Successful Innovation Zones and Art Districts:
A Research Study for the City of Wilson

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A RESEARCH STUDY FOR THE CITY OF WILSON

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**NCGROWTH** was founded in 2012 to help businesses create good jobs and to help communities create sustainable and equitable opportunities for their people. With a passionate staff and a dynamic pool of graduate student analysts, we partner with businesses, communities, governments and other organizations to tackle outcome-based economic development and entrepreneurship projects. NCGrowth is funded by the Frank Hawkins Kenan Institute of Private Enterprise, US Economic Development Administration, GoldenLEAF Foundation, and Z Smith Reynolds Foundation.

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Wilson is at the forefront of creative economic development...
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Introduction & Executive Summary

Wilson is at the forefront of creative economic development through its nationally recognized creative place-making project in Historic Downtown Wilson - the Vollis Simpson Whirligig Park - and through owning and operating one of the country’s premiere “ultrahigh speed fiber services” - Greenlight.

By using an innovation and art-driven economic development strategy, the City of Wilson Downtown Development seeks to capitalize on underutilized assets in the downtown area, and create a welcoming, functional, vibrant space for residents and visitors.

The purpose of this report is to provide information on the following:

- Identification of innovation zones throughout the world that use art and technology as a catalyst for community and economic development
- Analysis of successful art/technology innovation zones to identify aspects that could be incorporated into the downtown Wilson area
- Recommendations for Wilson’s innovation zone including: uses of spaces, businesses that could populate the zone and characteristics that will draw tourists and strategies to encourage tourists to spend more time downtown and spend money at surrounding businesses

According to the analysis of the case studies, this research highlights the importance and key factors of creating an inviting creative zone for artists, residents, and visitors. The results of the research suggest that a potential innovation zone for Wilson might benefit from the presence of companies and institutions related to sectors such as manufacturing, retail trade, healthcare
and construction, in addition to creating active technology centers, providing spaces for start-ups and entrepreneurs in order to spread innovation and work through the sectors. As for the art phase, this report also highlights the importance and presence of three fundamental space types, in addition to a detailed list of potential uses for physical spaces. These are artists’ centers, artist live and work spaces, and small performing art spaces and community venues. Additionally, the research also provides recommendations on the planning process and highly recommends conducting a comprehensive community and artists participation event as a critical phase in creating a successful zone process.

City Profile

The City of Wilson and Wilson County has a diversified economy and is home to over 1,830 private businesses, and a diverse manufacturing base consisting of over 90 companies. The leading industry sectors by employment are:¹

- Manufacturing
- Retail Trade
- Healthcare
- Construction
- Accommodation and Food Services
- Public Administration

The leading industries are made up of pharmaceuticals, automotive parts, aerospace, packaging and food preparation, whereas the leading non-manufacturing employer is BB&T, ranked as the 11th largest financial holding company in the USA. Wilson is home to BB&T’s information technology division. The leading manufacturers and their primary activity in Wilson, North Carolina are:

- Bridgestone Americas – Tires
- Alliance One Tobacco USA – Tobacco Processing

Situated in the eastern North Carolina, the City of Wilson has valuable and distinguished features, which can be summarized through:

- History – being known as the World’s greatest tobacco market
- Being home to large financial and manufacturing companies (such as Bridgestone and BB&T)
- Operating Greenlight, a fiber optic broadband network which is the first fiber to the premises (FTTP) system in the state
- Art - owning the Vollis Simpson Whirligig Park, which is an outdoor display of the whimsical air-blown creations of local artist Vollis Simpson

The following sections aims to provide an outline of Wilson’s advantages, which could impact the creation of a new innovation & art zone and serve as a preliminary element of decision-making and strategic planning. The purpose of this asset-based approach is to identify existing resources and help determine potentially useful aspects from the analysis of case studies.

**Strengths + Opportunities and Weaknesses**

In this section, factors that have the potential to propel both the city and the project are considered as strengths + opportunities, whereas factors that are barriers to success are considered as weaknesses. According to the analysis of
existing reports and data from multiple sources, these factors under certain categories can be summarized with the following:

**Infrastructure**

<table>
<thead>
<tr>
<th>STRENGTHS + OPPORTUNITIED</th>
<th>WEAKNESSES</th>
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<tbody>
<tr>
<td>Fiber-to-the-premise</td>
<td>Sidewalks</td>
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<td>Water</td>
<td>Arial cables in downtown</td>
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<tr>
<td>Highways</td>
<td>Lack of greenways</td>
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<td>Wilson Industrial Airport</td>
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<td>Rocky Mount-Wilson Airport</td>
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<td>Rail road</td>
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**Branding and Marketing**

<table>
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<tr>
<th>STRENGTHS + OPPORTUNITIED</th>
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<tr>
<td>The Vollis Simpson Whirligig Park</td>
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<tr>
<td>History (for once widely being known as the World’s Greatest Tobacco Market)</td>
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<tr>
<td>Artists</td>
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<tr>
<td>Historical buildings</td>
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<tr>
<td>Wilson Corporate Park</td>
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<tr>
<td>Industrial companies (such as Bridgestone, Sandoz, Absolute Plastics and International)</td>
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<td>Woodard Parkway industrial site</td>
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### Cultural Infrastructure, Recreational Tourism and Experiences

<table>
<thead>
<tr>
<th>STRENGTHS + OPPORTUNITIES</th>
<th>WEAKNESSES</th>
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<tbody>
<tr>
<td>Artists and history</td>
<td>Dining</td>
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<td>Downtown Alive concert</td>
<td>Cafes</td>
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<td>Downtown farmers’ market</td>
<td>Walkability</td>
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<td>Community and neighborhood centers</td>
<td>Activities for young people</td>
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<tr>
<td>J. Burt Gillette Athletic Complex</td>
<td>Disconnection</td>
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<tr>
<td>Nash Street Lofts</td>
<td>Lack of need to work or invest</td>
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<tr>
<td>BB&amp;T Noah’s Arc All Children’s Playground</td>
<td>Confidence of locals and fear of failure</td>
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<tr>
<td>Parks and Picnic areas</td>
<td>Complex Culture</td>
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<td>First Friday events</td>
<td>Ownership</td>
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<tr>
<td>Fleming Stadium</td>
<td>Poverty</td>
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<td>Wilson Arts Council building</td>
<td>Crime</td>
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<td>Boykin Center for Performing Arts</td>
<td>Life skills</td>
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<tr>
<td>Museum of Imagination Station</td>
<td>Perception</td>
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<tr>
<td>Heritage Crossing Shopping Center</td>
<td>Sense of belonging</td>
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### Nature

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<thead>
<tr>
<th>STRENGTHS + OPPORTUNITIES</th>
<th>WEAKNESSES</th>
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<tr>
<td>Lake and reservoirs</td>
<td>Inadequate green space, parks, and playgrounds in downtown</td>
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<tr>
<td>Weather</td>
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<tr>
<td>Water</td>
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<td>Land</td>
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Wilson could benefit from improvements on “cultural infrastructure”, social places and nature.

Summary

A review of data from multiple sources and existing reports show that Wilson has valuable assets and has been making great progress. However, Wilson could benefit from improvements on “cultural infrastructure”, social places such as restaurants, cafes, open public spaces, recreational areas and nature. Also, the interviews that were conducted in the past indicate that although there is an easy access to entertainment in Raleigh, having immediate access to social places, arts and cultural facilities and events, will make Wilson much more attractive to the younger generation.⁴

⁴ Interviews conducted by Ecoland Institute. (2015). City of Wilson Made by Millennials Program Phase-0 Report
Case Studies

The purpose of this case study research is to provide a contextual analysis of multiple successful innovation zones and art and cultural districts to reveal information on useful aspects, strategies, and patterns across cases.

Innovation Zones

In the most general terms, *innovation zones* are areas where leading-edge anchor institutions and companies cluster and connect with start-ups, business incubators and accelerators.

Typically, innovation zones include a mix of the following:

- Entrepreneurs and educational institutions
- Start-ups and schools
- Mixed-use development and medical innovations
- Bike-sharing and bankable investments
- Connected by transit

Depending on the circumstances and attributes of the geographic area, innovation zones can be grouped under three main models. These are:

- The “anchor plus” model: which is primarily in downtowns and mid-towns of cities, where mixed-use development is centered around major anchor institutions and a powerful ground of related firms, entrepreneurs and spin-off companies and branches are involved in the commercialization of innovation.
- The “re-imagined urban areas” model: found near or along historic waterfronts, where industrial or warehouse districts are experiencing a physical and economic renewal process to outline a new direction of innovative growth. This development type is typically powered by transit access, a historic building stock, and their proximity to downtowns in high

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rent cities, which is then enhanced with leading research institutions and anchor companies.

• The “urbanized science park” model: which is commonly found in suburban and exurban areas, where commonly isolated, sprawling areas of innovation are urbanizing through increased density and an infusion of new activities (including retail and restaurants) that are mixed in contrast to disconnected.

The literature also shows the following factors are crucial for creating a successful cluster:

• Presence of linchpin or anchor companies in the target sector
• Support and presence of the most relevant institutions and companies
• Existence of spaces for small and medium-sized business
• Presence of universities, continuous education and professional centres
• Active technology centres
• The creation of specific business incubators
• The construction of residences for professionals
• Exhibition space
• Specific services and spaces for entrepreneurs such as: mentorship, access to venture capital, networking, possible available funding, etc.,

In summary, when an innovation zone is planned, designed and implemented successfully, the potential impacts can be observed through the following benefits:

• Increasing income
• Reducing unemployment
• Retaining residents, stabilizing neighborhoods
• Increasing local population, changing the demographic mix
• Increasing property values
• Attracting more educated people

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6 Ajuntament de Barcelona. (2012). 22@ Barcelona Plan: A programme of urban, economic and social transformation.
Case Study 1: 22@ Barcelona - Barcelona, Spain

Founded in 2000, 22@Barcelona is located in the Poblenou neighborhood of the San Martí area of Barcelona. As an ongoing project which has been transforming 494 acres of industrial land of Poblenou into an innovative district, it has been contributing contemporary spaces for the strategic clustering of intensive knowledge-based activities within a mixed-use development type. This action is part of a project of urban renovation and represents a new model of city government providing a response to the needs and challenges posed by the knowledge-based economy. This project can be considered as the most important and successful plan of urban transformation with a high real estate potential and $180 million Euros public investment of an “infrastructure plan” (this plan is referring to urban planning/ transformation and is the most successful among the case studies).⁷

The project is unique in terms of land-use and governance issues. Barcelona’s City Council passed an urban planning ordinance in 2000 aimed at transforming the area. Because private entities owned the land, the goal of the ordinance was to “encourage land-owners to update obsolete urban planning elements from the end of the 19th century while maintaining economic activity. This would not have happened with a traditional rezoning from industrial to residential designation.”⁸

The district began as 115 city blocks and has grown to 250 blocks of mixed-use development. It is now home to several businesses, start-ups and shops. 22@ Barcelona employs roughly 90,000 people and consists of four industry C clusters:⁹

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• Information and Computer Technology
• Media, Bio-medical
• Energy
• Design

The coexistence of innovative and dynamic companies with retail, small workshops, and services comprises a rich, productive fabric. This environment favors the synergy of knowledge, and the processes of innovation that allows for the improvement of competition through business groups. The quality of life of the citizens that live and work in the 22@Barcelona district is also improved through this type of initiative. According to 22@Barcelona, the following factors are crucial for a successful cluster:

• Presence of companies which serve as reference in the sector
• Support and presence of the most relevant institutions
• Existence of spaces for small and medium-sized business
• Settlement of universities, continuous education and professional centres
• Active technology centres
• The creation of specific business incubators
• The construction of residences for professionals
• Spaces of exhibition and spreading of the innovation and works of the sectors
• Specific services and spaces for entrepreneurs of every area
• Granting a group of specific services: aids, access to venture capital, networking, etc.

In terms of motivations and actions, Barcelona’s 22@ project was established as a government initiative to re-model Poblenou into an economic center based on innovation and technology. The area’s deindustrialization in the 1990s made space available that the district was able to benefit from. In 2000, Barcelona’s city council approved bylaws for a commercial developer, 22 ARROBA BCN, S.A. to develop and execute urban renewal projects throughout the city. In 2001, the city council directed the company to accomplish

Texas at Austin: Anchor Institutions, Innovation & the City of Austin.
these activities in Poblenou. The district also made affordable housing and preservation a priority in their plans. To date, the district has generated 90,000 jobs, 4,000 units of subsidized housing, and protected 78 percent of historic façades in the area.\footnote{Greenberg, S. R. (2015). \textit{Austin Anchors & The Innovation Zone: Building Collaborative Capacity}. The University of Texas at Austin: Anchor Institutions, Innovation & the City of Austin.}

**Distinguished Features**

One of the most important aspects of the project is affordable housing. The plan consists of 4,000 new units of subsidized housing, in addition to retaining already existing housing units. New zoning adjustments also have encouraged mixed use development, with the intention of keeping the area active at all hours of the day.

\textit{22@Barcelona} offers various spaces, for sale or rent, for innovative small- and medium-sized companies or large corporations, as well as flexible transition spaces for developing companies or to help promote a move to the district. Some of the best practices can be summarized as follows:\footnote{22@ Barcelona - El districte de la innovació. (n.d.),“Spaces and Infrastructures”. Retrieved October 25, 2015, from http://www.22barcelona.com/content/view/599/865/lang,en/}

- **Space Search**: \textit{22@Barcelona} advises and accompanies businesses through the search process, looking for spaces that meet their individual needs and offering up-to-date information on spaces that are currently vacant, or will be in the near future, in order to help companies plan their move.
- **\textit{22@Barcelona Landing Platform}**: High-quality flexible spaces are available for growing international companies, as are transition spaces to ease the incorporation of companies into the district.
- **Weekly and Monthly Spaces**: modular spaces rented by the week or the month, depending on the company’s needs. These spaces have shared meeting rooms, wi-fi access and other general services.
Case Study 2: Central Keystone Innovation Zone - Pittsburgh, Pennsylvania

Pennsylvania Governor Edward Rendell created the Keystone Innovation Zone program in 2004 to increase the number of high growth jobs in the Commonwealth which lead to the Pittsburgh Central Keystone Innovation zone, founded in 2007. Keystone Innovation Zones (KIZs) are designated zones in communities that own institutions of higher education – colleges, universities, and associate degree technical schools. These zones are intended to foster innovation and create entrepreneurial opportunities by aligning their combined resources.13

The Pittsburgh Central Keystone Innovation Zone (PCKIZ) is comprised of a group of educational institutions, businesses, community-based organizations and government agencies aimed at attracting institutions working in the life sciences, information technology, advanced material and energy sectors.14

Tax credit and grant programs, internships and student business awards, educational and networking events, and numerous other economic development initiatives are all used to attract businesses and organizations into the zone.

The institutions and organizations’ also play a significant role in utilizing the PCKIZ to achieve the goals and mission of the PCKIZ. These partnerships are as follows:15

• PCKIZ educational institutions have played a lead role in defining and supporting the economic development and educational initiatives of the PCKIZ. Duquesne University was a co-founder of the PCKIZ. As a co-founder and lead partner of the PCKIZ, Duquesne University took a leadership position in connecting the underserved community that it is located in to the benefits of the Tech Based Economic Development (TBED). Along with Carlow University, Point Park University and Community College of Allegheny College (CCAC), the PCKIZ has led successful efforts to coordinate creative, community focused economic development initiatives.

• The PCKIZ has also helped to regulate and organize high profile economic development initiatives by assisting with fundraising actions and the implementation of economic development initiatives. These projects have included playing a significant role in helping the local economic development organizations grant and loan funding from the Allegheny County Department of Economic Development and the City of Pittsburgh Urban Redevelopment Authority for the funding of a full service grocery store.

**Distinguished Features**

The practices that made the Pittsburgh Central Keystone Innovation Zone (PCKIZ) successful can be summarized with the following:16

- Services for the community: PCKIZ has been instrumental in constructing a grocery store, establishing a Community Based Energy Incubator, and opening a pharmacy to serve an underserved community.
- Community participation and engaging with underserved communities: Maintaining its efforts in the Hill District, Urban Innovation21 - which is a unique public-private partnership that is supporting the growth of entrepreneurship in the region’s innovation economy and connecting that growth to underserved communities and the residents - altered its focus to Homewood, which is widely considered to be one of the city’s most distressed neighborhoods with a high rate of vacant and abandoned

properties. PCKIZ officials were in discussions with Homewood community leaders to decide how to rebuild economic development in their community.¹⁷

- Education and workforce development: The internship program and focus on student-led businesses ensured that there is workforce development in the community. The pharmacy established by the consortium (a consortium of higher education institutions, businesses, government agencies and community) not only provides low-cost prescriptions but also trains pharmacy students as well.¹⁸

**Case Study 3: CORTEX Innovation Community - St. Louis, Missouri**

Founded in 2002, the CORTEX innovation zone was previously a privately owned, aging industrial area that was bought in order to develop an innovation zone with various partners.

The CORTEX Innovation Community forms a 200-acre district that is part of the Central West End and Forest Park Southeast residential neighborhoods in St. Louis. Nearby are St. Louis University, St. Louis Community College, Washington University, Missouri Botanical Gardens, St. Louis Science Center, Center for Emerging Technologies, St. Louis Art Museum, BJC Healthcare, the 1,400-acre Forest Park, and various bike and walking trails. CORTEX is a tax-exempt, nonprofit organization formed in 2002 by Washington University in St. Louis, BJC Healthcare, University of Missouri—St. Louis, St. Louis University, and the Missouri Botanical Garden. The district is focused on fostering bioscience and technology research and providing a space for associated businesses to develop and flourish.¹⁹

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As one of the most successful innovation zone cases throughout the world, CORTEX has completed (or has under construction) 1 million square feet of new and rehabilitated space totaling $350 million of investment and generating 2,500 technology-related jobs. A new Interstate 64 interchange and public park together with streetscape improvements were completed in April 2014. When fully implemented, the CORTEX master plan projects $2.1 billion of construction, over 4.5 million square feet of mixed-use development (research, office, clinical, residential, hotel, and retail), a new MetroLink light-rail station and 13,000 permanent technology-related jobs.²⁰

CORTEX bought, assembled and cleared roughly 180 acres of land for the development of the district, at a cost of around $29 million. The proximity to major research and health institutions was necessary to develop and capitalize on the biotech industry. However, the district has not only expanded as a place for research and technology alone, but as a mixed-use development which links retail and residential uses.²¹

Therefore, one of the most important aspects of CORTEX was creating a mixed-use innovation community with not only technology buildings, but also integrating retail, and residential so that people are able to walk to where they work and stay in the district to dine in the evening.²²

The amenities that are included in the CORTEX are:²³

- Biomedical science and overall technology research facilities to incubate some of the nation’s most promising technological advances
- Customizable lab and office space for rent
- Innovation Centers:
  - CET St. Louis: The Center for Emerging Technologies (CET)

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helped establish and develop next generation biomedical science and other advanced technology companies and consulted with startup technology and life sciences companies. It provided the infrastructure and resources needed for early-stage, high-growth companies in the fields of information technology, bioscience and consumer products. A $5 million renovation was completed in June 2015, which includes the District’s first co-working space.24

St. Louis: “CIC” is a special place for fields such as public relations, law, and the academic communities. CIC is home to over 800 companies and start-ups to help them by setting up and managing their office for them - which are mostly startups.25

- Venture Café St. Louis: Venture Café is a weekly gathering for the entrepreneurial, innovative, and creative communities of the St. Louis region. The purpose of this space is to connect communities of innovation, expand the definition of innovation and entrepreneurship, and build a more inclusive innovation economy through providing an opportunity for the participants to engage innovation and entrepreneurship conversations.26

**Distinguished Features**

The practices that made the CORTEX Innovation Community successful can be summarized as:27

- Innovative financing - The district was designated as a Tax Increment Financing (TIF) District in the city, which provided a funding mechanism to shape development in the district.
- Focus on minority populations: As part of the TIF agreement, the community was required to include minority-owned and women-

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owned business enterprises in development project teams, contacts and purchases. Projects constructed in the district must ensure workforce diversity by including, minorities, women, city residents and apprentices enrolled in local training programs.\textsuperscript{28}

### Art and Cultural Districts

Art districts are the areas where places of cultural consumption are created through art and craft-oriented places. They are used as an economic development catalyst. Cultural districts are formally designated or labeled areas with high concentrations of cultural activities and institutions. These districts are not limited to arts (i.e., other land uses occur), and what constitutes “culture” can vary widely across and within districts. They are not just clusters of galleries or theatres, but are areas with defined boundaries that are formally labeled as such a district.\textsuperscript{29} Common intervention goals across art and cultural zones are to:\textsuperscript{30}

- Regenerate or recover degraded urban areas
- Attract tourists
- Attract external investments
- Present a positive image of the city
- Support the cultural sector
- Enhance artistic and cultural heritage
- Support creativity and innovation
- Form and strengthen local identity.

Literature also suggests that the following key factors are crucial for a successful cultural district development:

- Presence of skilled stakeholders who support cluster/district implementation


• Creation of a governing body which interacts with all stakeholders and coordinates district administration
• Effective collaboration between public and private sectors
• Common vision of cluster/district and definitions of clear-cut goals shared by all stakeholders
• Achievement of a critical mass in the number and quality of actors and services
• Diversified financial sources
• Branding for the district and its products
• Regulation of property rights and quality standards
• Toning of co-operative/competitive forces and control of opportunistic behaviors
• Networking between economic, non-economic, and institutional stakeholders
• Participatory decision-making process

Case Study 4: Lower Town Art District - Paducah, KY

Paducah is famous for being home to Paducah Main Street, (formerly Paducah Renaissance Alliance), winner of the Great American Main Street Award in 2010, aimed to transform the management and revitalization of downtown. Known as one of Paducah’s oldest and significantly historic residential neighborhoods, Lower Town is famous for its award-winning Artist Relocation Program (ARP), which stimulated a successful revitalization that goes on today with the addition of the Paducah School of Art & Design Campus. The city started an incentive program to bring in artists to help build and re-shape some of Paducah’s blighted communities and give the city a cultural identity that will bring people together and help stimulate the local economy. More than 70 artists have come to Paducah and have helped to re-design the Lower Town area.

The “Artist Relocation Program” is a strategy for recruiting artists to revitalize old historic homes while continuing their own careers creating art through exclusive incentives.\textsuperscript{31} The Artist Relocation Program was successful enough in recruiting more than 75 artists/residents/businesses to Lower Town. Artists invested more than $30 million primarily through a generous and innovative financing arrangement offered by community partner Paducah Bank, with only $2 million of City general fund monies spent.\textsuperscript{32}

**Distinguished Features**

The business and marketing strategies and aspects that make of the Lower Town Art District successful can be summarized as follows:

- Paducah Main Street focused on developing and marketing the downtown as a whole. To retain and build a compatible business mix, the Main Street program created a targeted recruitment program and a strong package of incentives, many centered on the downtown’s historic real estate. City-owned historic buildings could be purchased for as little as $1 by qualifying investors; and a façade loan program funded by the city and administered by Paducah Main Street encouraged property owners to restore their buildings to their original design.

- Targeted incentives were used to recruit desirable businesses downtown. When Hooper’s, a local sporting goods retailer, outgrew its store, Paducah Main Street set out to bring the business downtown. Hooper’s needed a large retail space and the downtown needed an anchor store to attract shoppers to the area. Of the buildings offered, Hooper’s settled on a 12,000-square-foot building, with a half-block historic façade. The building needed a complete rehab, but with the right incentives, Hooper’s owners were up for the challenge. Incentives included the building conferment, façade loans, and a partially forgivable upgrade loan, matching marketing funds, and marketing initiatives for the retailer.


While recruiting new businesses is essential to a thriving downtown, maintaining existing businesses was equally important. In order to achieve that, Paducah Main Street launched a membership-participation incentive program in which members can offer their services at a discount to other members and to new businesses that contribute to the success of the downtown.\(^{33}\)

In addition to the successful strategies on businesses, one of the most important features of this zone is their strategy on the physical environment. These aspects are as follows:

- Along with preserving downtown’s historic buildings, Paducah Main Street realized that it needed to create an inviting atmosphere for shoppers, workers, residents, and visitors. To this end, efforts have been made on developing attractive sidewalks, seasonal landscaping, alluring window displays, and public art.
- One of the organization’s most successful fund raisers was the “Buy-a-Brick” program. Areas of sidewalk were designated as commemorative walks. Nearly 600 people bought bricks, raising enough money to pave four city blocks with wide brick sidewalks and install garden areas. The sidewalk gardens are maintained by local garden clubs and private citizens, as are most of the commemorative park benches and public art sculptures in the district.

One of the major difficulties in the process of converting Lower Town into a target for artists was how to attract artists from all over the country. To address this, the program offered the following:\(^{34}\)

- A variety of incentives were offered for the goal of bringing artists to the community. Included in this package of incentives are financial loans and grants, health care packages, and nationwide marketing, along with the cultural assets that the region offers.


Paducah Bank was a major component to the Artist Relocation Program offering much of the financial incentives for properties bought and financed in Lower Town. The Artist Relocation Program’s website provides a short synopsis of these program incentives, while also providing house listings, a list of artists, events in Lower Town, and other resources.

Another way Lower Town has attracted artists and visitors was by promoting their cultural assets in walking distance. The increasing number of galleries is one of the cultural assets that Lower Town has to offer. The identification and promotion of the cultural assets in and around Lower Town has given Paducah the image of a cultural destination for visitors and artists looking to settle. Two of the major cultural assets in Paducah are The Luther F. Carson Four Rivers Performing Arts Center and the National Quilt Museum, both within walking distance of the Lower Town Arts District.

Also offered is an artist relocation program, which was designed to give artists a residence and pay for their housing as well as give them a grant to help fund their projects and allow for a living stipend.

