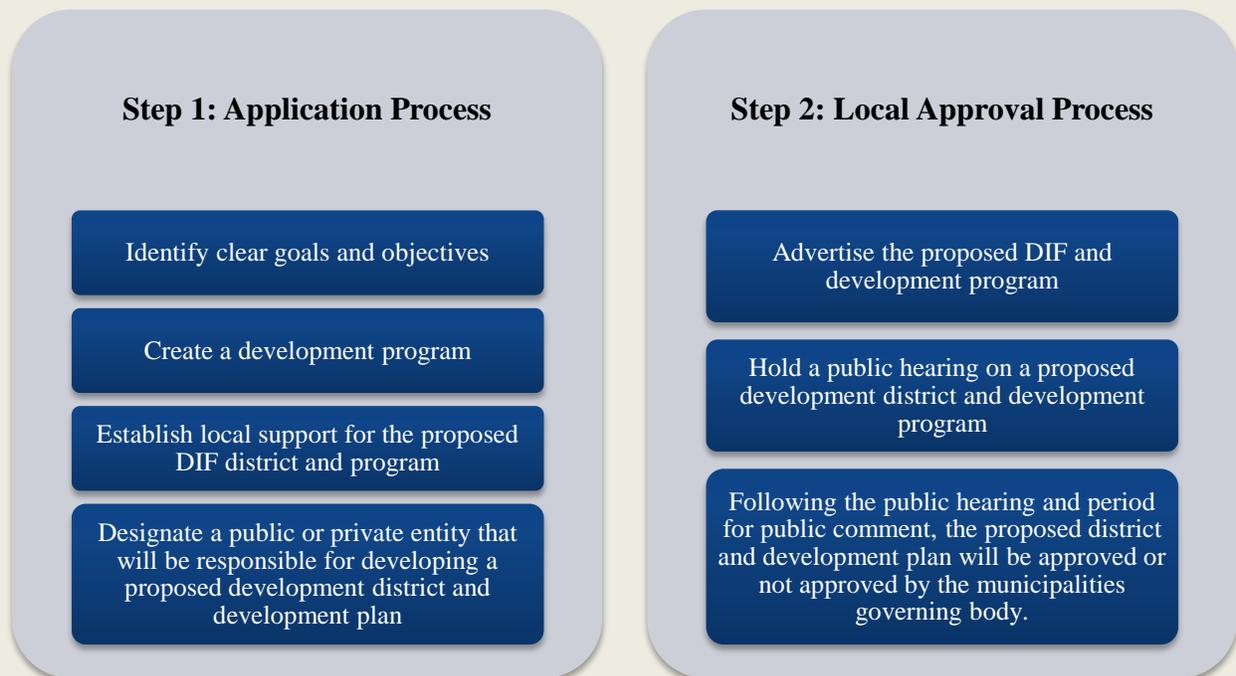
Under the program, a municipality may propose a specific “development program” that it intends to undertake within an identified “development district.” The development districts within a municipality may not together comprise more than 25 percent of the total area of the municipality. Finally, the municipality must approve each development district and development program.

APPROVAL PROCESS

Municipalities applying to implement DIF in their community must craft a development program. Within the development plan, a municipality must design a public or private entity that will be responsible for developing a proposed development district and development program.

After a development district and plan is proposed, a public hearing on a proposed development district and development program must be held. Following the public hearing and period for public comment, the program must be adopted at the same time as the district, as part of the district adoption proceedings or, if at a different time, in the same manner as adoption of the district.

Once the local municipal body reviews and approves the project plan, the development project may begin as approved. There can be no variation from the approved project plans; however, change can be achieved after following a specific process, which involves review and approval by the municipality.



CHAPTER 4

INFRASTRUCTURE INVESTMENT INCENTIVE PROGRAM: AN OVERVIEW

4.1 WHAT IS THE INFRASTRUCTURE INVESTMENT INCENTIVE PROGRAM?

On August 1, 2008, Governor Patrick signed the amended Infrastructure Investment Incentive (I-Cubed) program legislation into law authorizing a total investment of up to \$250 million for public infrastructure improvements to support certified economic development projects. In July 2012, the funding for the program was amended by Chapter 238 Section 61 of the Acts of 2012, which increased the Program cap to \$325 million.

All cities and towns throughout the Commonwealth are eligible to apply. The proposed Economic Development District may be one or several parcels owned by a developer, and the economic development project must be completed within or in support of a district. In addition, a municipality may not have more than three economic development district proposals utilizing I-Cubed financing and no more than 31 percent of the funding available under I-Cubed.

4.2 WHY SHOULD A COMMUNITY APPLY FOR THE INFRASTRUCTURE INVESTMENT INCENTIVE PROGRAM?

The Infrastructure Investment Incentive Program is an innovative bond funded program designed to generate private investment and economic growth. By forming a partnership between the Executive Office for Administration and Finance, Department of Revenue, MassDevelopment, Executive Office of Housing and Economic Development, the municipality and the developer(s), the program enables municipalities and developers to carry out large scale development projects that can catalyze private investment and stimulate the Commonwealth's economy.

4.3 WHAT ARE THE BENEFITS OF THE INFRASTRUCTURE INVESTMENT INCENTIVE PROGRAM?

I-Cubed legislation authorizes up to a total of \$325 million to be invested in public infrastructure improvements to support a maximum of three certified projects per municipality. The funding provided by I-Cubed enables cities and towns to invest in public infrastructure. For example, Somerville, Massachusetts was awarded I-Cubed to fund the cost of traffic mitigation, design and construction of a roadway network and streetscapes. The funds provided under I-Cubed were essential to address the public infrastructure needs associated with the Assembly Row development.

4.4 HOW CAN A COMMUNITY APPLY FOR THE INFRASTRUCTURE INVESTMENT INCENTIVE PROGRAM?

In order to qualify for funding, a project must be certified. The municipality, the Secretary of Administration and Finance, and MassDevelopment must approve an Economic Development Project as a "certified project" before applying for funding. The certification process consists of a Preliminary Economic Development Proposal and a Final Economic Development Proposal. These proposals are reviewed by the state agencies involved in the I-Cubed process as well as reviewed by an independent consultant hired by ANF. Once the Final Economic Development Proposal is approved and the project is certified, the public infrastructure improvements for a Certified Economic Development Project will be financed with bonds issued by MassDevelopment. The debt service on the MassDevelopment bonds will be payable from the Commonwealth contract assistance payments secured by a general obligation pledge of the Commonwealth.

4.5 HOW IS THE INFRASTRUCTURE INVESTMENT INCENTIVE PROGRAM FINANCED?

Infrastructure assessments and bonds are issued by MassDevelopment to finance the economic development plan. A Municipal Liquidity Reserve is required for each assessment parcel. During construction of the project, the municipality may levy assessments on the developer's property within the economic development district in order to reimburse the Commonwealth for the debt service cost. The developer may agree to allow the municipality to assess the property to reimburse it for the amount of any shortfall payment it makes to the Commonwealth, or make other arrangements to account for cases of revenue shortfall.

Once a commercial component of a certified economic development project is occupied and generating tax revenue, the debt service on the bonds related to the commercial component will be payable by the Commonwealth. It is important to note that project tax revenues are reported and reviewed by DOR on an annual basis. If the tax revenues are insufficient to cover the related debt service on the bonds, the municipality has the right to assess property owners in order to reimburse the Commonwealth for the amount of the shortfall. Also, if previously agreed to, the municipality, in turn, can look to the developer through the special assessments in an effort to make the necessary payment to the Commonwealth.

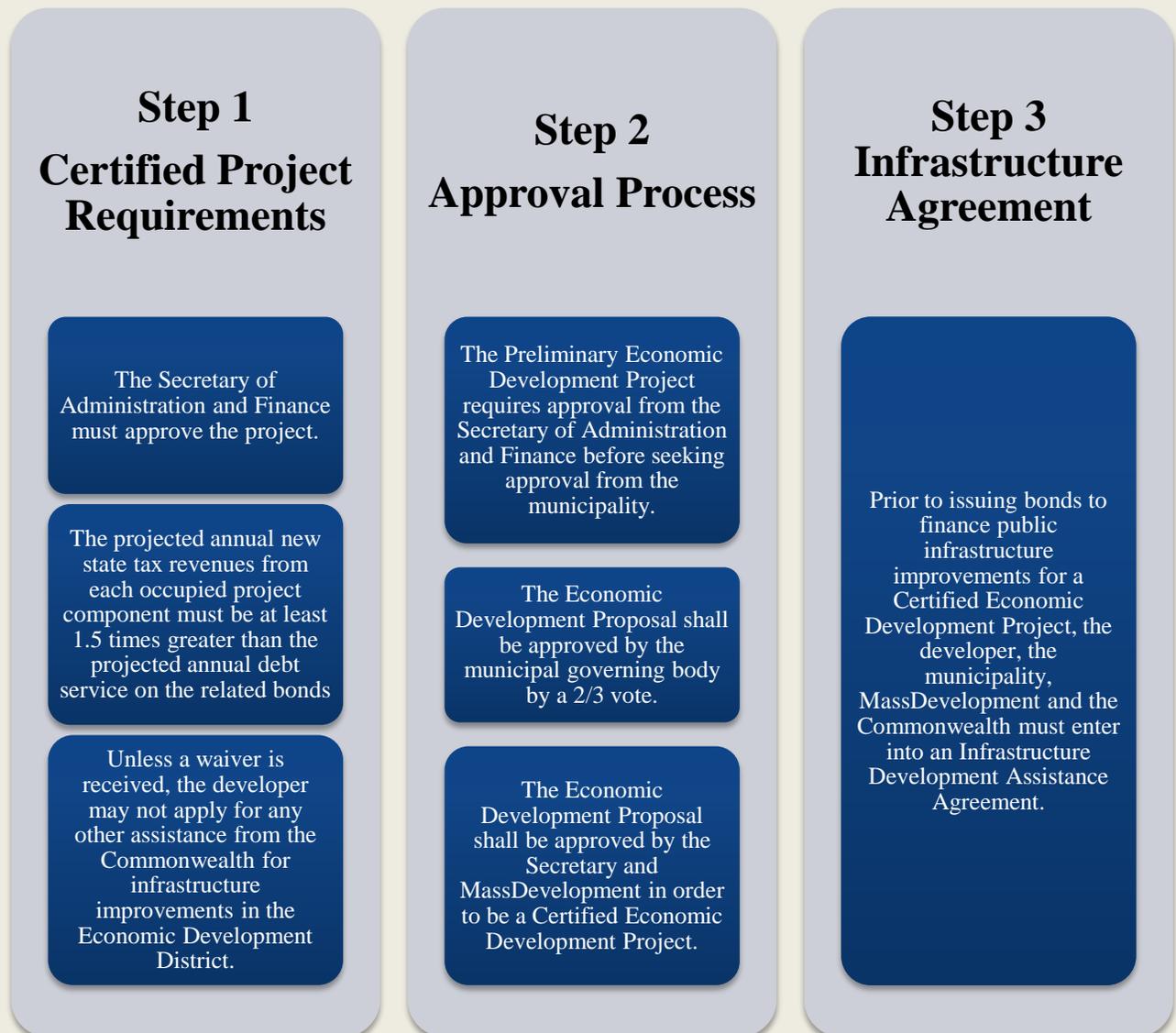
4.6 WHAT IS AN INFRASTRUCTURE DEVELOPMENT ASSISTANCE AGREEMENT?

Prior to issuing bonds to finance public infrastructure improvements for a certified economic development project, the developer, the municipality, MassDevelopment and the Commonwealth must enter into an Infrastructure Development Assistance Agreement. The agreement must set forth the terms of the financing and construction of the public infrastructure improvements, including: the developer's responsibility for constructing the public infrastructure improvements;

utilizing a competitive procurement process for selection of the contractor; complying with certain employment laws and anti-discrimination provisions; and conveying the completed public infrastructure improvements to the municipality or other public entity.

In addition, the municipality is obligated to establish and fund a Municipal Liquidity Reserve for each project component equal to two times the related maximum annual debt service on the bonds. The Commonwealth has the right to draw on the liquidity reserve in the event tax revenues are insufficient to cover debt service costs on the related bonds. The municipality may have the developer help fulfill this obligation.

4.7 STEPS TO APPLY FOR THE INFRASTRUCTURE INVESTMENT INCENTIVE PROGRAM



CERTIFIED PROJECT REQUIREMENTS

- The Secretary must determine that the economic development project would not happen or would not achieve the contemplated level of development, jobs or other economic activity without the public infrastructure improvements financed under I-Cubed.
- The cost of the public infrastructure improvements financed under I-Cubed may not exceed \$50 million and may not be less than \$10 million.
- The projected annual new state tax revenues from each occupied project component must be at least 1.5 times greater than the projected annual debt service on the related bonds (construction-related tax revenues may be taken into account for purposes of meeting coverage in excess of one times debt service)
- *A municipality may have up to three economic development projects financed with I-Cubed.*
- The developer may not receive public assistance under certain programs (i.e., tax increment financing (unless the designation as a TIF zone was before January 1, 2009), tax credit awarded for an economic development incentive program, a community development action grant, a public works economic development program grant), and the developer may not apply for any other assistance from the Commonwealth for infrastructure improvements in the Economic Development District after the effective date of the regulations.
 - *However, if a developer seeks additional public assistance, a waiver must be submitted to the Secretary of Administration and Finance.*
- The Economic Development Project must be consistent with the Commonwealth's sustainable development principles.

APPROVAL PROCESS

1. Determination that the Preliminary Economic Development Proposal is complete by ANF and other reviewers
2. Independent consultant analysis of Preliminary Economic Development Proposal
3. The Preliminary Economic Development Proposal requires approval from the Secretary before seeking approval from municipality.
4. The Economic Development Proposal shall be approved by the municipal governing body by a 2/3 vote.
5. The Economic Development Proposal shall be approved by the Secretary and MassDevelopment in order to be a Certified Economic Development Project.
6. Infrastructure Development Assistance Agreement shall be entered between Secretary, the municipality, MassDevelopment, and the developer.

CHAPTER 5

NEW LOCAL INFRASTRUCTURE DEVELOPMENT PROGRAM: AN OVERVIEW

5.1 WHAT IS THE LOCAL INFRASTRUCTURE DEVELOPMENT PROGRAM?

On August 7, 2012 Governor Patrick signed into law the Local Infrastructure Development Program. The enabling law, Chapter 23L, empowers municipalities and developers to finance infrastructure investment necessary to support economic development. By leveraging revenue from private sources, the program funds infrastructure projects for homeowners and commercial properties drawing upon local or state credit to finance the project.

The Massachusetts Development Finance Agency (MassDevelopment) is authorized to issue bonds secured by infrastructure assessments.

5.2 WHY CREATE A LOCAL INFRASTRUCTURE DEVELOPMENT ZONE?

Difficult economic times have created a host of problems for cities and towns across the Commonwealth. Escalating infrastructure costs and declining municipal budgets simply do not enable community leaders, planners and developers to address the needs of new development prospects. Because of these fiscal challenges, many communities are limited in their ability to pursue unmet dreams of a renewed downtown, business park, or commercial enterprise that attracts businesses, residents and visitors.

With the new Local Infrastructure Development Program, all cities and towns across the Commonwealth are empowered to finance infrastructure projects that address local infrastructure needs by leveraging private investment. Depending on the improvement plan, an infrastructure assessment may be levied on real estate within the development zone. The municipality can defray the cost of the improvement plan by partnering with property owners and business tenants to apply the collected assessment fees to revitalize downtowns and commercial corridors.

5.3 WHAT ARE THE BENEFITS OF CREATING A LOCAL INFRASTRUCTURE DEVELOPMENT ZONE?

The Local Infrastructure Development Program enables developers in partnership with municipalities to set forth a proposal for a development zone and an improvement plan that outlines the revitalization strategy that includes, but is not limited to, the boundaries of the development zone, the services and programs provided, cost estimates for financing the improvements, the method and structure of the infrastructure assessments, and a statement that the municipality will not pay for the infrastructure assessments. The developer completes the improvement plan and application for designation of a development zone.

5.4 HOW IS A LOCAL INFRASTRUCTURE DEVELOPMENT PROGRAM FORMED?

The developer or municipality may designate a single parcel or several parcels for redevelopment. The proposed development zone is not required to be a contiguous area, and the infrastructure development project may serve to improve any new or existing commercial, retail, industrial, residential, or mixed-use project.

Through a local petition and approval process, a municipality is empowered to implement a local infrastructure development zone and an improvement plan if 100 percent of the property owners within the proposed development zone provide written consent to participate. Because the program requires 100 percent participation and the basis of the program being an agreed upon assessment of property, it is most likely that a Local Infrastructure Development Zone will be initiated by a single developer working in partnership with a municipality. The establishment of a development zone shall be initiated by the filling of a petition signed by all individuals owning real estate within the proposed development zone. The petition must include:

1. a legal description of the boundaries of the proposed development zone;
2. the written consent to establish the development zone;
3. the name of the proposed development zone;
4. a map of the proposed development zone;
5. the estimated timetable for construction of the improvements;
6. estimates of any other private or public funding sources;
7. the improvement plan for the proposed development zone; and
8. the procedure by which the municipality will be reimbursed for any costs incurred by establishing the development zone.

5.5 HOW IS A LOCAL INFRASTRUCTURE DEVELOPMENT PROGRAM MANAGED?

The “public facilities owner” is defined as the municipality, the Commonwealth, or any other political subdivision, agency, or public authority of the Commonwealth identified in the improvement plan as an owner of the improvements outlined in the improvement plan. The public facilities owner will have the powers and rights necessary to implement the development zone and improvement plan.

5.6 HOW IS A LOCAL INFRASTRUCTURE DEVELOPMENT PROGRAM FINANCED?

In accordance with the improvement plan, the assessing party, as determined by the municipality, may fix, collect, revise, and abate infrastructure assessments to defray the cost of maintenance, operating, and administering the improvement plan. An infrastructure assessment is imposed on the real estate, lease holdings or other interests located in the development zone. All real estate within the development zone owned by the Commonwealth, agency or public authority will be exempt from infrastructure or special assessments charged by the assessing party.

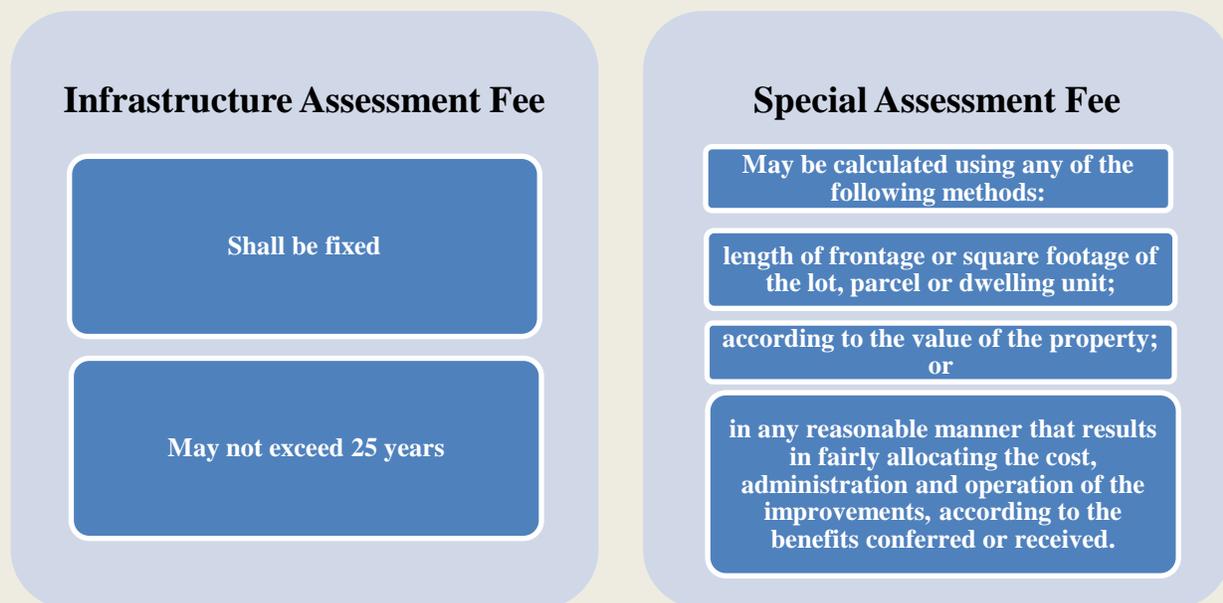
The infrastructure assessments established by the assessing party shall be fixed and must provide revenues to pay for the administrative expenses of the assessing party and MassDevelopment; to pay the principal and interest on bonds; to create and maintain reasonable reserves; and to pay for the development project.

An alternative to the infrastructure assessment, the assessing party may levy a special assessment on real estate, lease holdings, or other interests within the development zone. The assessing party may calculate the method and structure of the special assessment by fairly allocating the costs of the improvements depending on the size or value of the property or in any reasonable manner that distributes the cost fairly. It is important to note that the method and structure of the assessment fees must be outlined in the improvement plan and must be agreed by 100 percent of the property owners in the proposed development zone.

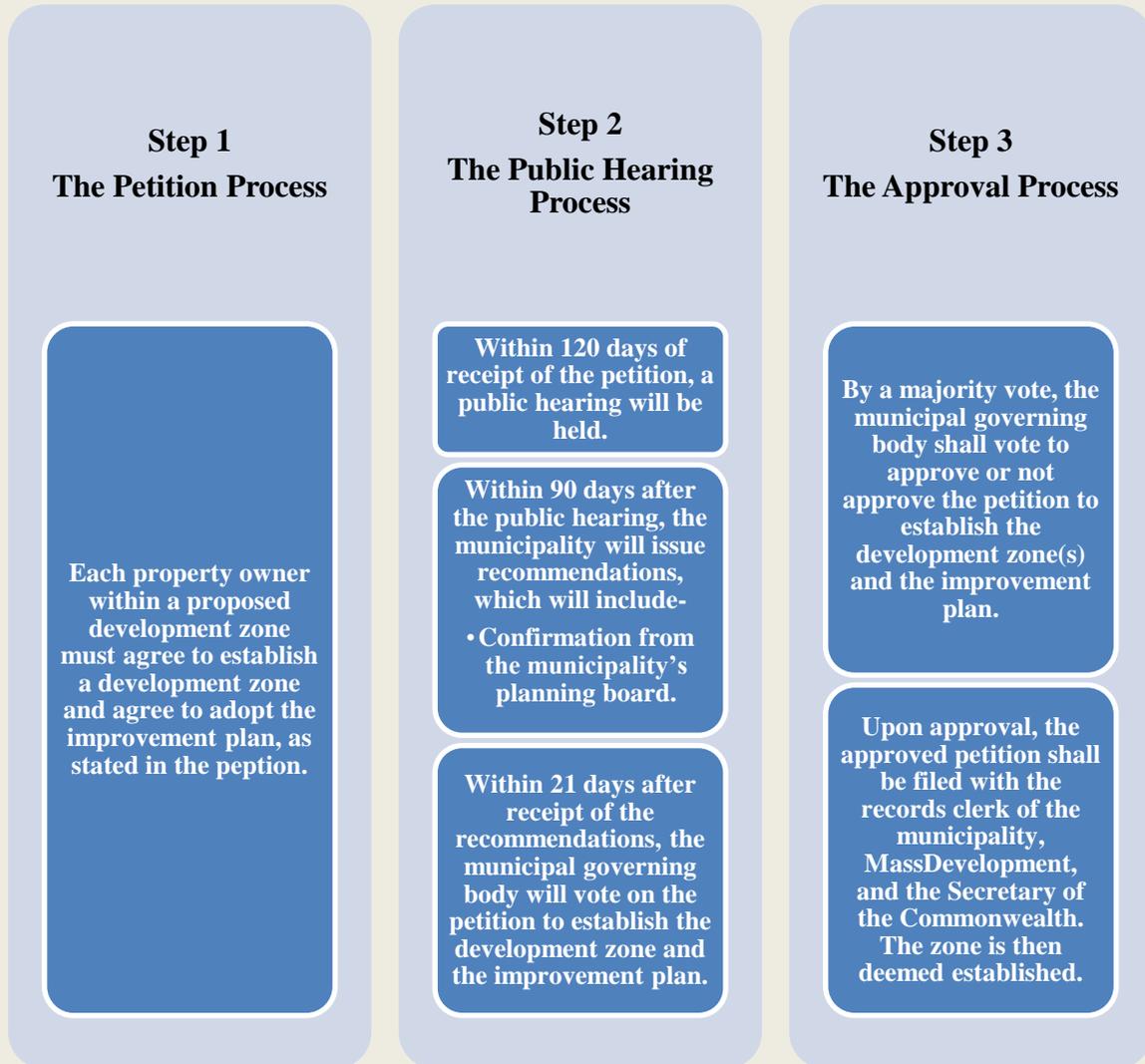
The municipality will partner with MassDevelopment to issue bonds paid solely from the funds and revenues generated from the infrastructure assessments. The bonds issued must mature within 25 years from the date issued.

In addition, MassDevelopment is authorized to issue bonds secured by infrastructure assessments according to the terms of Chapter 40Q, District Improvement Financing (DIF). With the approval of the municipal governing body, MassDevelopment may issue bonds in the place of municipal bonds. In order for MassDevelopment to issue bonds in the place of municipal bonds, the city or town must fulfill all the requirements under Chapter 40Q that is required of the municipality. The requirements include the establishment of an invested revenue district development program and the determination by the municipality of the percentage of the captured assessed value. The final step is the delineation of the rights and responsibilities of the municipality, MassDevelopment and the assessing party under the terms of the DIF requirements and limitations.

Figure 3: The Structure of the Infrastructure and Special Assessment Fee



5.7 STEPS TO IMPLEMENT LOCAL INFRASTRUCTURE DEVELOPMENT PROGRAM IN YOUR COMMUNITY



CHAPTER 6 CASE STUDIES

6.1 BUSINESS IMPROVEMENT DISTRICTS

CASE STUDY: *DOWNTOWN CROSSING, BOSTON, MASSACHUSETTS*

Nestled in the heart of Boston, the Downtown Boston Business Improvement District (the Boston BID) is a destination for residents, customers and visitors. Spanning 34 blocks and extending across four neighborhoods, the district has nearly 230,000 pedestrians walk through the area daily, which makes the downtown neighborhood one of the densest areas, not only in the City, but in New England.

In 2009 in partnership with Mayor Menino and the City Council, the Downtown Boston Business Improvement District (the Boston BID) was formed. The Boston BID represents over 500 commercial properties from local independent retailers to major corporations and collectively, accounts for 1.3 million square feet of retail space.

Each property owner, in the district, pays an assessment fee or a fee for service, which is based on each property's value. Utilizing the assessment fees collected within the district, the Boston BID is empowered to fund additional services and programs that the City is unable to provide.

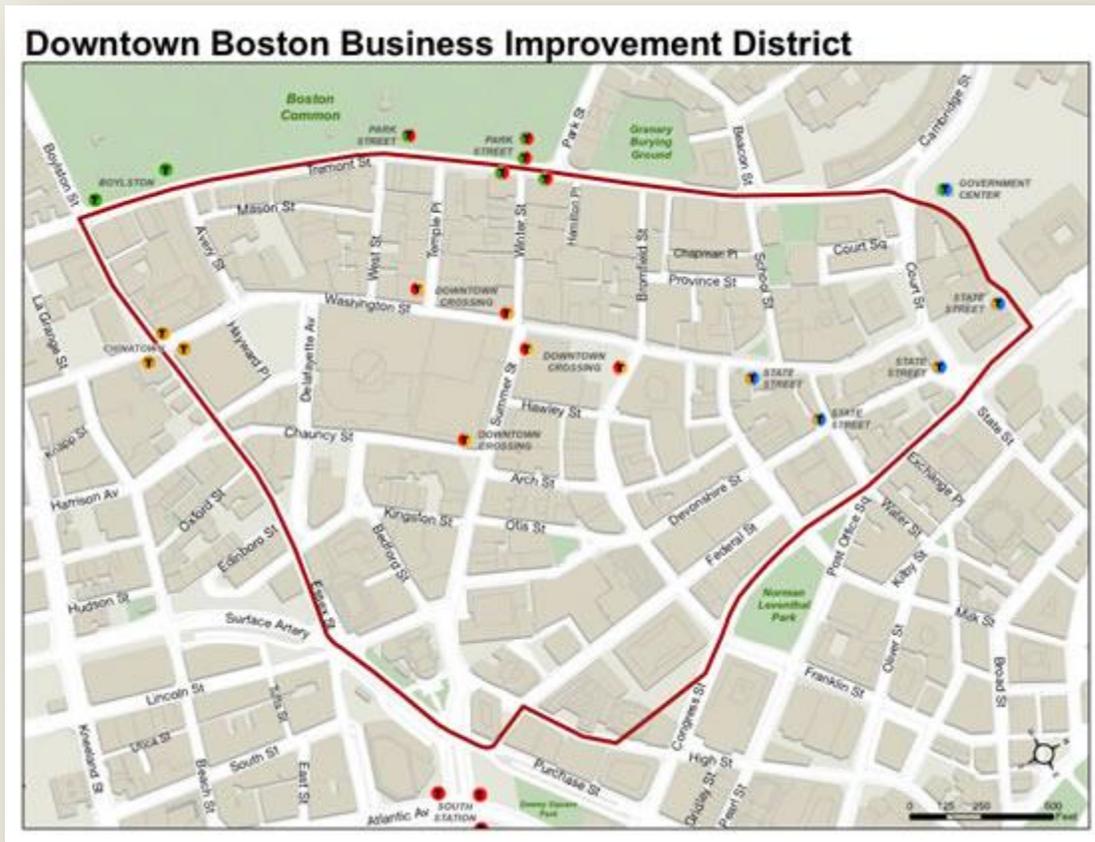
Operating under a \$2.9 million budget, the Boston BID focuses on creating a clean, safe, and vibrant environment for residents and visitors. One of the key initiatives orchestrated by the Boston BID is the summer series of programs, such as the Summer Street: Music, Markets & More program, which provides outdoor shopping, zumba classes, and a live concert series throughout the summer. Another focus of the Boston BID is to support property owners, brokers, leasing agents and business to recruit and retain tenants, retailers, employers, and customers to the area. By fostering relationships, property owners and business tenants initiate a locally driven effort to cultivate and improve business activity, to enhance property values and to attract private investment to the area.

In addition, the fees collected from assessment fees fund a full-time staff. The Boston BID property members elect a board of directors representing property owners, retailers, and residents that monitor the BID's management, operation, programs, and budgetary decisions. At the direction of the board of directors, a team is hired to implement the vision and plan of the BID. The Boston BID staff is composed of eight members, including the president, BID Clean & Hospitality operating manager, membership coordinator, bookkeeper, communication coordinator, finance manager, planner and project manager, and Marketplace & Pedestrian Zone operating manager.

The Boston BID is a collaborative effort between commercial building owners, in partnership with the City, to address the needs and priorities within the district in an effort to creatively and innovatively renew and revitalize the area.

For more information and a listing of events, please refer to the [Downtown Boston Business Improvement District](#) website.

Figure 4: The Boundaries of the Downtown Boston Business Improvement District



6.2 DISTRICT IMPROVEMENT FINANCING

CASE STUDY: *CITY SQUARE, WORCESTER, MASSACHUSETTS*

The City of Worcester is the second largest city in the Commonwealth of Massachusetts with approximately 181,000 residents. Forty-four miles West of Boston, Worcester is the home to 9 colleges and universities, including the University of Massachusetts Medical School, Worcester Polytechnic Institute, College of the Holy Cross, Clark University, and the Massachusetts College of Pharmacy and Health Sciences University. Over 40 percent of all jobs in the city are in the education and medical fields and over 36 percent of residents between the ages of 25 and 34 have a bachelors or post-graduate degree.

The CitySquare project is one of the largest single public-private development project outside of Boston in Massachusetts history. The 21-acre mixed-use development will transform the physical form and image of the heart of downtown Worcester.

Formerly known as the Worcester Fashion Common Outlet Mall, Worcester's CitySquare is a 21-acre development site in the central business district. The site was identified as the catalyst project for revitalization of the downtown, which was struggling with high business vacancies and disinvestment. The vision for the new CitySquare is to demolish the economically obsolete retail center, and replace it with a vibrant mixed-used urban district which reconnects the downtown core.

Municipal leaders, business owners and residents collaborated to construct an improvement plan for City Square that was financially feasible and reasonable for the City to undertake. The plan envisions approximately 2.1 million square feet in gross building area of office, residential, retail and entertainment uses within a newly created street grid. The new street grid entails the construction of Mercantile Street, which will provide a direct connection from Major Taylor Boulevard to Front Street and the extension of Front Street to the Union Station Intermodal Complex. Once cut off from vehicular or pedestrian traffic, the construction of Front Street will promote a more integrated city center for vehicular traffic and pedestrians.

Furthermore, key components of the vision for Worcester's CitySquare include approximately 400 units of new housing, a business-class hotel, upgraded parking structures, upgraded retail sites, and the construction of commercial buildings. The undertaking of such a development plan took years of planning and financing from several sources.

One form of public financing that the City applied to support the CitySquare project was District Improvement Financing (DIF). After applying for DIF, the City received approval by the Commonwealth's Economic Assistance Coordinating Council (EACC) on August 4, 2005. It is important to note that EACC approval is no longer a requirement for DIF approval in a municipality. With DIF approval and prior to the start of construction, the City designated a development district for CitySquare as an invested revenue district. The City conducted a baseline valuation of properties in the invested revenue district and established an original assessed value prior to the implementation of the development plan. The revenue generated by

the City above the original assessed value, known as the tax increment, enabled the City to issue DIF bonds totaling approximately nearly \$7 million.

With proximity to Worcester's City Hall, Worcester Common, Massachusetts College of Pharmacy and Health Sciences University, Worcester Public Library, the DCU Center, Union Station, Worcester Regional Courthouse, Saint Vincent Hospital, Mechanics Hall and The Hanover Theater for the Performing Arts and commuter rail access, CitySquare's planned combination of office, medical, retail, residential and park-like spaces will support economic growth in the City and surrounding business community and urban neighborhoods, while bringing a new excitement to downtown Worcester.

6.3 INFRASTRUCTURE INVESTMENT INCENTIVE PROGRAM

CASE STUDY: ASSEMBLY ROW, SOMERVILLE, MASSACHUSETTS

Sitting along the Mystic River, Assembly Square is a 145 –acre district located in Somerville, Massachusetts. Somerville is the home to approximately 78,000 residents and abuts the City of Boston on its south eastern border. The closure of the Ford Motor assembly plant and several industrial businesses marks when the area began to struggle with disinvestment.

In 1980, the City of Somerville declared the Assembly Square District blighted, substandard, and decadent and adopted a 20-year urban renewal plan. The cornerstone of the urban renewal plan was the construction of a new retail mall known as the “Assembly Square Marketplace” which resulted from the repurposing of the former auto assembly plant

After stalled redevelopment plans and changing administrations, the City renewed its commitment to the redevelopment of a portion of the vacant and underutilized district now known as the Assembly Row site.

One of the largest public funding sources is the Infrastructure Investment Incentive program (I-Cubed). Assembly Square is the first project to be awarded I-Cubed funding. The I-Cubed program granted bond funding in the amount of \$58 million for the Assembly Square Project, which represents 43percent of the total public funds awarded to the project.

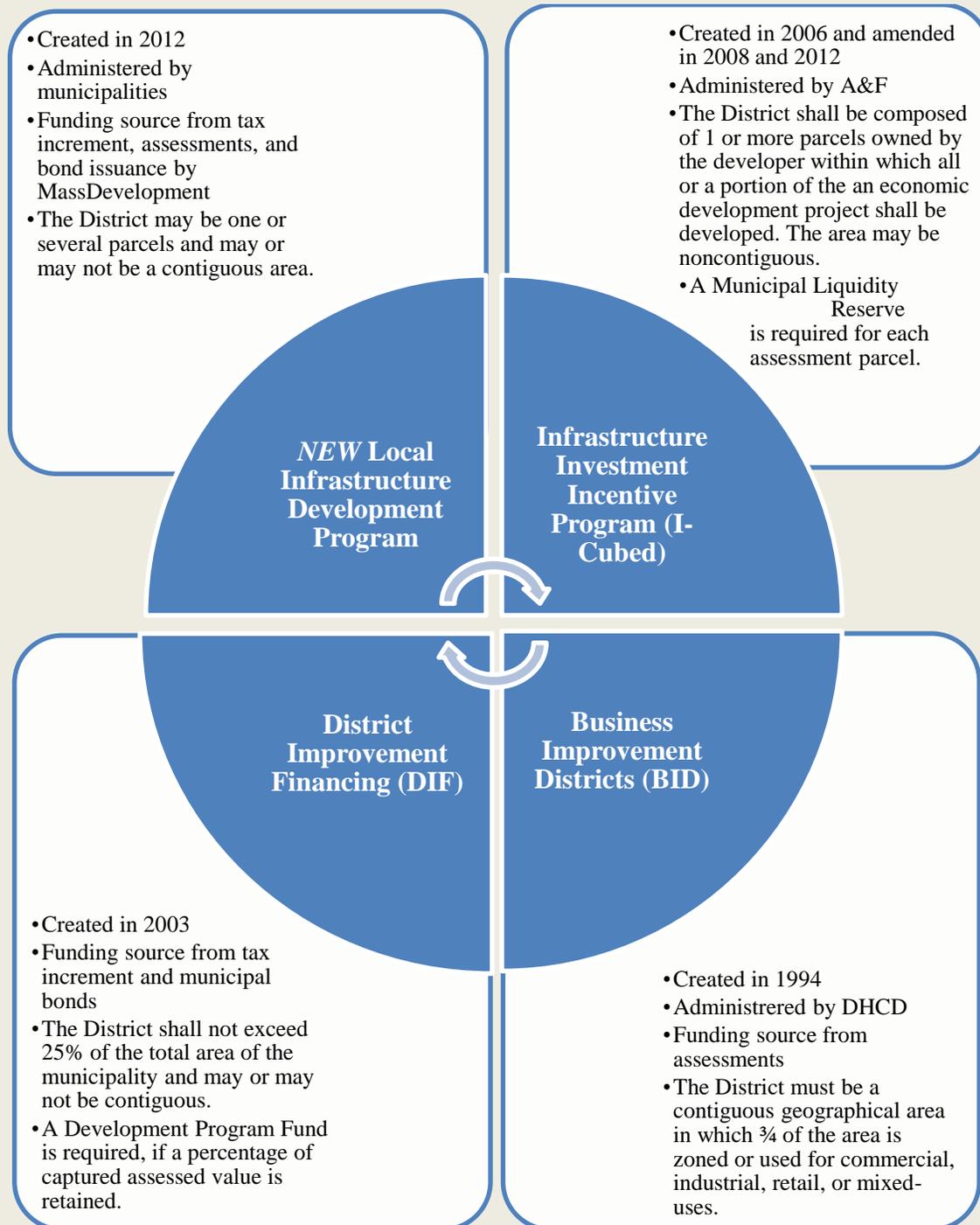
The Assembly Row project promises to significantly expand the state and the City’s tax base and create public benefits, such as new waterfront parks, open spaces, and bike and pedestrian paths. The project is forecasted to generate \$16 million in annual municipal tax revenue and \$24 million in annual state tax revenue. In addition, the development expects to generate an estimated 9,700 permanent jobs, 10,300 construction jobs, while retaining 590 existing permanent jobs.

CHAPTER 7 CONCLUSION

Targeting and layering scarce public resources over time to a select area is critical to transforming a community into a vibrant place with new economic opportunity and enhanced quality of life. Massachusetts' public financing programs for infrastructure investment focus on empowering cities and towns throughout the Commonwealth, partnering with the private sector to envision, shape, and finance infrastructure and public works projects that revitalize downtowns, renovate business corridors and repair streets, highways, and bridges. By forming partnerships with the Commonwealth and MassDevelopment, municipalities can address unique community needs in a collaborative and innovative manner. Programs such as BID, DIF, I-Cubed and the Local Infrastructure Development Program are four core revitalization programs that allow cities and towns throughout the Commonwealth to support new economic growth in their communities by investing in and upgrading public amenities.

CHAPTER 8 RESOURCES

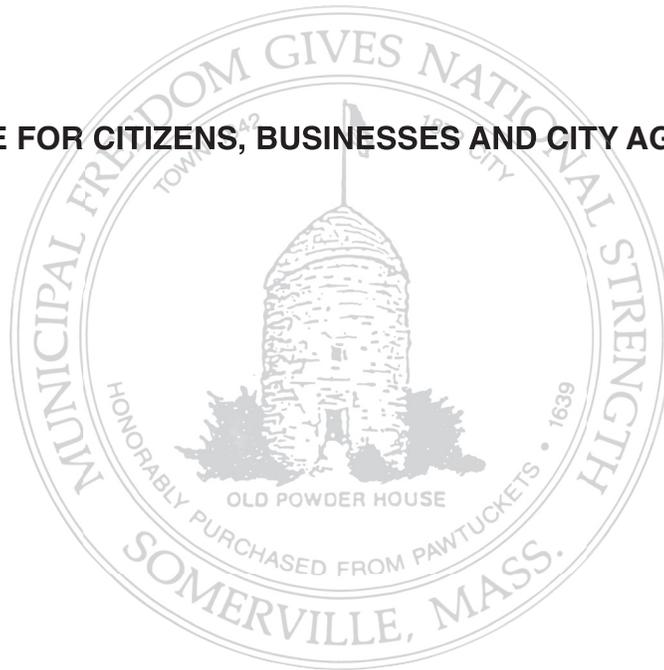
APPENDIX A: PUBLIC FINANCING PROGRAM MATRIX



REZONING UNION SQUARE

THE ARTS PERSPECTIVE

A GUIDE FOR CITIZENS, BUSINESSES AND CITY AGENCIES



Joseph A. Curtatone
Mayor

The Mayor's Office of Strategic Planning and Community Development
&
Somerville Arts Council

City of Somerville
Somerville, MA

with assistance from ArtistLink and the Massachusetts Cultural Council

November 2009



SUMMARY

The Mayor's Office of Strategic Planning and Community Development (OSPCD) and the Somerville Arts Council have recently completed a joint project to include and enhance arts-related uses within the overall rezoning of Union Square. This document updates a previous summary of the proposed rezoning of Union Square from the perspective of artists and those seeking to create or encourage the creation of space for arts-related uses. At the time of this revision, the zoning is final, having been formally adopted on April 23, 2009

The focus of the Arts Council effort has been to protect existing arts-related uses in the Union Square area, and to advance Union Square as a working arts district. The zoning changes assist in this goal by providing incentives for new arts-related uses of all varieties, with emphasis on making these spaces permanent, affordable, and a significant part of the public experience of being in the Square.

The focus of the OSPCD effort has been to anticipate and guide growth and change resulting from extension of the Green Line to Union Square. The OSPCD's goals include increasing the commercial tax base, adding to housing stock, creating affordable housing, protecting historic neighborhoods, spurring development of vacant and underutilized properties, creating an Arts District, and maintaining and augmenting the square as a pedestrian friendly, multi-ethnic district with an economically diverse population.

Here is a summary of the key changes incorporated in the new zoning that are of particular importance to the arts community:

- Citywide, the zoning provides greater clarity and predictability for live/work artists housing and work-only studios by adding or amending definitions of these uses in the Zoning Code.
- A new Union Square Arts Overlay District defines the area within which arts-related zoning changes would apply, to ensure that benefits are focused on the study area and to avoid negative effects on abutting areas or other parts of the city. Within the Overlay District, the zoning provides incentives for conversion of infill lots and underused space in existing buildings for arts-related uses, by regularizing and streamlining existing requirements for use, density, parking, and review procedures.
- Transit Oriented Districts (TOD's) are created at the eastern end of the Union Square district that are oriented to proposed Green Line transit stops. These areas will typically be built to higher density than most existing zoning districts allow, and will be subject to their own design guidelines. Most of these districts will include, by mandate, arts-related spaces which total at least 5% of their gross floor area.

GOAL #1: CITYWIDE, SUPPORT THE CREATION OF LIVE/WORK AND WORK-ONLY ARTISTS STUDIOS

Somerville is home to one of the highest concentrations of artists of any American city. However, ambiguities in the former citywide zoning discouraged the construction or reuse of structures for arts-related uses in areas that could profit by these activities.

Zoning codes are intended to give predictability to property owners, investors, and neighbors, by setting out clear rules on which specific uses are allowed in specific areas of the community. The former zoning was vague on the definition of live-work artists housing, and it contained no definition of work-only artist studios as an allowable use. This uncertainty discouraged the construction or reuse of structures for arts-related uses in areas that could profit by these activities.

The challenge: Uncertainty whether artists' living and working spaces are allowed uses due to ambiguities in the definition of arts spaces within the zoning code and exclusion of solo offices of architects and landscape architects from allowed home occupancy.

Formerly under the Somerville Zoning Code, there was a vague definition of "Artists Housing" for live-work spaces. Up to 3 units of Artists Housing was allowed as-of-right in the Multi-Family Residential (RC), Commercial (BA), and Commercial Residential (BB) districts. A special permit was required for more than 3 units in these districts, and for any number of units in the Central Business District (CBD) and Industrial A (IA) districts.

(Artists Live/Work Housing remains the only residential use allowed in the Industrial IA or IP district.)

(The former zoning also contains a general definition of an artist's studio as a type of "Accessory Residential Use: Home Occupation." This use is allowable in every district except Industrial IB, if it is located on the same property as the artist's residence.)

The former zoning did not contain any definition of artists' work-only studio spaces as a allowable use. If an artist's studio were located in a separate building from the artist's residence, it might fall into any of a number of commercial categories, such as office, crafts-related store, or light manufacturing. In addition there was no clear definition of a performing arts studio space that would be used for lessons, rehearsals, and limited performances. Such a space might fall into any of a number of categories, such as community center, commercial health or exercise facility, or school for instruction in arts. Many of the above use categories were barred, or limited in size, within Union Square.

The Solution: To give greater certainty and predictability under the Zoning Code, several definitional changes have been adopted that apply to the entire zoning code.

- 2.2.11.b creates the overall category of Arts-Related Uses within which there are a number of different use types including the following:
 - Artist Live/Work Space
 - Artist Studio Space
 - Arts-related educational facility

- Crafts-related retail store
 - Museum/Gallery
 - Retail sales of art and arts supplies
 - Office of creative design professional (e.g., architect, landscape architect, industrial designer)
 - Theater or performance space
 - Other bona-fide arts-related uses, subject to SPGA approval.
- 2.2.11 clarifies the definition of "Live/Work Space" as an official use category.
 - 2.2.11A defines a new use category for work-only "Artist's Studio" space, which recognizes a wide variety of creative uses.
 - 2.2.69 clarifies the former definition of "artist's studio space" as a "Home Occupation," to allow such uses within garages, carriage houses, and other accessory buildings on residential lots. Home offices of architects and landscape architects are also allowed under the new definition. This is basically an accessory residential use and is separate from the Artist's Studio Space zoning category.

Here is the new text in the Definitions section of the Zoning Code:

"2.2.11. **Artist Live/Work Space** – a building or any portion thereof containing at least 750 s.f. in size that is used by the occupant(s) therein for both residential use and Artist Studio Space. Such households must include at least one artist certified by the City of Somerville. Inclusionary Units in Artist Live/Work Space projects will be made available to households in which at least one member is an artist certified by the City of Somerville subject to inclusionary household income eligibility requirements. Retail sales of art produced on-site that does not take place more than twelve (12) hours per week will be an allowable accessory use. [note that "inclusionary uses" refers to projects that are for one reason or another required to provide some affordable units]

"2.2.11A. **Artist's Studio Space**. Space used for the creation, production, rehearsal or teaching of any visual art or craft, including but not limited to painting, drawing, graphic design, photography, video, film, sculpture, and pottery; of written works of fiction or nonfiction; or of any performing art, whether for live or recorded performance, including music, dance, and theater, and accessory sales of such art." [The definition also requires the indoor storage of materials, and it prohibits offensive noise, vibration, dust, and other objectionable impacts, and limits accessory sales of art produced on-site to no more than twelve hours per week.]

"2.2.69. **Home Occupation**. . . . A home occupation shall include, but is not limited to: the studio of a visual artist, craftsman, musician or other performing artist, photographer, or writer; and the office of an architect, landscape architect..."

The Challenge: To ensure that the art spaces are occupied and used by working artists.

The Solution: Require artist certification and deed restrictions.

- The City of Somerville has created a process to certify artists in order to verify that Artists Live/Work Space and Artist's Studio Space is actually occupied by the artists that it is intended to benefit. To address this issue, the City has created a peer-reviewed program of artists' certification. This program will ensure that projects built under the new zoning classifications are preserved for the use of bona-fide artists.
- Deed restrictions are required for "Arts Related Uses" that are declared as part of the building permit process, or in administrative review, or both. As a for-instance, an as-of-right retail space used as a gallery that was not restricted by its review to an arts related use would not require a deed restriction, but Artist Live/Work space located above it that used any of the special provisions of the new zoning would need to be deed restricted.

*(See **Appendix B** for the description of the Artist Certification process that will be used in Somerville)*

GOAL #2: SUPPORT ARTS-RELATED USES IN UNION SQUARE THROUGH CREATION OF ARTS OVERLAY DISTRICT

Preserving and enhancing the character of Union Square for arts-related uses provides benefits to the area and the entire city. The new Arts Overlay District protects existing arts-related uses, and provide incentives for the creation of new ones, including artists' housing, artists' studios, theaters, galleries, and crafts stores. The new zoning:

- Provides incentives for conversion of underutilized space in existing buildings for “Arts-Related Uses”
- Grants density bonuses of from 25% to 50% for creation of “Arts Related Uses”
- Provides incentives for reuse of existing buildings (and encourages the arts in Union Square) by giving parking relief for continued or new reuse of those building for “Arts Related Uses”
- Imposes design guidelines to assure that new projects reinforce the livable, walk-able character of Union Square

The Challenge: The Union Square Arts Overlay District is made up of many different use districts or zones. Each zone has its own separate standards for permitted uses, dimensional restrictions, off-street parking and loading requirements, and other provisions as well.

The Solution: Make standards for art-related uses consistent throughout the new Arts Overlay District. Within the various sub-zones of the Overlay District, the new zoning regularizes the permitted use standards and review thresholds that apply to arts-related uses.

- In *Section 7.11, Table of Permitted Uses*, a new line is inserted for Artist Studio Space which allows it as a permitted use throughout the AOD when less than 5000 s.f. in gross floor area, and makes it subject to Special Permit (SP) when more than 5000 s.f.
- Also in *Section 7.11, Table of Permitted Uses*, a new line is inserted for Artist Live/Work Space which allows it as a permitted use throughout the AOD when 6 units or less, and subject to Special Permit Site Plan Review (SPSR) when 7 or more units.
- Within the Arts Overlay District, all other Arts Related Uses (besides Artist Live/Work and Artist Studio Space) are governed by the underlying zoning. Therefore uses such as galleries, theatres, crafts stores, etc would not be allowed within the RB and RC areas within the Arts Overlay District.,
- Another significant change is that all development plans (a broad term that basically includes every project that requires a building permit) within the Union Square Arts Overlay District must undergo Site Plan Approval (SPA). Therefore, even the allowable uses must be reviewed for compliance with the Design Guidelines of the Arts Overlay District prior to receiving a building permit. This will have the effect of ensuring that the overall goals of the district are enforced via a review process. At the discretion of the planning office “Minor Projects” within the AOD may be administratively reviewed by planning staff. Larger projects will typically require Planning Board Approval, which

follows the administrative review. “Minor Projects” is a defined term (insert here the official definition of minor)

- New Structures or additions/extensions to existing structures of up to five hundred (500) gross square feet in area.
- Applications for façade alterations only, up to five hundred (500) linear feet of building face.
- Mechanical enclosures and horizontal improvements (parking lots, accessways, walkways, landscaping and the like), unless the horizontal improvement involves a new or relocated curb cut into a public street or significant changes in vehicle circulation.
- Establishment or change in use within a lawfully existing structure, where there is no increase in the structure’s square footage in area.
- Subdivision resulting in the creation of only one (1) additional lot (e.g. an existing lot divided into two lots—creating one new lot).
-
- Note that wherever arts related spaces are included in mixed use projects, the zoning (and review process) encourages clustering of the arts spaces. This is to reinforce the sense of community and to make it more likely that the public will be able to locate and visit the artists. This is a guideline, not a hard and fast mandate.

The Challenge: The former CBD zoning did not facilitate a continuous street edge throughout the district, and had no incentives for rebuilding the upper floors of key commercial structures.

The Solution: The new Commercial Corridor zoning district (CCD) replaces the former CBD district within the Union Square Area. It runs along Somerville Avenue and Washington Street. It is governed largely by new Use Cluster regulations which are complex, but actually allow many types of arts related uses. Details are in *Section 6.1.22.E - Use Regulations in the CCD*. Dimensional regulations for the CCD zone are amended in *Dimensional Requirements, Section 8.5* of the zoning code. Maximum height is 55 feet and there is no minimum lot size. An *Historic Development Incentive* is included in *Section 6.1.22.F*. that may have ramifications for some of the commercial structures in the center of Union Square that were “lopped off” decades ago, reduced from their original height to one or two stories to decrease property taxes. If historic guidelines and approvals are followed and granted, it is possible to reconstruct to the historic bulk of such buildings without meeting current dimensional standards and parking requirements for the restored original floors.

The Challenge: Parking requirements discouraged reuse of existing buildings. Although ground floor retail uses are generally strong throughout Union Square, there is a significant amount of unused space on the upper floors of existing buildings that are well suited for conversion to Artist’s Live/Work or Artist’s Studio space. There are also a number of vacant infill parcels that could be redeveloped for similar uses. As well as use restrictions and overly stringent requirements for special permits, parking constraints under former zoning impeded these projects, as well as the reuse of vacant ground-floor spaces for new retail uses.

The Solutions: Reduce parking requirements for existing uses and for arts-related uses.

- The adopted changes do not require increased parking for continuation of existing *non-residential* uses within the Arts Overlay District or in Commercial Corridor Districts. Addition of a new *Section 9.4.1* within the parking regulations section of the zoning code states that if a non-residential use was present (or had obtained a building permit or Special Permit) before November 19, 2008., the building does not need any more parking than that already provided on its site of changing to another non-residential use. Additions to the building require parking in the same ratios that would apply to new buildings.
- *Per the Off-Street Parking and Loading Section 9.5*, Artists Live/Work Space requires one parking space per unit city-wide, the same ratio that applies to efficiency/studio units. (compared to higher parking requirements for regular one, two and three bedroom residential uses in most other zoning districts)
- *Per the Off-Street Parking and Loading Section 9.5*, Artists Studio Space requires one parking space per 400 square feet city-wide (with the exception of studios developed in the Arts Overlay District within a structure existing prior to the zoning adoption, in which case no additional parking is required)

The Challenge: The existing FAR and lot area/unit regulations discourage deed-restricted arts-related uses, by requiring the same density ratios as market-rate housing and office space.

The Solutions: Provide incentives for building new art spaces. *Per Section 6.1.23.F* the new AOD zoning will encourage arts-related reuse of existing buildings, and the redevelopment of small infill parcels, by granting density bonuses for arts-related projects, described below:

- Within the residential RB portions of the AOD, a 25% density bonus for projects consisting solely of deed-restricted Artist Live/Work Space is granted, raising the FAR for such projects from 1 to 1.25. The required lot area for such projects is reduced from 1500 s.f. per unit to 750 s.f. per unit.
- Within the residential RC portions of the AOD, a 25% density bonus for projects consisting solely of deed-restricted Artist Live/Work Space is granted, raising the FAR for such projects from 2 to 2.5. The required lot area for such projects is reduced from 875 s.f. per unit to 750 s.f. per unit for projects up to 9 units. For projects over 9 units, the required lot area for such projects is also reduced from 1000 s.f. per unit to 750 s.f. per unit.
- Within the non-residential portions of the AOD, a 25% density bonus for projects consisting solely of deed-restricted arts-related uses *above the ground floor* is granted, raising the FAR for such projects from 2 to 2.5. The required lot area for such projects is reduced from 875 s.f. per dwelling unit to 750 s.f. per unit for projects up to 9 units. For projects over 9 units, the required lot area for such projects is reduced from 1000 s.f. per unit to 750 s.f. per dwelling unit.
- Within the non-residential portions of the AOD, a 50% density bonus for projects consisting 100% of deed-restricted arts-related uses is granted, raising the FAR for such

projects from 2 to 3. The required lot area for such projects is reduced from 875 s.f. per dwelling unit to 750 s.f. per unit for projects up to 9 units. For projects over 9 units, the required lot area for such projects is reduced from 1000 s.f. per unit to 750 s.f. per dwelling unit.

The Challenge: The Arts Overlay District extends one-half mile from east to west and includes many different building typologies and cityscapes. To be cohesive as a district, the AOD requires urban design consistency of both regulation and review.

The Solution: The Design Guidelines for the Arts Overlay District are listed in *Section 6.1.23.G.* and are intended to enhance the streetscape, encourage active retail use, and encourage pedestrian activity by specifically reviewing planning decisions regarding street walls, entrances, compatibility with neighboring structures, concealed parking areas, and signage. The planners will also review the design of proposed arts spaces for compatibility with the “Design Guidelines for Artist Live/Work Space” established by the Somerville Arts Council, as *attached here in Appendix A.*

GOAL #3: INCLUDE ARTS-RELATED USES IN NEW TRANSIT ORIENTED DEVELOPMENT PARCELS (TOD'S)

One of the benefits of the new zoning for the City of Somerville is inclusion of several TOD's in areas close to the future Union Square Green Line transit stop. These TOD's are zoned with urban densities and heights. The regulations governing these new mixed-use districts are necessarily both complex and flexible, and arts advocates sought to include a simple, fixed baseline for arts uses that all parties could agree to. Also, since the TOD's are excluded from the Arts Overlay District boundaries, a means was sought to continue the district's overall arts presence within the TOD's.

The Challenge: To ensure that arts related uses are included in high density Transit Oriented Development parcels (TOD's).

The Solutions:

Mandated art space inclusion: Most TOD's are required to include Arts Related Uses at 5% of TOD gross square footage (g.s.f.) per line J in *Table 6.5.F – TOD Dimensional & Use Standards*. Three of the four TOD's have this inclusion, with only TOD-55 *not* mandating some arts use. Ultimately this provision will provide 5,000 s.f. of arts uses for every 100,000 square feet of TOD development. Since the total TOD build-out within the new Union Square zoning area can potentially exceed 1,000,000 s.f., the potential amount of arts-related space is significant.

Inclusion of Arts Related Uses within certain "Use Clusters": Use Clusters are a new concept in the zoning code and apply to projects in the CCD and TOD districts. A Use Cluster is a "basket" of similar uses that can be substituted within a cluster without re-starting the approval process. Similarly sized clusters can also be exchanged for like-sized clusters with caveats about parking and allowable uses. Suffice it to say that clusters are "professional-level" in their nuanced complexity. Arts-related uses are included in some of the clusters found in *Table 7.13 – Table of Use Clusters*. Both mandated and non-mandated arts-related uses may be included in clusters. The cluster concept can allow a developer to propose a variety of uses in the original approval process without fully committing to all of them. This will allow uses to be explored as the project progresses, and should make arts uses more likely to be considered, since issues of demand, cost and income can be worked out as information and artist participation emerges. The following Clusters are relevant to the arts community:

- *Use Cluster B. Small Retail and Service* lists "art and art supplies", within its basket of uses.
- *Use Cluster C. Large Retail and Service* lists "art and art supplies" and "crafts supply where production may occur", within its basket of uses.
- *Use Cluster E. Residential* lists "artist live/work space – multiple units", "home occupation (no additional parking required other than for residential)" and "Office, within a primary residence (no additional parking required other than for residential)" within its basket of uses.
- *Use Cluster G. Educational/Recreational/Institutional Services* lists "theatre, cinema, or other public assembly", "museum/gallery", and "artist studio" within its basket of uses.
- *Use Cluster H. Light Industrial* lists "audio visual studio and production facility" within its basket of uses.

The Challenge: To continue the arts focus in new TOD public exterior spaces as well as within the new buildings

The Solution: Inclusion of public art within mandated landscaped areas: TOD's require landscaped open space. Public art is not mandatory in the open spaces, but its voluntary inclusion is encouraged within TOD's per *Design Guideline 6.5.H.18*

Appendix A: Art Space Design Guidelines

City of Somerville Somerville Artist Live/Work & Artist Studio Design Guidelines

These guidelines reflect recommended attributes for developments that contain Artist Live/Work and Artist Studio spaces. These guidelines may be applied during the course of site plan review, special permit review, or any other procedure involving zoning relief. The purpose of the guidelines is to ensure that when Artist Live/Work or Artist Studio use is allowed under such a procedure, that the development is designed to meet the specific needs of the artist occupants, and to ensure that any potential impacts on adjacent uses in excess of what would have occurred under as-of-right uses have been adequately minimized or mitigated. It is understood that many existing buildings that may be converted to such use will have some but not all of these attributes. These guidelines do not supersede in any way the requirements of the State Building Code, as it shall be enforced by building code officials.

1. Space Requirements

- a. A minimum of 750 gross square feet is required but 1,000 gross square feet of artist live/work space for one artist is encouraged.
- b. Studio space should be at least 150 sq. ft.

2. Accessibility

- a. Doorways and hallways should be oversize width to accommodate the moving of large objects.
- b. Elevators should have a higher weight capacity than typical residential units.

3. Lighting

- a. The window-to-room ratio should be adequate for natural light. The ideal source of light is from the north.

4. Noise

- a. Wall and floor construction should have appropriate “sound transmission co-efficients” to prevent the transmission of sounds from machinery, equipment or repetitive tasks.

5. Indoor air quality

- a. Special ventilation and air handling techniques should be tailored to ensure the safety and health of residents, visitors, and neighbors,
- b. All spaces should provided venting via an outside wall, while providing a central ventilation system to the roof.

6. Ceiling heights

- a. Should allow for the creation of large works and equipment, including machinery and lighting.

7. Floors

- a. Should be constructed to provide extra weight-bearing capacity. Floors need not be finished, concrete flooring preferred.
- b. Upgrade flooring packages may be provided for dancers or performers.

Appendix B: Certification of Artists Studios

Draft Form - Not Instituted

SOMERVILLE ARTS COUNCIL ARTIST CERTIFICATION APPLICATION¹

WHAT IS AN ARTIST CERTIFICATE?

An Artist Certificate is a letter from the City of Somerville to an artist that confirms that the artist has been reviewed by a committee of peers and is “certified” as a working artist. An approved Artist Certificate application qualifies an artist to be eligible to purchase or lease spaces categorized in the zoning code as “live/work or artist studio” per agreement between a developer and the City of Somerville. If such spaces are re-rented or re-sold, the incoming tenant or owner also needs to be a certified artist. A certificate is valid for a period of five years. Any artist seeking to rent or purchase such a space for the first time will need a valid certificate. **However, once occupying or leasing a space, the artist is not required to maintain a current certification.**

WHO IS ELIGIBLE FOR A SOMERVILLE ARTIST CERTIFICATE?

Any artist, who either lives or works in Somerville, and who can demonstrate to a committee of peers that they have a recent body of work as an artist, and who requires space to support that work, is eligible. Applicants must be at least 18 years of age.

WHY DO I NEED AN ARTIST CERTIFICATE?

The City of Somerville has established a zoning amendment that allows for the creation of artist housing permanently dedicated to artists through deed restrictions or other legally binding covenants. An individual who seeks to rent or purchase one of these artist housing units will be required to submit a current Artist Certificate as proof of eligibility.

WHO REVIEWS THE APPLICATION AND MAKES DECISIONS REGARDING CERTIFICATION?

Each application and related attachments is presented to a peer review committee. The committee is comprised from a pool of Somerville artists and arts professionals who have been nominated to serve in this capacity. To make a nomination contact Gregory Jenkins at (617) 625-6600 ext. 2985. The peer review committee certifies whether each applicant is able to demonstrate that s/he is a working artist. The decision of the peer review committee will be final for that round. If an applicant is not certified during that round, s/he can reapply in a future round with further information.

WHEN DO I APPLY FOR AN ARTIST CERTIFICATE?

Applicants must apply for an artist certificate prior to the complete construction of artist housing. For those seeking affordable inclusionary artist housing, the applicant must undergo a two-step process. First, at least two (2) months prior to the projected completion of affordable artist housing, the applicant should seek artist certification and simultaneously undergo the inclusionary housing eligibility process which includes

¹ This document was adapted from the BRA Artist Space Initiative.

income verification and attendance of a Massachusetts Housing Collaborative approved First Time Homebuyer training course. The applicant must have both certifications (Artist and First Time Homebuyer training) before applying for the affordable artist units. Second, the applicant can then proceed with the inclusionary artist housing lottery which is usually administered by the City.

For those seeking market-rate affordable housing, the Applicant must undergo the artist certification process at least one month prior to the projected construction completion date of the artist housing unit(s). With an artist certificate, the applicant may request to be entered into the market-rate artist housing lottery which generally will be administered by the City.

HOW DO I GET AN ARTIST CERTIFICATE?

To obtain an Artist Certificate, an artist must submit a simple application form. Please see below for the guidelines and attached Application Form.

APPLICATION REQUIREMENTS

Each application must consist of any combination of the following materials:

- Evidence of a recent body of work, created in the past 3 years, as documented in support materials such as CD's, slides, jpg's or other digital images, DVD's, video and/or audiotapes; production photographs; scripts, works of fiction, non-fiction or poetry. Support materials need to be labeled (i.e. artist's name, date of work).
Do not submit original artwork;
- Evidence that the artist has training in the arts, as documented in a resume that summarizes that training;
- Evidence that the artist has presented his/her work in exhibition, performance, readings or comparable public programming, as documented in a resume, sample programs/invitations, catalogs, press clips, etc;
- Up to 3 letters of recommendation from artists and/or arts professionals (i.e., curators, producers, teachers, etc.) who are recognized within the arts community and who will attest that the applicant is a serious, working artist. Please note: only submit letters of recommendation if you cannot present evidence of recent body of work, evidence of formal training and/or evidence that you have presented your work publicly.

Application and supporting materials should be mailed to: Artist Certification, Somerville Arts Council, 50 Evergreen Ave. Somerville, MA 02145.

Applications must be postmarked by the deadline date. If you enclose a self-addressed stamped envelope, your materials will be returned to you within two months after the deadline.

The decision of the Peer Review Panel will be final for that round. Please be sure to submit a complete application.

AUTOMATIC CERTIFICATION

Automatic certification is granted to artists who have received recent fellowships from the Massachusetts Cultural Council or the Somerville Arts Council. Any artist who has been named a fellow or finalist through the Artist Grant Program of the Massachusetts Cultural Council or received a Somerville Arts Council fellowship grant in the past three calendar years is automatically eligible to receive an Artist Certificate. We cannot automatically certify artists who have received grants from other local arts lottery and/or the MCC's Professional Development Grant Program, as they do not use a similar review process.

If you are such an artist, you must submit a basic application. If you do qualify under this guideline and want to obtain an Artist Certificate, please fill out the attached application form only (no attachments) and send the application along with a copy of your award letter from the Massachusetts Cultural Council or Somerville Arts Council. Pending confirmation from MCC, your Artist Certificate will be issued.

For information about the artist certification process and future deadlines, contact Gregory Jenkins, Somerville Arts Council at (617)625-6600 ext. 2985 or gjenkins@ci.somerville.ma.us

CITY OF SOMERVILLE ARTIST SPACE INITIATIVE
ARTIST CERTIFICATION APPLICATION FORM
Draft Form - Not Instituted

Send application and supporting materials to: Artist Certification, c/o Somerville Arts Council, 50 Evergreen Ave., Somerville, MA 02145. Materials must be received by 5PM on **Day Month Year** to be considered during this round.

Name: _____

Street
Address: _____

City/State/ZipCode: _____

Telephone(days): _____ Telephone(evenings): _____

Email Address: _____

Describe briefly why your work requires studio/loft-size space.

What is your primary artistic discipline:

_____ Visual Arts

_____ crafts

_____ design

_____ painting/drawing

_____ printmaking

_____ other: _____

_____ Performing Arts

_____ dance

_____ theatre

_____ music

_____ photography

_____ other: _____

_____ Media Arts

_____ film

_____ video

_____ other: _____

_____ Literary Arts

_____ fiction

_____ non-fiction

_____ poetry

_____ other: _____

CHECKLIST OF ATTACHMENTS

Please note which of the following items are included (check all that apply):

___ Support materials:

- ___ up to 20 slides (digital or old-school); and/or
- ___ up to 10 minutes of videotape/CD/audiotape; and/or
- ___ up to 20 production photographs; and/or
- ___ up to 10 reproductions of sketches used in set or costume design;
and/or
- ___ up to 30 pages of sample scripts, works of fiction, non-fiction and/or poetry.

Be sure to label all materials with your name, date of the work, and, where appropriate, media, dimensions and/or duration. Work must have been completed within three years of the date of this application. Please include a slide list with date, size and medium of work if slides are included.

DO NOT SUBMIT ANY ORIGINAL MATERIALS. The SAC will make every effort to handle materials with care but cannot accept responsibility for lost or damaged goods.

___ * Artist resume listing professional arts experience (i.e., exhibitions, commissions, teaching, etc.) and educational training. This resume can be supplemented with up to 10 pages of sample programs/invitations, catalogs/invitations, and/or press clips.

___ Up to three letters of recommendations from artists or other arts professionals who are recognized in the local community attesting that you are a serious, working artist. Please note: only submit letters of recommendation if you cannot present evidence of recent body of work, evidence of formal training and/or evidence that you have presented your work publicly.

___ Return-addressed, stamped envelope

* Peer review panel members have indicated that a resume with supporting publicity materials is very helpful to them as they review each application and work samples. Any non-arts-related employment does not need to be included.

PLEASE DO NOT USE STAPLES, BINDERS OR OTHER PACKAGING. PAPER CLIPS ONLY. Due to anticipated volume, the SAC will return support materials when an artist provides a returned addressed stamped envelope ONLY. Other materials will be discarded after the review process is complete. BE SURE THE ENVELOPE HAS ADEQUATE POSTAGE FOR ALL MATERIALS.

A FEW LAST QUESTIONS....

1. Please list any of the current sites with artist units where you are applying:

2. Please tell us how you heard about this project; it will help us reach artists in the future:

___ Newspaper. Please Specify: _____
___ Electronic Billboard. Please specify _____
___ SAC website
___ Word of Mouth
___ Other: _____

Boundaries of the Union Square Arts Overlay District

