

BELLEVUE ARTS COMMISSION
REGULAR MEETING
MINUTES

June 5, 2018
4:30 p.m.

Bellevue City Hall
Room 1E -109

COMMISSIONERS PRESENT: Chairperson Manfredi, Commissioners Gulati, Jackson, Lau Hui, Lewis, Malkin, Wolfeich

COMMISSIONERS ABSENT: None

STAFF PRESENT: Joshua Heim, Scott MacDonald, Community Development Department; James Henderson, Department of Economic Development

OTHERS PRESENT: None

RECORDING SECRETARY: Gerry Lindsay

I. CALL TO ORDER

The meeting was called to order at 4:33 p.m. by Chairperson Manfredi who presided. All Commissioners were present with the exception of Commissioners Gulati and Wolfeich, who arrived at 4:34 p.m., and Commissioner Lau Hui who arrived at 4:39 p.m.

2. APPROVAL OF AGENDA AND MINUTES

A. Approval of Agenda

Motion to approve the agenda was made by Commissioner Malkin. The motion was seconded was by Commissioner Lewis and the motion carried unanimously.

B. Approval of Minutes

Motion to approve the February 6, 2018, minutes as submitted was made by Commissioner Lewis. The motion was seconded was by Commissioner Jackson and the motion carried unanimously.

3. ORAL COMMUNICATIONS – None

4. ACTION ITEMS AND DISCUSSION ITEMS

A. Creative Edge Final Report and Discussion

Economic Development Director James Henderson informed the Commissioners that the quarterly economic development update was provided to the Council on June 4. He said the update served as an overview of the activities during the first quarter of 2018. The presentation included a focus on where to go moving forward. The data was informed by the Creative Edge and the Destination and Development Plan, the latter of which was a collaboration between the office of economic development and Visit Bellevue Washington that was focused on seeking to better understand Bellevue's role in the tourism market. The Creative Edge strategy brings to bear a focus on the need to give more attention to

placemaking and enlivening areas of Bellevue through arts, creativity, business and retail to bring people to the city and to better serve the residents.

Mr. Henderson said the work done to date has cemented the need to tie the knot between arts and culture and economic development. A new office called Cultural and Economic Vitality has been created. It will have a focus on and will give emphasis to placemaking. The traditional economic development projects will continue going forward, but that work will be bolstered by the placemaking focus and the recognition that Bellevue's economy is driven by talent. Talent is what brings companies to town and what retains them. The placemaking efforts will center on what needs to be done to keep talent in Bellevue and what needs to be done to make it grow.

Arts Program Manager Joshua Heim will play a major role with the office of Cultural and Economic Vitality. The goal for the remainder of 2018 is to develop a work plan for adoption by the Council in early 2019. Dollars and resources will be put into the efforts.

Chair Manfredi asked what relationship the Commission will have with the new office of Cultural and Economic Vitality. Mr. Henderson said answering that question will be part of the work going forward. Status updates regarding development of the work plan will be provided to the Commission by Mr. Heim.

Mr. Henderson said the creative economy is driven by ideas and technology, all of which is predicated on talent. One good example of the creative economy is the gaming industry which involves people who do traditional coding, artists, musicians and filmmakers. Bellevue and the Eastside play a significant role internationally in the gaming industry. It is the sort of thing the creative economy is intended to highlight and address in terms of supporting creativity across the board.

Mr. Heim said the task force that helped guide creative edge strategy was made up of artists, entrepreneurs, educators and representatives of the philanthropy sector. He said the study and the development of the strategies made up the two parts of the creative edge project. The white report provided a summary of the research, analysis and community engagement undertaken. The report highlighted the fact that there is a strong regional creative economy in place. Creative economies are regional by their very nature. The foundation of every creative economy is talent, specifically the people who are in the report called knowledge workers. The creative economy is the result of taking ideas and applying innovation and creative processes to come up with goods and services, and knowledge workers lie at the very foundation. Regionally there are just over 100,000 knowledge workers, most of whom are software developers and those who are working on the tech side. However, there are 22,000 workers formally doing arts-related work, such as photography, graphic design, education and performance.

The creative economy in the form of knowledge workers is fueling growth in the community. Between 2007 and 2015 there was a 30 percent growth in the creative industries labor force, which is far greater than the five or six percent growth in all other categories. Software developers account for the lion's share of the growth in knowledge workers, but growth in the art and design sectors, as well as entertainers and performers, has also been significant.

The Commissioners were shown a chart showing growth in the creative industries sector in cities across the nation compared to peer regional cities and Bellevue specifically. Mr. Heim noted that Bellevue holds its own, including against cities that are finalists for Amazon's HQ2. He said the creative edge is about two concepts coming together that do

not normally come together in either cultural policy or economic policy: the creative economy and edge cities of which Bellevue is a classic example.

Mr. Heim said there are three kinds of people living in Bellevue: those who live in Bellevue but do not work in Bellevue; those who work in Bellevue but do not live in Bellevue; and those who both live and work in Bellevue. Of the sum total of those in Bellevue who are employed in Bellevue, only 12 percent live in Bellevue. Of those who live in Bellevue, only one in four have a job in Bellevue. Given the argument about the importance of talent and having a city workers want to be in, live in and move to, the statistic that only 12 percent of the entire workforce lives in Bellevue highlights the fact that there is room to grow.

Commissioner Gulati suggested the primary factor behind that is the cost of housing in Bellevue.

Mr. Heim said the task force focused on the edges, including the edge between what it would take for someone who works in Bellevue but does not live in Bellevue to make the choice to move to Bellevue. Working from the assets or strengths of Bellevue, the task force zeroed in on how to increase what is working rather than identifying gaps. The biggest value composition that can be offered to companies is that Bellevue is the kind of city in which young millennial workers want to live and work. Even if housing affordability or housing stock cannot be influenced, the fact that there is a strategy in place that actively seeks to create the kind of environment people want to live in will be important.

Commissioner Gulati asked if it is a problem that Bellevue is currently a net importer of talent. Commissioner Jackson said it certainly is an opportunity in pitching Bellevue to employers. Telling employers that Bellevue is a place where talent wants to live when the fact is most workers live outside of the city is not a strong argument. Mr. Heim said the desire is to increase the number of workers who both live and work in the city.

Mr. