



MEMORANDUM

To: Members of the 2016 Development Fees Study Working Group
From: Matt Chasansky, Office of Arts + Culture Manager
Date: March 3, 2016
Regarding: Supplemental Information for Working Group Meeting #2

As a follow up to the conversation during the first meeting of the Working Group, attached is information from the Community Cultural Plan pertinent to our discussion. Please find:

1. A brochure which gives an overview of the Community Cultural Plan.
2. Extracted pages pertinent to Public Art.

This will be a foundation for how the city is approaching public art in the coming years, articulated by two passages in particular: First, the Cultural Plan is built upon the foundation of our community priorities for culture. Among those six priorities is this call-to-action:

Focus on the expression of culture and creativity in the public realm through public art, the urban landscape, culture in the neighborhoods, and serendipitous encounters with the arts.

Second, a specific goal is set forward in how the municipal government approaches public art programmatically:

Many individuals, businesses, organizations, and developers will be encouraged to invest in improvements to public spaces through the addition of meaningful, innovative, and quality works of art. The municipal investment in public art will be a model, using a system of publicly transparent, sustainable, and innovative practices to commission artworks of enduring cultural value.

Also attached please find:

3. Recommendations from our consultants, Keyser Marston Associates, for general considerations of a private requirement for art in public places.

During our second meeting, we will be seeking your advice on several areas of the framework for a private development requirement for public art.



The **Community Cultural Plan** is a visioning and strategic document that describes how the people of Boulder will align efforts, with the support of the municipal government, to achieve our collective vision:

Together, we will craft Boulder’s social, physical, and cultural environment to include creativity as an essential ingredient for the well being, prosperity, and joy of everyone in the community.

Community Priorities

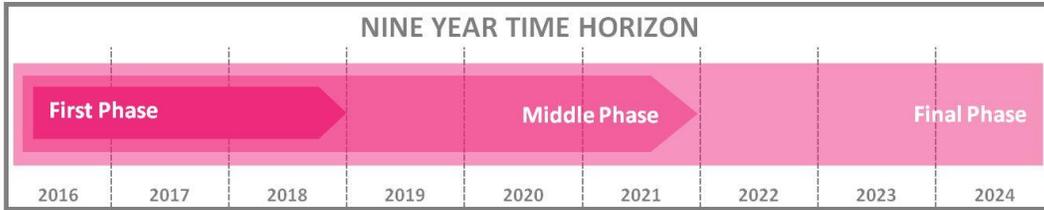
- Support the resiliency and sustainability of cultural organizations to enhance their ability to benefit the community.
- Create a supportive environment for artists and creative professionals, while fostering innovative thinking and leadership among them.
- Prioritize the civic dialogue about the ability of culture to positively contribute to the economy, social offerings, the environment, and the authentic expression of diversity.
- Develop Boulder’s creative identity in becoming an innovative world leader in cultural matters and project that identity to the region and the world.
- Focus on the expression of culture and creativity in the public realm through public art, the urban landscape, culture in the neighborhoods, and serendipitous encounters with the arts.
- Amplify the vibrancy of Boulder’s cultural destinations: the lively mix of museums, performance venues, events, districts, studios, maker spaces, and other facilities that make Boulder an enticing place to visit, live, play, and work. Fill in the gaps and address issues of access and affordability.

Strategies for the Office of Arts + Culture

- | | | | |
|----|----------------------------------------------|----|-------------------------------------------------------|
| CO | support our Cultural Organizations | NB | emphasize culture in Neighborhoods & communities |
| PA | reinvent our Public Art program | CP | support individual artists and Creative Professionals |
| VN | create and enhance Venues | CD | advance Civic Dialogue, awareness, and participation |
| CE | enhance the vitality of the Creative Economy | YO | engage our Youth |

Implementation

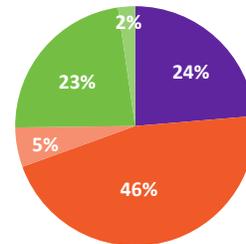
Time Horizon:



Capacity Recommendations:

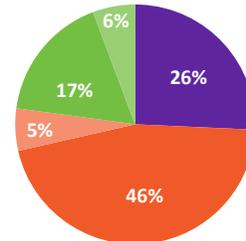
2016 – 2018: First Phase Goal
\$1,310,000

\$310 = Admin + Personnel
\$670K = Grants + Support
\$330K = Public Art + Programs



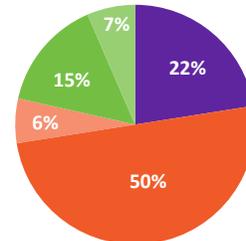
2019 – 2021: Middle Phase Goal
\$1,750,000

\$450K = Admin + Personnel
\$900K = Grants + Support
\$400K = Public Art + Programs



2022 – 2024: Final Phase Goal
\$2,000,000

\$450K = Admin + Personnel
\$1.12M = Grants + Support
\$430K = Public Art + Programs



6 Full Time Staff

City of Boulder Office of Arts + Culture
www.boulderarts.org - culturalplan@bouldercolorado.gov



Reinvent Our Public Art Program

Community Priority – Focus on the expression of culture and creativity in the public realm through public art, the urban landscape, culture in the neighborhoods, and serendipitous encounters with the arts.

Goal – Many individuals, businesses, organizations, and developers will be encouraged to invest in improvements to public spaces through the addition of meaningful, innovative, and quality works of art. The municipal investment in public art will be a model, using a system of publicly transparent, sustainable, and innovative practices to commission artworks of enduring cultural value.

Program Areas:

- A. **Public Art Commissioning** – a fully managed program to commission many permanent and temporary works of public art. The program will govern public spending on art in public places across all city agencies and be considered strategically through a series of Public Art Implementation Plans.
- B. **Maintenance and Conservation** – asset management systems to maintain the permanent collection of public artworks as an enduring legacy for future generations.
- C. **Interpretation, Communications, and Legacy Initiatives** – a set of tools for staff to promote the public art collection as an important part of daily life in Boulder including tours, signs, online programs, and continuing relationships with artists.
- D. **Mural Program / Facilitation of Urban Art and Design** – partnerships and collaboration with private individuals, businesses, organizations, and state or Federal government agencies who wish to install art in public places.

Priority Recommendations:

A Sophisticated Program – In considering the full lifecycle of a public art project, the Office of Arts + Culture will build a high-performing public art program that is an industry leader. In terms of process, this involves a thorough updating of practices, among them: a high standard of public inquiry, strategic and thoughtful selection processes, sustainable funding, and carefully executed design review. In addition, the collection itself must meet the highest of standards and represent the most important developments in contemporary practice. This pursuit of quality works of art implies variety and diversity, not necessarily popular taste. It is important for the city to be confident in this measure of success; no work of art will be universally loved. The ability to take risks is important to the program. The public art program will actively seek temporary and permanent

public art in traditional media, yes. And, also, in time-based media, performance, music, interactive projects, design, social practice, conceptual art, web-based art, and all emerging forms of public art. The collection of public artworks will be successful when it is diverse, thought-provoking, and vibrant.

Sustainable Funding – After the initial launch of the public art program, the Office of Arts + Culture will explore a source and mechanism for permanent public art funding in the 2018 budget. An important consideration will be the ability to create a robust program through commissioning several new works of art every year. Public art needs to be considered in terms of decades, with a funding structure to achieve a vibrant public art program well after the time horizon of this plan. To do this, a diverse portfolio of various sources of funding is needed. It should be secure, flexible, and at an adequate level to acquire and maintain new works of art on a regular basis.

Unified Approach – There have been substantial investments in public art over the years, particularly by the Transportation, Parks, and Parking Services divisions of the City of Boulder. However, a strategic and consistent process is needed to advance the investments in public art. The Office of Arts + Culture will assume leadership in the public art process while maintaining close collaborations with those agencies that are most affected by the public art program.

Allies:

Boulder County – The State of Colorado – Regional Transportation District (RTD) – Federal Government Public Art Program – EcoArts Connections – Open Arts – &Art – City of Boulder Public Works-Transportation – City of Boulder Community Vitality – City of Boulder Parks & Recreation – City of Boulder Planning, Housing & Sustainability – City of Boulder Facilities & Asset Management – Civic Area team – and others

Models of Success:

The City of Denver has developed a sophisticated set of policies and procedures to complement the enforcement of their public art ordinance. This stewardship has been carefully utilized over several decades of activity, and has translated not only into a quality collection of public art, but also has led to community engagement. The people of Denver love their public art, and respect the process through which it is acquired.

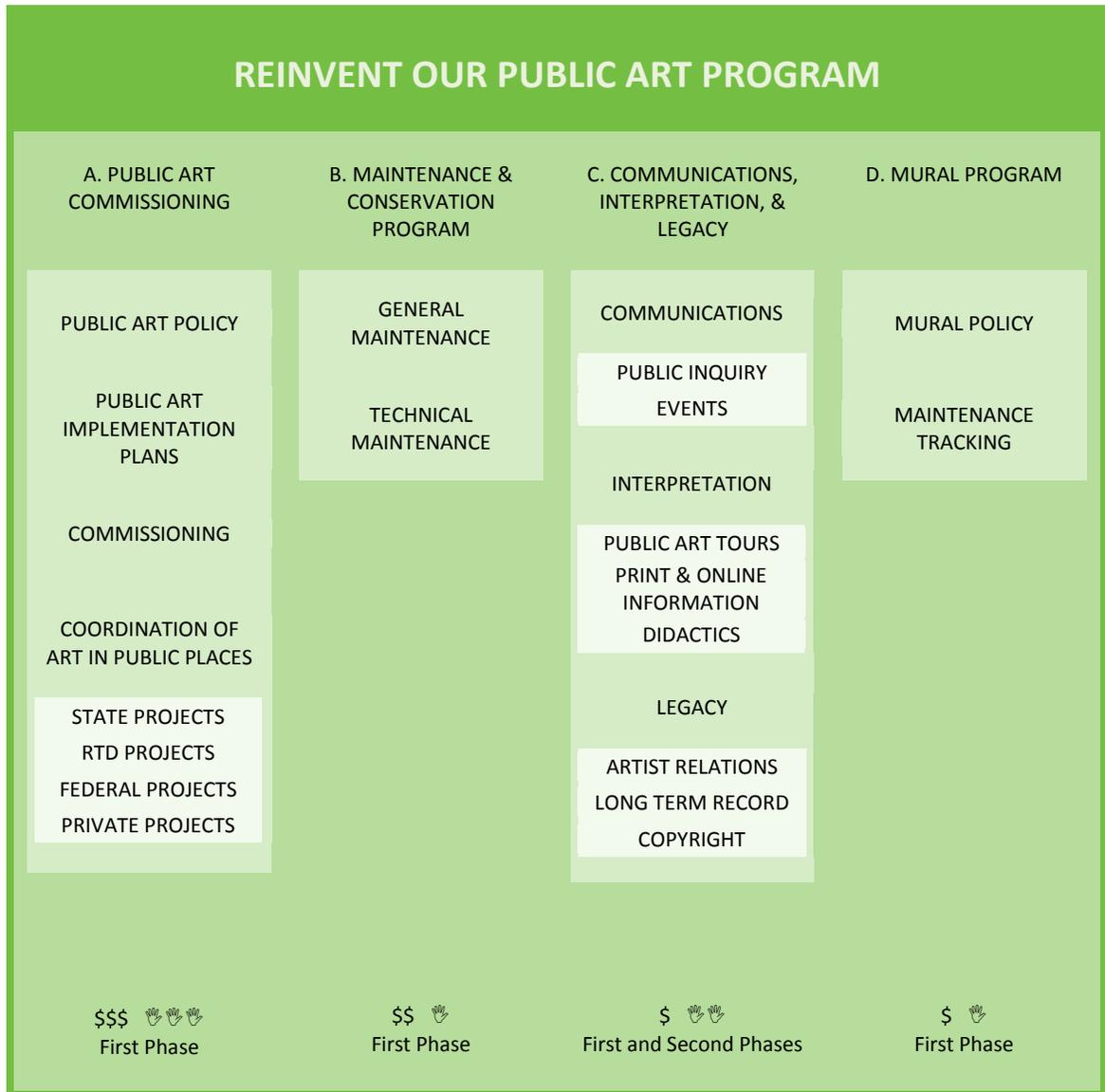
<http://artsandvenuesdenver.com/public-art>



*Detailed recommendations
for the Reinvent our Public Art Program strategy
can be found on page 55.*



Reinvent our Public Art Program, Programmatic Structure:



A. Public Art Commissioning

- Public Art Policy – The drafting and maintenance of a functional policy will govern how public funds are stewarded, how the selection process is administered, steps for approval, procedures regarding donated or loaned artwork, and commitments to maintenance and other legacy issues. This document has a long time-horizon, and must be conceived with future generations in mind. Thus, it must be carefully written to be a strong tool. However, it must also be a flexible instrument, providing staff the right amount of leverage to ensure that individual projects are successful. This will best be done with thorough research into model programs and consultation with experts in public art at the drafting phase.
- Public Art Implementation Plans – Known in many communities as Public Art Master Plans, these Implementation Plans will govern the use of public art funds with specificity: the sites, selection processes, funding levels, schedules, and the detailed goals for each project. The goal of the Public Art Implementation Plans are to properly steward the public trust and complete successful projects for the community.

The Implementation Plans should be drafted in transitional years of the Community Cultural Plan. However, in certain circumstances, specific projects or series may be best served with special documents. This is certainly true for the Civic Area.

- Commissioning – In addition to the above, a few considerations are critical when designing a program for the commissioning of public art:

The scale of projects must be considered carefully. It is easy to fall victim to a desire to spread the commissions out among many artists in the interest of broadcasting as much of the money as possible. However, this is likely to diminish the quality and impact of individual commissions as well as of the collection as a whole. Balance the scale of commissions, keeping in mind the goal of this strategy and the smart investment of public funds in these assets.

Great public art programs are a balance between the process and the results. Boulder must have a sophisticated program that addresses both. Every public art project in Boulder will have a great process and guarantee a great product, or it will not proceed.

Join in the regional and national conversation about the public art process. The collaborative spirit amongst public art administrators, especially in Colorado with its numerous municipal programs, is a source for innovation and a sounding board for practices.

The public inquiry should inform a sophisticated and careful selection panel process. Finally, it is necessary to leverage the public inquiry process to build good will in the community. Residents who participate, even if they do not particularly like the artwork, will feel invested in the process and be advocates for the future of public art in Boulder.

Maintain a consistent commissioning schedule. The current interest in reinventing public art in Boulder reflects a desire for a level of vibrancy in the built environment. Therefore, a high frequency of installations is an expectation of the public. Consider all aspects of the

Implementation Plans, and especially the schedules and funding levels, to ensure that this can be achieved.

Cultivate a diversity of artists and arts practices. The value of the collection to residents is connected to the variety of experiences they find. The public art program will actively seek to commission a wide variety of the most innovative approaches to contemporary practice in the arts. People of many different backgrounds should be represented, and the variety of stories the art tells should be broad. We must be open to new media and forms of expression that are not typically thought of for public art: digital media, performance, music, web-based art, and social interventions should be in the mix. Temporary art should be deployed when possible and can be particularly useful for experimentation and risk. The pursuit of variety and diversity in the representations of public art projects is consistent with building a public collection that has a breadth of quality. It is important for the city to be confident in this measure of success. No work of art will be universally loved.

Keep in mind the ultimate purpose of any municipal public art program: to commission works of enduring value.

- Coordination of Art in Public Places – A municipal public art program is but one aspect of a city’s portfolio of art in public places. Private commissions of sculpture can be sited for public display; hospitals and schools often hire artists; cultural organizations should be encouraged to curate artworks for the community; other agencies such as the Regional Transportation District, the universities, the State of Colorado, and the federal government will commission public art. It is recommended that staff stay highly active in tracking and providing leadership to ensure that a variety of projects are encouraged and coordinated strategically.

There is great value in artists and creative members of the community being encouraged to express themselves through impacting the urban space. The Pearl Street Mall, and its management company Downtown Boulder Inc., have proven the value of this exercise by allowing busking on the Pearl Street Mall without a permit. This open access to creative expression has positively impacted the atmosphere of that retail district. Yet, the public feels that this sense of openness is missing from the rest of Boulder¹⁴. We are in need of places and situations for people to chalk the sidewalk, sing or play music, dance or hold flash-mobs. The Office of Arts + Culture will work with city agencies to provide these forums and clear the hurdles for creativity in the public realm. Keeping in mind the value of the existing rules and the needs of public safety, the examination of the regulatory environment is a key first step. Do the laws, regulations, and permitting processes have unintended consequences that stifle the community voice? A next step is to provide actual places, like the Pearl Street Mall, where creativity is encouraged. The Civic Area has much potential for this type of activity.

- Oversight and Coordination – The Public Art Policy must define the approval process as described above. The Boulder Arts Commission must be an approval body. The commissioners, serving as they will on a variety of selection panels and given their responsibilities to the process, have a special role to play. They need to have a profound knowledge of the collection, the public art implementation plans, and what commissions of new works of art might mean to the city as a whole. This knowledge must be brought to each selection panel by the

¹⁴ Soul of the Community Study (Knight Foundation, 2010) – See appendix IV.8.

commissioner representative. To do this, the commissioners will need special opportunities for training and facilitated conversations so that they are comfortable with this role.

Coordination with a variety of City of Boulder agencies will be critical. It is important to remember that the Transportation Division, Parks and Recreation Department, and Downtown and University Hill Management / Parking Services Department have all done significant work in building the existing collection over the decades. These agencies will be key in executing the new public art strategy. It should be the practice of the public art staff person to consult with these internal partners early in the process, include them in decision making, and ensure that their needs and suggestions are thoughtfully considered.

Capacities – In the First Phase of the Community Cultural Plan, a fund will be established that can be easily mobilized and serve to begin the public art program. The funds identified for public art in the Culture and Safety Tax, passed by voters in 2014, is ideal for this purpose. A full study and plan to establish a sustainable source of funding will commence in 2017. It is the recommendation of the Community Cultural Plan that a “percent-for-art” ordinance be passed.¹⁵

Once established, it is estimated that a 1% of capital improvement projects (should that be the method enacted,) could generate as much as \$300,000 per year. Given the need for a robust program with a high frequency of installations, it is likely that this amount of money is not enough to successfully meet the goals of this program. Therefore, it will be necessary to supplement a percent-for-art funding structure with other sources. Investigate alternative funding sources such as dedicated tax or fee programs or mandates on private development.

B. Maintenance and Conservation Program

The Office of Arts + Culture will coordinate a program of asset management for the public art collection. Clear roles will be established on who is responsible for regular maintenance as well as conservation or repair of works of art. For instance, many cities have a policy to ensure that the agency responsible for the site is also responsible for regular maintenance for the art at that site, while special repair projects are a shared responsibility. A condition inventory of the public art collection should be conducted by the Office of Arts + Culture regularly, and staff should assist the parties responsible for regular maintenance to track activity. The neglect of public artwork reflects poorly on a community; it must be a directive of the program to efficiently and consistently maintain the collection.

Consider the following when designing the maintenance program:

A frequent challenge to the maintenance of public art begins before the artwork is even installed. A thorough understanding of the artist’s intent of narrative and materials is important to ensuring that maintenance and conservation work is done properly. Include a requirement in each public art commission to capture the artists intentions.

Contracting with conservation and technical experts to produce maintenance and conservation recommendations for each work of art.

¹⁵ For more information, see appendix IV.6.

More so than in other program areas and strategies, the application of best practices in public art maintenance and conservation are technically complex. It will require diligence and consistency to make sure this work is being done properly. Ensure staff has a thorough and careful understanding of these practices. In addition, Boulder is in a position to lead and innovate in maintenance and conservation. Participate in the national dialogue. It will be a great benefit to the program if staff creates a relationship with the programs at the University of Colorado and their programs that overlap the needs of the collection.

C. Communications, Interpretation, and Legacy Projects

- Communications – There are two needs in communicating about public art projects: a) promoting applications to commissions and b) public awareness about the process and collection. The format and media for these communications must be thoughtfully considered. In the case of promoting applications, it is critical to the process that broad and competitive participation be encouraged. The story that emerges from these different exchanges is important to consider; a personality that reflects the sophistication of Boulder’s public art program must be fostered among artists, other arts professionals, and the residents of Boulder.
- Interpretation – The selection is complete, the artwork installed, and the ribbon cut. After this initial phase is complete, the artwork now has a life within the larger collection of public art. This long-term relationship between the artwork, the collection, and the public is important and will not be neglected. The Office of Arts + Culture will create programs to help the public understand the collection. This can take the form of plaques, interpretive panels, guided tours, websites, audio, video and interactive assets. Staff will also consider how social media and crowd sourcing can influence the interpretation of a work of art; perhaps there is a viral campaign or photo opportunity that can be encouraged around a particular artwork or site. It is important to keep in mind that the opinions and conversations about the existing collection has a lasting impact on the public’s expectations about public art spending and their appetite for new commissions.
- Legacy Projects – The Office of Arts + Culture will maintain strong and mutually collaborative relationships with artists who complete public commissions. This is made necessary by ongoing issues of maintenance and copyright. It is also a desirable act for the health of the program. Staff will keep track of the artist’s careers and celebrate their accomplishments. The artists will get regular notes from staff on the status of their artwork and any press or community conversation their work produces. Doing this is not mere good will; the continuing relationship with these artists is an asset to create a strong brand around the public art program. Staff will be able to tell great stories about the work that Boulder’s alumni artists are doing around the world, and the artists themselves will carry forward the good message about Boulder’s program to their international network.

D. Mural Program

Currently, the owners and tenants of private buildings who wish to commission publicly visible murals are asked to acquire municipal review through the Sign Code¹⁶ and the City of Boulder Design Review Committee. Though these procedural entities do provide some public deliberation on issues of the built environment and visual questions, they are not equipped to provide expertise or guidance regarding art in public places.

In order to resolve these gaps, the Office of Arts + Culture will develop a policy for publicly accessible murals. The Boulder Arts Commission will play a role in the new review process, in addition to coordination with effected government agencies and their Boards & Commissions. In addition to an approval process, the policy should also contain standards for how the murals are maintained, address issues of ownership, and plan for the inevitable end of display.

Several considerations are key for designing the program:

Use caution in judging the aesthetic choices of private individuals. It should not be the role of the Boulder Arts Commission to be the aesthetic court of Boulder. At the same time, some evaluation of the quality and imagery must be established, as these works will be visible to the general public. Clear and commonly accepted guidelines will be helpful, as will robust communications to solicit public input.

The ultimate purpose of this program area is to encourage more art in public places. Construct the rules, procedures, and evaluation criteria with this in mind.

- Oversight and Coordination – The mural policy will require that private organizations wishing to commission a mural on their property first apply to the Boulder Arts Commission. The role of the commissioners’ review will be to determine if the mural qualifies as a “work of art”, or if it is a “sign or advertisement”. Criteria should be established to codify this distinction. Those determined to be works of art are then subject to a distinct set of performance standards. Those determined to be a sign or advertisement would go on to be reviewed through the standard sign code and design review processes.

Strategy Challenges:

Sustainable Funding – There is a strong level of community support for increased funding to support arts and culture, including public art.¹⁷ Immediate steps have already been taken to launch the public art program; voters approved the Community Culture and Safety temporary tax program, part of which will be used for this purpose. However, long term sustainable funding will require further investigation.

¹⁶ City of Boulder Revised Code Chapter 9-9-21

¹⁷ Boulder Community Cultural Plan Survey 2014 – See appendix IV.5

Measures – Success in the Reinvent our Public Art Program strategy will be measured against the strategic goal: *Many individuals, businesses, governments, organizations, and developers will be encouraged to invest in improvements to public spaces through the addition of meaningful, innovative, and quality works of art. The municipal investment in public art will be a model, using a system of publicly transparent, sustainable, and innovative practices to robustly commission artworks of enduring cultural value.*

- In what ways, and to what degree, does the public art installed in the city impact the community? What is the impact of adding art to public spaces on issues of sustainability, livability, public health, and resilience? How does the commissioning of public art add value to the goals of other municipal priorities?
- How do the funds for commissioning art get spent? What is the direct economic impact of spending on public art?
- How is public art, both in process and when installed, perceived in the community? What is the perception of Boulder’s program outside of Boulder: among visitors, the media, and across the country?
- In what ways does public art play a role in the business of being an artist in Boulder?

Name: _____

March 2, 2016

Do you have any questions about the draft report/analysis to date? If so, please describe them here for your reference:

Do you have any comments or feedback about using building permit valuation as the basis for a program?

Do you have any comments or feedback on the categories of building types that could apply to a program?



KEYSER MARSTON ASSOCIATES

DRAFT

PRIVATE SECTOR ARTS REQUIREMENT

Prepared for

CITY OF BOULDER, CO

Prepared by

Keyser Marston Associates, Inc.

February 2016

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INTRODUCTION

The following report provides an exploration of key components of a private sector arts requirement and recommendations for the City of Boulder. The report was prepared by Keyser Marston Associates (KMA) for the City, pursuant to a contract with the City that also includes KMA analyses in support of an affordable housing fee on new non-residential development.

Many cities in the United States have adopted programs that require new private sector development to expend a percent of total construction cost on art. These programs require art on-site, placed within the project, or, in most cases, permit other means of compliance. The most common other means of compliance is payment of an in-lieu equivalent “fee.” Many programs also offer additional choices such as off-site art, and some even allow cultural programming on or off-site. Total construction cost is usually equated to Building Permit Valuation, with a 1% requirement for art representing the vast majority of programs.

Private sector arts requirements have been widely adopted in California, but are far less common in other states. A few cities in Colorado have an arts requirement of some kind, but none have a program fully comparable to that explored in this work scope. Tempe, Arizona is a non-California example that does have a program more similar to the one explored in this report.

This report provides a description for the framework of an arts requirement on private sector development in Boulder. The main focus of the KMA work is on the intersection between the City requirement and private sector development projects, covering topics such as thresholds of project size for application (art on-site v. fee payment), what land uses or building types might be subject to the program, suggested exemptions and other program features. Drawn from programs elsewhere, KMA also provides suggestions for the framework on topics such as criteria for art acceptable for on-site placement, location of artwork in projects, process aspects, and responsibility for long term maintenance and insurance coverage.

The City of Boulder’s Draft Community Cultural Plan has served as a starting point and reference guide throughout the preparation of this report.

Report Approach

To initiate the work program, KMA extensively surveyed arts requirement programs elsewhere in the U.S. and assembled information on key components. These survey results are presented in the last section of this report. In the framework Section I, material from other programs has been extensively used, adapted to Boulder. Ultimately, the City will likely want to customize the program to its own needs and desires, either before initial adoption or after a period of working with the initial program, recognizing that modifications will likely become desirable. This may be particularly true of the process aspects as briefly described in the report.

KMA has previously worked on three arts requirement programs. The first was for Santa Monica which entailed an extensive nationwide survey over a period of more than a year, and development of a program highly tailored to the specific interests of the City. A program was ultimately adopted in 2007. Later KMA worked for San Jose and a smaller California city; adoptions are still in process.

Report Organization and Disclaimer

Following is an overview of the content of the report and how it is organized.

- *Introduction* – introductory material including key clarifications with respect to nature of private arts requirements.
- *Summary of Key Components of a Private Sector Arts Requirements* – a discussion of each key component, citing of experience in other jurisdictions.
- *Summary of Surveys of Programs in other Jurisdictions* – KMA coordinated with staff in the selection of seven jurisdictions to closely examine and compare arts requirement programs.
- *Art Project Valuation Generated by the Program* – an overview of building permit valuation experience in Boulder for the building types potentially subject to the program, for the purposes of providing an initial estimate of revenue and/or art valuation likely to be generated by the program.

Keyser Marston Associates (KMA) has conducted the surveys and analyses using the highest professional standards. KMA believes that all data sources used, including data from the City of Boulder, is sufficiently accurate for the purposes of the analysis. However, KMA cannot guarantee the accuracy of any data or survey material and assumes no liability for conclusions drawn from these sources.

Important Note: Arts Requirement from the Developer Perspective

An arts requirement on private sector development essentially asks the developer to invest in art in his/her own project. On-site art is an asset, owned by the project. If the art is well selected, the art is an investment with value and appreciation potential. Art well integrated into a project can add value to the project overall. When the project is sold, any added value attributable to the art is recaptured by the developer in the project sales price. This aspect distinguishes arts requirements from many other City requirements.

Options to meet an arts requirement either through off-site art or an in lieu payment are offered for the convenience of the developer. On-site art entails time and process with the City such that for some projects, especially smaller ones, the developer often welcomes the opportunity to write a check instead. From the City's perspective, there are administrative considerations as well. This topic is explored at some length in the report.

SECTION I: KEY FEATURES OF A PRIVATE DEVELOPMENT ARTS REQUIREMENT PROGRAM AND RECOMMENDATIONS FOR BOULDER

This section addresses the key features of a program that requires private sector development to contribute to arts and culture in Boulder. Each feature is separately described and discussed, drawing from experience in other jurisdictions.

This section is the core of the report, in many ways a summary report.

It is probably helpful for the reader to review the whole section quickly for an overview before focusing on the individual features or components. For example, it is easier to understand how the land uses or building types subject to the program could possibly work when it is understood that the program will also have thresholds, exemptions, and multiple options for compliance.

Goals for program overall design are: make it a meaningful component of Boulder's Cultural Vision and implementation program, keep it simple and easily understood, make it as fair as possible, build in flexibility and choices.

Program Overview

The program proposed in this report is a requirement for new private sector development in the City of Boulder to spend a percent of building permit valuation on art. The program is proposed to include choices: on-site art, off-site art or payment of an in lieu fee.

Programs of this type have been adopted in numerous cities in the U. S., particularly in California where there are many in cities of all sizes. There are very few in Colorado that are similar, Aurora perhaps being the closest in concept.

It is highly recommended that if Boulder is to proceed with a requirement on private sector development, that the City also adopt a similar commitment for expenditure on arts in all public sector projects. This report focuses on the requirement levied on private sector projects.

Percent Requirement – What Percentage

The majority of developer arts requirement programs are levied as a percent of Building Permit Valuation (BPV), or the value of construction for the purposes of a building permit. By far the most common percentage requirement is 1%. Some jurisdictions charge a fraction of 1%, a few place the charge a little higher. The development project is asked to expend 1% of building permit valuation on public art that meets the criteria of the program.

In considering an appropriate percentage range for a private development program in Boulder, the following factors may be taken into account:

- Building permit valuation (BPV) usually represents roughly 50% to 60% of the total development project cost, or even less in very high land value locations. In addition to the construction cost on which the permit valuation is based, other project costs include land, site improvements, design and engineering, financing and an array of other “indirect” costs. (Note: public sector requirements are usually percent of total project costs and thus are greater.)
- Furthermore, construction valuation for permit purposes often does not reflect total construction costs. Cities vary on this matter.
- The actual value of the on-site art will be less than whatever percent is required because other related costs are typically allowed in the calculation. Related costs include transportation of artwork, installation, consultant services, insurance and other costs associated with art placement (or cultural event). A 1% program does not result in arts with a value of 1% of building permit valuation; the result is less than that.

Other Jurisdiction Precedents

The majority of programs requiring private sector contribution of art are established at 1% of building permit valuation. A few exceptions or variations are as follows:

- The City of Los Angeles has a charge per square foot, but the charge is capped at 1% of building permit valuation (BPV), and this cap typically applies.
- The City of Santa Monica has a 2% of construction cost (which the City distinguishes from building permit valuation) for on-site placement of art or an alternative 1% of construction cost in lieu payment. A few other cities also use a different percentage for the off-site options.
- A few cities have a percent requirement that is a little more or less than 1%.

In Colorado there is no other program that completely fits the model proposed here. Following is a very brief summary of other Colorado programs. More information is provided in Section II of this report.

- Aurora requires a fixed dollar amount for art per acre (ranging from \$300 to \$600). The program appears to be focused on landscaping and treatment of outdoor spaces.
- Wheat Ridge charges 1% of the Building Permit fee (not building permit valuation) – in other words, it is a fee on a fee. It does not have an on-site art component; it is a revenue generator for a Public Art Fund.

- Vail has a real estate transfer tax to fund parks, open space and recreation. It appears that a portion of the funds raised is used for art (in the parks, etc.) Presumably, like transfer taxes in general, the tax applies to all transactions, not just new development.

In summary, none of these require private development projects to provide on-site art or chose an alternative means of compliance.

Building Types Subject to the Requirement

A key question in the design of these programs is what land uses or building types should be subject to the requirement. As a generality, most programs address commercial uses. However, many others also include industrial and larger scale residential uses and some include virtually all private sector development.

When thinking about building types and land uses, it is helpful to bear in mind that the program will also have thresholds, exemptions and options for compliance.

Other Jurisdiction Precedents

San Diego and Los Angeles are examples of two large cities that have programs covering virtually all non-residential land uses or building types, including industrial. These two cities, have large scale commercial development and, in addition, have a mature but continually growing industrial base, supported by a policy framework that encourages future growth in the industrial sector. They cover a huge geographical expanse with a diversity of physical and economic conditions existing within the city.

Many other cities, including San Francisco, have a requirement on all land uses, including industrial and residential. These broad programs also typically contain an array of exemptions as explained in the next section.

In Colorado, the Wheat Ridge program applies to all types of projects. The Aurora program has a differentiated fee per acre, depending on whether the development is residential or non-residential. The transfer tax in Vail applies to everything.

Considerations for Boulder

Boulder could consider making the program as broad as deemed administratively practical, accompanied by special conditions for exemptions and off-site compliance options including in lieu payment.

Following is a hierarchy of building types, or land uses, for a private sector arts requirement in Boulder.

Highest priority for being subject to the requirement

- Hotels, resorts, and other lodging
- Office buildings, including medical office
- Retail and entertainment structures
- Other commercial/service projects
- Institutional uses to the extent possible (usually cannot apply to projects owned by other governmental entities.)

Lower priority for being subject to the requirement

- Multi-family residential projects (over size threshold?)
- Parking garages (see special conditions and exemptions)
- Industrial buildings – see special considerations
- Remodels and additions

For Boulder the biggest question may be whether to include the industrial sector.

- All sectors of the economy benefit from having arts enrichment, as articulated in the Draft Community Cultural Plan. There is fairness in treating all projects equally.
- The lines between industrial, research and development, and office uses are increasingly blurred; these uses are sometimes combined in a single building or campus in projects today. Treating all projects equally would simplify administrative decision making as to whether a project is subject to the requirement or not. One option would be to distinguish in a manner consistent with the City's zoning designations.

Exemptions and Special Conditions

Certain building types or land uses may be categorically exempted and/or special conditions for exemption might be adopted as part of the program.

Building Types/Land Uses: Exemption Candidates

- Buildings that serve a public purpose which might be exempted for reasons of other policy objectives, such as:
 - Affordable housing projects or inclusionary units within market rate projects
 - Child care centers

- Institutional uses (not owned by public sector), such as:
 - Schools
 - Hospitals
 - Places of worship
 - Fraternal organizations

- All buildings owned by non-profits, an alternative approach that would affect most of the institutional projects. San Diego, for example exempts all non-profits, other cities such as Pasadena do not exempt non-profit projects.

Special Condition Exemptions

- Development projects that are inaccessible for security or safety reasons (San Diego has well-articulated exemption language on this subject).
- Garages and other structures that are entirely below grade and/or have no significant street or walkway visibility. For example, a garage that is internal to a building and has only entrances and exits on the exterior might be exempted.

Thresholds for Application

The City may wish to incorporate one or more thresholds into the program. Several different types could be considered, as follows:

1. Threshold below which everything is exempt or has a reduced requirement.
2. Threshold range where the City prefers in lieu payment due to small amount of artwork gained relative to administrative cost and process associated with on-site art.
3. Threshold range in which developer has choices for compliance and there is no city preference.
4. Threshold above which the City requires on-site art, except in special cases, due to the size and significance of the project.

All thresholds could be expressed in terms of project size (square feet or number of residential units) or in dollar building permit valuation. The building permit approach is more consistent with the design of the rest of the program. Thresholds can also be tied to certain building types or land uses, or to project characteristics such as whether it is new construction or a remodel. Finally, the program could vary the threshold level by geographic area, such as a downtown area.

The ordinance could be written so that some of the thresholds (especially #2 and #3) are not explicitly articulated but are a matter of application and administrative policy. Some cities separately adopt guidelines which are easier to modify over time than ordinance revisions.

In the following discussion of each threshold, KMA is offering suggestions to illustrate how the thresholds would work. Clearly this is a subject for local decision making, customized to the development activity in Boulder and City's interest and policies related to art in individual projects.

Following is further description of each.

1. *Minimum threshold valuation*

A minimum threshold below which there is no requirement is a feature of most, but not all, programs. Reasons that cities have such thresholds are to relieve the cost burden on small projects (especially if there is a policy to encourage infill development) and to save administrative costs. It is noted, however, that the administrative cost is minor in the case of a simple payment collection as a percent of building permit valuation.

Other Jurisdiction Precedents

San Diego has a \$5 million BPV threshold. Most other adopted programs surveyed have lower thresholds. Los Angeles has a \$500,000 threshold. Many cities have different thresholds for non-residential and residential projects, and many have a lower threshold for remodels and additions than for new construction.

2. *Threshold range – in lieu payment preferred*

Projects in this building permit value range are deemed on the small side of average as far as contributing significant art of public benefit is concerned. Administrative costs to the City are also a factor, as well as demands on non-paid volunteers who serve on bodies responsible for reviewing art.

For the private sector developer, the in lieu payment option will likely be preferred, given the process requirements, both time and monetary, for on-site art placement.

Other Jurisdiction Precedents

Most programs do not have interim thresholds of this type in the ordinance language. It is possible that more informal policies and preferences exist, but more research would be required to learn of experience in this matter.

3. *Threshold Size – above which on-site art is required.*

This threshold essentially says that in very large projects the City requires a significant on-site arts project, except under special circumstances. A large project can result in a significant art

contribution to the City and it is worth the administrative cost and time to City staff, City volunteers who serve on public bodies, and the Developer to work together to achieve a notable result.

Other Jurisdiction Precedents

Santa Monica instituted an informal threshold to insure that it got significant art from very large projects. It was the City's opinion that developers of projects of this magnitude were accustomed and willing to work with the city toward mutually beneficial results.

On-Site Compliance Issues

There are several issues with respect to on-site compliance to which KMA calls attention and makes recommendations. For the most part, the criteria for what qualifies as art, what constitutes public art and/or public placement, and other aspects of on-site compliance are not the focus of the KMA work program.

One program feature and decision point for the program is whether on-site art compliance must be visual art or whether art may be more broadly defined to include performing and other cultural arts. Many of the more newly adopted programs permit cultural arts more broadly defined. The *Draft Community Cultural Plan* clearly embraces a broad definition of the arts in Boulder and it would be consistent for the private arts contribution requirement to do so as well.

Also consistent with the *Draft Plan* would be to allow on-site projects to include cultural facilities, multi-purpose space suitable for arts uses (but not necessarily dedicated only to arts uses), small scale venues and other arts needs articulated in the Plan.

Other Jurisdiction Precedents

As noted, no other programs in Colorado offer on-site compliance in the manner similar to the program envisioned for Boulder. The closest example is Aurora's program which is mainly about landscaping and outdoor spaces.

Some of the programs in California allow performing and cultural art as well as visual art to fulfill their on-site requirements. The Port of Oakland includes literature in its definition of artwork and Culver City allows architecture to qualify as art, whereas other cities such as Santa Monica preclude architecture in the fulfillment of the requirement.

Criteria for On-Site Art & Placement

Some cities try to articulate at length what kinds of art is acceptable to fulfill the requirements of the ordinance. Others use a general statement such as art works that are created uniquely by an artist and integrated into the development project. This includes sculptures, monument, mural, painting, drawing, mosaic, photography, textile, digital and media art.

Further clarity may be added by noting what does not qualify, such as:

- Directional elements and signage, except where they are integral parts of the original work of art
- Objects which are mass produced or standard design such as banners, signs, statuary, fountains, etc.

Areas of considerable disagreement among programs are those pertaining to architectural elements and landscape design. Some programs, such as Santa Monica's explicitly exclude these categories, others include and even encourage them. In Aurora, the program appears to be primarily oriented to landscape design elements.

Placement of art is another aspect of the program that is explicitly identified in the enabling ordinance or adopted guidelines. Generally, exterior art, either integrated into the building or free standing is acceptable. Other freely accessible areas of a project may be inside as long as there is public access during normal business hours.

What Counts toward the 1%

All of the programs studied allow a range of related expenses to count against the 1% total expenditure required. Some set guidelines, most do not.

Generally, the expenditures that can be counted include:

- Transportation of the artwork and related, such as insurance
- Installation, including structural elements
- Any additional labor as may be required, such as for engineering
- Any required permit fees
- Identification and didactic information
- Consultant (see below)

Generally, expenditures precluded, or not counted:

- Publicity
- Services or utilities necessary for long term operation and maintenance of the art
- Insurance post installation
- The cost of the process for approval

The matter of retaining an arts consultant seems to get widely divergent treatment. In some cities consultant costs can count toward the 1% total. In the City of Berkeley, a program that is close to adoption, the City will require that an arts consultant be retained by the developer and consultant costs are not eligible against the 1% total.

One obvious conclusion from the above is that the value of the artwork actually installed (or performed) on-site is less than the 1% of Building Permit Valuation.

Process Aspects of On-Site Art

If on-site art is to be a significant part of the program, there needs to be clear process and procedures for satisfying the program requirements and ultimate approval of the art installation by the City. The process, by definition, entails City staff and some sort of appointed Arts Commission.

The cities of Pasadena, Santa Monica and Berkeley (now in the process of adopting) have all borrowed from each other in matters of process. All require that:

- The developer indicate early in the application process that the he/she would like to fulfill the requirement by installing art on-site (or off site)
- The developer meet with the City Public Arts Coordinator (or other designated) staff prior to submitting a design.
- The developer must prepare and present a Conceptual Art Plan. In some cities, the Developer is required to retain a professional arts consultant to prepare the Plan. The Plan must contain a budget as well as the descriptive materials about the art work.
- The Conceptual Art Plan must be approved by the commission. (Commission approval usually having a time frame for response, such as 90 or 120 days.)
- At key points in the development project entitlement process, the on-site art Plan must be approved.

Other cities describe the approval process in far more general terms.

KMA understands that there currently exists an Arts Commission in Boulder. Before adopting an arts requirement, the City will need to address whether the current commission is suitably comprised to undertake the added responsibilities that will accompany a Private Sector Arts Program. As indicated later, fee revenues must be deposited into a Trust Fund which also will require commission oversight and responsibility to disburse funds and other obligations.

Legal Agreement with City/Long Term Issues

On-site public art remains the property of the developer/property owner. Generally, there is an agreement to keep the art in place for a certain number of years, or indefinitely, with a procedure for removal of the art or replacement with another art work.

Usually the property owner is responsible for the long term maintenance and repair of the artwork, for insurance and other ongoing needs.