**Case Study 5: Crossroads Arts District - Kansas City, Missouri**

With 390 acres today, the Crossroads Arts District has been named one of the “15 Great Places in America” by the American Planning Association through its successful conversion of old warehouses, historic buildings, bike sharing stations and public transportation. Once filled with vacant buildings, the district is home to more than 400 local artists and 100 independent studios and is considered as one of the most concentrated

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35 http://www.paducaharts.com
gallery districts in the nation. Before it was called the Crossroads, the area was considered part of “Midtown” or sometimes just “the area between Downtown and Crown Center”. The purpose of the project was to turn what was once a handful of artist studios and galleries into a cultural center for creative arts, tech innovation and destination dining.\(^{38}\)

The main uses of the district are based on arts, entertainment, event spaces, dining, retail, and services; the major physical spaces can be listed as follows:\(^{39}\)

- Galleries
- Home decoration stores
- Design stores
- Restaurants
- Artist studios
- Architectural firms
- Advertising agencies
- Live music venues

One of the most interesting aspects of the district is its management model. The district is being managed by Crossroads Community Association (CCA), which is governed by a carefully chosen Board of Directors. Each Director must live, work or otherwise hold a stake in the Crossroads Arts District. Currently, the district is home to over 2,000 residents and is a functioning mixed use neighborhood. The residential area includes small-scale grocers, bakeries, home décor, dentists, pet stores, yoga studios, banks, movie theaters, printing services, coffee shops, and restaurants which are centrally located near downtown and the art district.\(^{40}\)

As for the businesses, the district offers assistance and provides physical spaces for real estate, co-working and shared spaces, startups and accelerators, and incentives.\(^{41}\)

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**Distinguished Features**

The distinguished features of the Crossroads Art District, which also led to its success, can be summarized with the following aspects:

- Mixed-use neighborhood with a multitude of amenities
- Strategic creative district expansion policies
- Implementing distinctive wayfinding signage
- Improving streetscape through the use of the Tax Increment Finance (which provides public investment to the project) to improve the aesthetic of the Crossroads; improvements including lighting, street paving, and sidewalk construction
- Significant works of architecture
- World-class art museum
- Events (First Friday Art Crawl, Second Saturdays, Annual Crossroads Music Festival)
- Creating a “landmark” venue as an arts destination to draw attention for artists, visitors, and community (such as the Kauffman Center for the Performing Arts and the Green Community Garden as an addiction which promotes green technology)

In order to maintain the distinct creative synergy of the Crossroads, the Crossroads Community Association (CCA) began working with Mayor Kay Barnes to develop a tax abatement plan for those property owners with property devoted primarily to creative uses. In 2007, the Planned Industrial Expansion Authority (PIEA) Board of Kansas City declared the area blighted, making the district eligible for tax abatement purposes. The tax abatement allows eligible property owners of arts and cultural uses to pay property taxes based on the assessed value of their property for the next ten years, rather than increasing with each new assessment. These types of policies are recommended in literature as well.  

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Case Study 6: Downtown Peculiar Arts & Culture District - Peculiar, Missouri

Located 25 miles south of Kansas City on Interstate 49 and covering approximately 75 acres in the center of Peculiar, the Downtown Peculiar Arts & Culture District (DPACD) held its first meeting in January 2007. It started as a nonprofit corporation and is now recognized as a successful art district. In 2015 the Missouri Arts Council presented the Downtown Peculiar Arts and Cultural District with its 2015 “Creative Community” award.\(^{43}\)

Peculiar is a small town, but located near Kansas City, MO, and considered part of the Metro Area of Overland Park, KS. This aspect helps Peculiar to ensure availability of “big city” attractions and have access to people who are travelling through the Metro Area.\(^{44}\)

The amenities that were included in the vision plan are as follows:\(^{45}\)

- Bandstand
- Outdoor theatre
- Pocket parks with interactive public art
- Benches
- Street lights with planters and banners
- Street musicians
- Unique people moving system (such as electric golf carts)
- Temporary public art


• Public art walk
• Festivals
• Events
• Farmers’ & Artists’ Market
• Holiday events and decorations

According to the district’s business plan, the permitted physical uses of the district are also listed as:

<table>
<thead>
<tr>
<th>Art</th>
<th>Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Art gallery</td>
<td>Indoor recreation or amusement</td>
</tr>
<tr>
<td>Artisan production shop</td>
<td>Place of religious exercise or religious assembly</td>
</tr>
<tr>
<td>Artist studio</td>
<td>Business or professional school</td>
</tr>
<tr>
<td>Bakery (retail only)</td>
<td>Live/Work unit</td>
</tr>
<tr>
<td></td>
<td>Preschool Print shop</td>
</tr>
<tr>
<td></td>
<td>Business service</td>
</tr>
<tr>
<td></td>
<td>Miniature golf course</td>
</tr>
<tr>
<td></td>
<td>Restaurant</td>
</tr>
<tr>
<td></td>
<td>Clinic (medical or dental)</td>
</tr>
<tr>
<td></td>
<td>Museum</td>
</tr>
<tr>
<td></td>
<td>Office</td>
</tr>
<tr>
<td></td>
<td>Outdoor recreation or amusement</td>
</tr>
<tr>
<td></td>
<td>Pet daycare in a completely enclosed building</td>
</tr>
<tr>
<td></td>
<td>Pet supply store</td>
</tr>
<tr>
<td></td>
<td>Place of religious exercise or religious assembly</td>
</tr>
<tr>
<td></td>
<td>Restaurant</td>
</tr>
<tr>
<td></td>
<td>School for the arts</td>
</tr>
<tr>
<td></td>
<td>Single-family dwelling &amp; Two-family dwelling</td>
</tr>
<tr>
<td></td>
<td>Small engine repair</td>
</tr>
<tr>
<td></td>
<td>Specialized product store</td>
</tr>
<tr>
<td></td>
<td>Visitor’s center</td>
</tr>
</tbody>
</table>

Distinguished Features

There is currently limited information and documentation on the district’s current conditions due to the recent dissolution of the district and its board after nine years in existence. According to their website, he City has

chosen to create a more commercially inclusive Downtown in which the arts are considered a factor but not a focus. The city argued that “arts district compatible” businesses are too narrow. Most of the distinguished factors that led to the district’s accomplishments in the past nine years seem to be based on providing social, artistic and/or educational activities. These aspects can be summarized as:

- Events that offer entertainment (such as Peculiar Piccadilly & Art Auction, The Clara Brierly Festival of the Arts, Chamber of Commerce’s Harvest Moon Festival, which is described as “kid-centric”) with free admission to the public.
- Classes, public art programs, and workshops (such as Eggzibit, which is a temporary public art exhibit).

**Case Study 7: Avenue for the Arts - Grand Rapids MI**

The Avenue for the Arts is a neighborhood title for the South Division commercial corridor located in Grand Rapids, which includes residential, commercial and nonprofit groups working together. The purpose of the avenue is to serve the artistic happenings going on in the community and bring renewed attention to the area while building an economy of art and a place where business and residents can build permanence and sustain. The avenue is now home to 65 storefront businesses & nonprofits, 600 artists, 300 students, and 189 volunteers.

The main physical uses of the avenue can also be listed as follows:

- Headquarters for the Avenue for the Arts

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• Office for learning lab interns who facilitate all Avenue events
• Gallery space showcasing local artists
• Education/information spot where Avenue newcomers can get more information
• A community meeting space
• A park
• Live and work units
• Parking lots
• Businesses

The main businesses of the avenue are:49

• Retail & Galleries
• Social services and nonprofits
• Housing and real estate offices
• Food and Drink
• Salon and beauty
• Education facilities
• Services

**Distinguished Features**

• ArtPrize Competition: In 2009, Grand Rapids has conducted an annual ArtPrize competition, which has grown to become the largest competition of its kind in the world with a prize purse of $250,000. Artists from all over the world have come to take part in the competition. Because of this, Grand Rapids is seen as an emerging leader in artistic collaboration to spur economic development and sustainable growth. The first ArtPrize event in 2009 drew an estimated 200,000 people to the community.50
• Store: Considered the retail side of Avenue for the Arts, Store is a shop where local artists can sell their goods and the entire store is mobile. Store is unique because all of the shelves and tables are on wheels and

compactable. Store was envisioned as an information hub for the creative community, and also serves as a way to highlight available spaces.\(^{51}\)

- Collaboration: An Arts Advisory Committee, along with online survey results, help mold the design of the Martienau and Kelsey Apartments, which are renovated and used as artists’ live and work spaces.

- Community Involvement and Participation: Community workshops and focus groups with community members helped establish the sense of community ownership. Also, encouraging temporary projects including small scale painted murals created by students and local residents, temporary land installations created by GVSU students, and installation sculptures into vacant storefronts in partnership with the Urban Institute of Contemporary Art are also important strategies. In order to respond to community needs, most of the design projects were based on the results of online surveys, which were conducted with community members and artists. In addition to public artworks and design of spaces, the community also selected the logo of the Avenue.\(^{52}\)

- Events such as First Friday, Free Radical Gallery show, Urban Lights Event, Art.Downtown, and Avenue for the Arts Market target both residents and businesses.

- Providing Spaces for Arts-Related Business Classes: Entrepreneurial classes to encourage the growth and expansion of arts related businesses.

- Providing businesses courses, hosting lunches for business and nonprofit managers, and facilitating art shows in traditional businesses.\(^{53}\)

### Common Characteristics of Successful Innovation Zones

Innovation districts in existing cities have the advantage of an established urban environment with a mix of uses and density that creates opportunities for workers to engage with peers outside work and brainstorming solutions.

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and ideas. Providing research space and offices and creating amenities to attract workers and connections that sustain start-ups are some of the most crucial components.54

In summary, the common success factors of innovation zones are based on:

- Physical assets (such as green space, transit, mix use developments, shared work spaces)
- Economic assets (such as incubators and talents)
- Networking assets (such as themed events, social media, shared workspaces, meet-ups, etc.,)

According to the analysis of case studies and review of literature, the urbanistic features that make cities successful are also found to be crucial success factors for both art and innovation districts. These can also be summarized as:

- Density: variable of interest per unit of area; usually population, but can also be related to activity
- Diversity: number of different land uses, diversity of businesses, and zoning
- Design: street network characteristics, intersections, street width, and other physical variables that define the environment
- Destination-accessibility: ease of access to attractions, both regional local, including jobs, shopping etc.

The most common types of spaces across cases are: science and technology facilities, lab and office spaces for rent, and innovation centers.

Common Characteristics of Successful Art and Cultural Districts

The common characteristics of art districts can be summarized as:

- Most of the districts were built around existing cultural facilities, mainly museums and old historical buildings. Many of these facilities, along with the neighborhood around them, were decaying.
- Arts districts tend to be near convention and meeting spaces, as well as festival retail markets, sports complexes, parks, or waterfronts.
- Successful art districts provide a variety of live and work spaces.
- Zoning is an important factor in the creation of an arts district, where it can either inhibit or promote the type of growth desired for the district. Special zoning is required for a district that wants to develop a living and a working space in the same zone.
- Arts districts have a number of “instigators,” including arts and artist organizations, local growth coalitions, and downtown business groups. Collaborations between these groups and the local government are key in the formation and the stability of these arts districts.

Typically, there are very specific types of spaces within art districts. These main types of artist spaces in cities can be summarized as:

- Artists’ centers, which often function as resource hubs and places to socialize and display work.
- Artist live/work space and studio buildings, which, as their title suggests function as places for artists to live and work, often at affordable rates.
- Small performing arts spaces, which function as affordable community venues for the performing arts. These types of spaces are vital within districts as they help to attract and retain artists by providing social and professional networks and access, which they would not otherwise have.
Importance of Social Places as a Distinguished Aspect in Art Districts

Cultural districts are often mixed-use, incorporating retails, office, and residential spaces, they further allow frequent and repeated contact from residents. Such variety of creative businesses and other land uses - from theatres, restaurants, and wine bars, to gardens and street life - ensures vitality and facilitates social interaction necessary to a strong cultural economy. Because art and culture are exchanged within social settings, the cultural economy depends on the ability for the interaction of work and social lives. This interaction is especially important as it facilitates the merging of different creative industries. The literature also shows that the cultural economy is most efficient in the informal social realm, as separate creative industries — collaborate with one another, review each other’s products, and offer jobs that cross-fertilize and share skill sets. Coffee shops, restaurants, and nightclubs are not only attractive assets of cultural districts, but essential infrastructural attributes of the cultural economy.55

RECOMMENDATIONS

According to the analysis of the case studies, city profile and review of literature, the following facilities are potentially useful for Wilson’s creative zone’s art phase:

- Performance spaces
- Museums
- Galleries
- Artist studios
- Design stores
- Craft stores
- Art supplies stores
- Arts-related retail shops
- Restaurants and café shops
- High schools or colleges for the arts

• Art and design schools
• Educational facilities for young children and youth
• Residential / lofts to attract artists and residents to site
• Music or media production studios
• Dance studios
• Arboretums and gardens
• Libraries

As for the innovation and technology phase, the following aspects might potentially be useful for Wilson’s creative zone:

• Creating active technology centers
• Providing spaces for start-ups and entrepreneurs
• Using incentives to attract new businesses from target sectors into the zone
• Spaces of exhibition and spreading of the innovation and works of the sectors
• Providing spaces for public relations, education, and academic communities
• A community space and/or gathering spaces to connect communities of innovation for the participants to engage innovation and entrepreneurship conversations

The presence of companies and relevant institutions are crucial aspects of innovation zones. Business sectors that are potentially useful for Wilson include:

• Manufacturing
• Retail Trade
• Healthcare
• Construction

Additionally, analysis of the case studies and review of literature shows that the most powerful strategy to bring tourists into the zones is marketing of the events and festivals. Also, creating an inviting atmosphere for artists, residents,
and visitors and making the site accessible from various directions are other important factors to be considered in the design phase.

**Recommendations on the Planning Process**

The Strategic Plan of the zone should provide a clear statement of where the City is going and how it intends to get there. Analysis of successful cases has helped to reveal recommendations on the overall process for the creation of a successful creative zone. Typically, these kinds of projects take at least 3 to 5 years to complete and follow this order:

- **STEP 1:** Creation of a Design Committee
- **STEP 2:** A vision
- **STEP 3:** A description of the mission of the organization
- **STEP 4:** Conducting a SWOT analysis to identify strengths, weaknesses, opportunities and threats of the city
- **STEP 5:** Conducting Case Study Research to identify patterns, processes, activities and space types of successful examples
- **STEP 6:** Creating an updated Vision Plan based on the previous steps to come up with a clarified vision statement which includes expected outcomes
- **STEP 7:** Setting the Goals to define and add what the goals, objectives, and strategies are
- **STEP 8:** Developing an Action Plan and organizing people including identifying organizations, individuals, committees, experts, advisors, directors etc.,
- **STEP 9:** Putting the plan into action

Since community participation is one of the most important elements in creating Art and Innovation zone projects, conducting a comprehensive survey which is specifically designed for Wilson’s creative zone (based on the first 4 steps) is highly recommended to make sure that the places that are created will satisfy Wilson’s artists and community needs. This idea is also essential for the technology and innovation phase of Wilson’s creative zone, as it is very important to attract companies and individuals through providing what
innovative companies, start-up entrepreneurs, and young professionals need and want. Applying a “participatory approach” within this process can also help draw community’s attention to the project and establish the sense of ownership, which potentially leads to an increase in bringing more people to downtown as they will feel valued.

The case studies help us understand the types of spaces and businesses that typically do well in innovation and art zones, but, in order to specify those aspects and narrow down potential ideas, community input is a critical step within this process. It is suggested that combining the results of case studies with community stakeholders needs and expectations will provide success for Wilson’s creative zone.
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