Off-Site Compliance Issues

The off-site compliance option of arts requirement programs is an arena where programs differ widely. The newer programs tend to offer more choices than the older programs and, in fact, many of the older programs offer no off-site option at all. Off-site compliance by definition includes both arts projects off-site and in lieu payment arrangements. See next section for in-lieu payment issues and options.

Other Jurisdiction Precedents:

Only a few cities specifically permit off-site art of the same type as allowed on-site. San Francisco has a program that expands compliance options to include historic landmark exteriors. Pasadena which allows on-site performance art, also allow it for off-site compliance.

In Lieu Payment and Trust Fund

With the adoption of an arts requirement that has an in lieu fee option, the City will need to establish a trust fund to receive and disburse the fee revenues. The enabling legislation will need to specify the use of fee revenues but uses can be broadly and loosely described. Many cities prepare and adopt some sort of Master Plan to set priorities and guide the expenditure of trust fund monies. Sometimes these Master Plans are prepared after ordinance adoption, but within a short term time frame such as two years.

Process aspects of disbursing fee revenues should also be specified in the enabling legislation. Specifically, what local body – the Arts Commission? – will recommend and whether the City Council approval will be needed.

Regular reporting (annual or otherwise) to City Council on the Trust Fund is advisable to inform Council and the public on the fund revenues for the year, fund balance and fund disbursements.

In the enabling legislation or guidelines, it may be desirable to set some limits on how long the funds may be held in the trust fund, whether the trust fund can either loan to other parties or take out or borrow against future fee revenues.

In older programs, a need has emerged for cities to document and catalogue the art generated by the program, both on site and off site art. The City should produce public information on where to find and view the artworks, along with art produced by the public sector program if also adopted.

SECTION II: ARTS PROGRAMS IN OTHER SELECTED CITIES

This section summarizes the results of a survey to closely examine the programs in other cities. Nine cities were jointly selected by staff and consultant (KMA) to cover a range, drawing from the Draft Community Cultural Plan in some cases. In other cases, KMA sought to include some programs of the kind that KMA understands Boulder is seeking – namely, a requirement that private sector development projects contribute to local art accessible to the public. The nine cities may be grouped:

- Other Colorado Cities
 - Aurora
 - Wheat Ridge
 - Vail

- Other University cities of similar size
 - Tempe AZ
 - Eugene OR
 - Madison WI

- California programs similar to Boulder's interest
 - Santa Monica
 - Pasadena
 - Oakland

Materials from the nine cities were procured from publications on public art/private development, from on-line sources, and from prior KMA work on similar programs. The two page chart following this section summarizes the results of the survey. The chart is designed to communicate the basics of whether the program requires private development to contribute to art, what the requirement is, what types of development are subject to the requirement, and if there is a minimum threshold below which buildings are exempt. Other parts of the chart provide information on the options to meet the requirement, exemptions and miscellaneous comments of interest.

The main findings of the survey are:

In Colorado, there are several programs that link art to new development but none highly comparable to what is contemplated for Boulder or described in Section I of this Report.

- Aurora has a program similar in concept in that new development is required to expend a fixed amount on art. In Aurora the amount is per acre, differentiated between non-residential and residential. Expenditure is on landscaping and art to enhance outdoor spaces. Certain zones of the city are exempt.

- Wheat Ridge has a revenue generating fee with no options for on-site art. The fee is 1% of the total City fees for building permit and other items. In other words, it is a fee on a fee, which would make it of far smaller magnitude than a fee on building permit valuation or construction cost. It is applied when the building permit valuation exceeds \$100,000.
- Vail uses a portion of the City's transfer tax on art. The transfer tax is on all real estate sales transaction, old structures and new, and funds recreation, parks and open space type projects in general with a portion directed to art.

Other Colorado cities such as Broomfield and Loveland have programs that are mostly about committing public sector projects to a percentage dedicated to art. As noted previously, it is generally viewed as a fairness issue that if the private sector is to be asked to expend on art, then the public sector should be similarly committed to expend on art.

In the next grouping, the cities were selected for the strong reputation the cities have for their arts programs. All three are home to a university.

- Eugene, Oregon and Madison, Wisconsin both have a long established tradition of public art, visual and performing and are noted nationally for the presence of art infused in the communities. Interestingly, in both cases, the City's Art Plan for Eugene, and the Public Art Framework and Field Guide for Madison, these cities cite as a goal the adoption of a 1% requirement on private sector development. It appears that neither city has yet taken the step.
- Tempe Arizona does have a program more akin to that contemplated for Boulder. Commercial development is charged per square foot. The current charge is \$0.44 per square foot, applicable to all buildings over 50,000 net floor area. On-site placement of art is encouraged but in lieu payment is also permitted.

The last grouping is three California cities selected for their well-developed arts programs that offer some interesting ideas. We estimate that over 50 California cities have adopted programs that require 1% of building permit valuation (some a little more, some a little less) be spent on art on-site, off-site or make an in lieu payment. Many of the program's, like San Francisco's, go back thirty years and have evolved over time; at this time there are a number of new adoptions under consideration, including cities like Berkeley and Palo Alto that were the early pioneers in other types of developer requirements, such as for affordable housing, but late coming to an arts requirement.

- The Pasadena program, adopted in 1992, charges 1% of Building Permit Valuation (BPV) on a wide range of commercial, industrial and residential development projects, over 25,000 square feet. Certain more distressed areas of the city are exempt. This city

defines art broadly, and allows satisfaction of the requirement in various forms of cultural arts. Also 25% of the total obligation is deposited into the City's Cultural Trust Fund.

- Santa Monica's program, adopted in 2006, borrowed much from the Pasadena model. To encourage in lieu payment, it set the in lieu amount at 1% BPV and the on-site requirement at 2%, part of the rationale being that developers owned the art on-site. Another feature of the Santa Monica program is that very large projects are required to do on-site art and work with the City to achieve art of significance.
- Oakland is a recent 2014 adoption that follows the other models with some interesting new ingredients. Developers can dedicate space in their projects for an art gallery or use for other forms of art, such as cultural and performing.

Materials from these and other cities will be made available for use in selecting and refining the design of a program for Boulder. Sample ordinances, guidelines, and other items should be helpful in augmenting the descriptive materials and recommendations contained in this report.

**PRIVATE SECTOR ARTS REQUIREMENTS
PROGRAMS IN OTHER SELECTED CITIES
CITY OF BOULDER, CO**

Location & Name	Program Basics				Options to Meet Requirement				Exemptions	Comments
	Year Adopted/Updated	Application Formula	Development Types	Thresholds	On Site Art	Off Site Art	Off Site Programs	In-Lieu payment/Fee		
Aurora, CO	2010	Fixed dollar am't per acre; \$300/acre res to \$600+/acre non res.	All	None	Required	No	No	No		More about landscaping and outdoor spaces than buildings. Well-articulated process. Fee amount adjusted annually by CPI.
Wheat Ridge, CO	2011	1% City fees for BP, plan review, use tax, etc.	All	\$100,000 BPV	NA	NA	NA	1% BP, plan review and use tax or City review fees.		Public Art Fund; no on-site art component; a revenue raising measure only.
Vail, CO	NA	Transfer Tax 1% applied to all sales transactions (not just new development)	All	None	NA	NA	Yes	NA Transfer Tax		Not really an art program per se. Uses portion of real estate transfer tax for recreation, parks and open space.
Tempe, AZ	1990 2009 2011	Fee per square foot bldg. area.	Office and commercial	50,000 sf Net floor area	Yes	Not specified	Not specified	Yes \$0.43 psf (2011)		Fee adjusts annually with CPI
Madison, WI	NA	Voluntary – Encouraged & Expected	Non Residential	NA	Yes	Yes	NA	NA		Private requirement identified as a goal but not yet implemented.
Eugene, OR	NA	Voluntary	NA	NA	NA	NA	NA	NA		Private requirement to be explored but not yet adopted. Active public art program for 30+/- years.

Location & Name	Program Basics				Options to Meet Requirement				Exemptions	Comments
Santa Monica, CA	2006	2% BPV on site Or 1% BPV in lieu fee	All	Res: 5 units Commercial: New 7500 sf Remodel 25,000 sf	Yes, incl cultural	Yes	No	1% Const. cost (which is BPV enhanced)	Cultural facilities Places of worship Affordable housing	
Pasadena, CA	1992 2002 2010	1% BPV	Commercial Industrial Residential	25,000 sf	Yes, incl cultural programs	Yes	Yes	Yes	Northeast Enterprise Zone	Had program in redevelopment areas; same except for 25% of amount deposited in Cultural Trust Fund.
Oakland, CA	2014	Residential: 0.5% total cost Commercial: 1%	Residential and Non- residential	Res. 20 du's Non-res: 2000 sf.	Yes	Not specified	Not specified	Yes; also may meet 75% of req. by dedicating bldg. space for art. See comments	Affordable housing	Challenge filed in Federal Court; being monitored. Unusual feature: can satisfy 75% req. by providing rotating gallery or 50% req. by providing at least 500 sf space for arts.

Footnotes:

Special exemptions. Virtually all programs exempt projects covered by other development agreements. Most programs grandfather projects that are already in the entitlement process or receive some type of permit by a cutoff date.

BP = Building Permit or Building Permit Fee

BPV = Building Permit Valuation

SECTION III: ART PROGRAM PROJECTION: REVENUE AND/OR ART AT 1% BPV

This section provides a look at historical building permit valuation experience in Boulder to ascertain an order of magnitude estimate of what a 1% Building Permit Valuation (BVP) requirement would deliver in the form of on-site art or fee revenue.

The period examined is the year 2000 through 2015, or sixteen years. This period covers years of vigorous construction since the recession, the recession period when activity was very thin, and the pre-recession period which was more notable for the residential boom than the action in the commercial sector. The sixteen-year average should be useful for gauging the future over a long period.

Table 1 that follows shows the valuation for commercial buildings – offices, stores, and hotel/motels – and then separately, industrial structures. The figures for the sixteen-year average are summarized below:

Annual Average BVP 2000-2015	
Offices, Banks, Professional	\$10,110,830
Stores	\$25,636,517
Hotels/Motels	\$4,301,156
Subtotal	<u>\$40,048,503</u>
Industrial	\$3,508,282
Total	<u>\$43,556,785</u>

If the annual average for the past sixteen years were to continue as an average into the future, the City would realize the value of about \$435,000 in annual on-site art or in lieu payments combined. This amount would, however, likely be reduced by the following:

- Application of any minimum size or building valuation threshold.
- Exemptions of various kinds – buildings built by the non-profit sector, inaccessible or inappropriate locations, such as interior garage structures, etc. In addition, buildings owned by various levels of government or governmental agencies are usually not subject to city requirements of this nature.

On the other hand, a broader application of the program to structures beyond the commercial and industrial sector, could increase the valuation subject to the 1% requirement. Building types that could be included in the program:

- Multifamily housing. Most programs apply a threshold, like the over five units suggested here. Over the 16-year period, the average number of units per year was 317. If 200

units per year were subject to the requirement, the art/payment value would be on the order of \$40,000 per year.

- Other Non-residential is a large miscellaneous category for which some or all structures might be subject to the program. Valuation in this categories averaged around \$25 million per year, an amount that would substantially add to the commercial and industrial valuation. However, any threshold and exemptions would substantially reduce the total subject to the 1% requirement.
- Additions, Alternations and Conversions is another huge category of permit valuation processed by the City. Over the sixteen-year period, the valuation on non-residential buildings alone was on the order of \$48 million per year. Again, various thresholds and criteria might eliminate much subject to the program, if the category is to be considered at all.

In summary, the amount of annual revenue or value of art at 1% building permit valuation could vary enormously by what kinds of structures are subject to the requirement, thresholds and exemptions. Most programs limit the requirement to commercial and industrial permits, some add multifamily residential, and some go for everything. If the Boulder program were to focus on commercial, industrial and multifamily, and the program does adopt a minimum threshold, we would place the order of magnitude estimate in the range of \$300,000 to \$400,000 per year.

The building permit valuation data was assembled for the sole purpose of providing the City a very rough estimate for the revenue stream/value of art that a program like this would generate. Without this exercise there may be either wildly exaggerated expectations or, on the other side, expectations that the amount would be so little, the program is not worth pursuing. In our view, the level produced by development activity in Boulder could result in meaningful additions to art and culture in the city.

**NON RESIDENTIAL PERMIT VALUATION
CITY OF BOULDER
2000-2015**

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Offices, Banks, Professional	\$25,116,123	\$10,662,703	\$7,475,000	\$3,660,425	\$18,626,843	\$8,279,428	\$2,387,570	\$2,811,436	\$6,114,371
Stores	\$3,425,000	\$5,291,230	\$6,781,163	\$33,024,535	\$9,997,525	\$27,866,979	\$24,084,625	\$985,981	\$44,558,495
Hotels, Motels	\$0	\$0	\$0	\$25,069,723	\$0	\$0	\$0	\$871,366	\$0
Subtotal	\$28,541,123	\$15,953,933	\$14,256,163	\$61,754,683	\$28,624,368	\$36,146,407	\$26,472,195	\$4,668,783	\$50,672,866
Industrial	\$26,704,060	\$0	\$2,219,875	\$3,154,787	\$0	\$0	\$601,658	\$1,785,048	\$961,153
TOTAL	\$55,245,183	\$15,953,933	\$16,476,038	\$64,909,470	\$28,624,368	\$36,146,407	\$27,073,853	\$6,453,831	\$51,634,019
Commercial Buildings	36	17	13	26	16	17	22	7	11

	2009	2010	2011	2012	2013	2014	2015	Average
Offices, Banks, Professional	\$0	\$554,341	\$3,876,918	\$1,471,583	\$3,462,594	\$16,683,179	\$50,590,769	\$10,110,830
Stores	\$2,490,089	\$5,689,955	\$47,422,490	\$47,825,307	\$57,782,902	\$64,263,708	\$28,694,284	\$25,636,517
Hotels, Motels	\$0	\$0	\$0	\$14,056,918	\$14,410,245	\$14,410,245	\$0	\$4,301,156
Subtotal	\$2,490,089	\$6,244,296	\$51,299,408	\$63,353,808	\$75,655,741	\$95,357,132	\$79,285,053	\$40,048,503
Industrial	\$0	\$0	\$0	\$0	\$5,164,066	\$11,062,083	\$4,479,786	\$3,508,282
TOTAL	\$2,490,089	\$6,244,296	\$51,299,408	\$63,353,808	\$80,819,807	\$106,419,215	\$83,764,839	\$43,556,785
Commercial Buildings	2	8	4	6	10	17	11	

Source: City of Boulder, Planning and Development Services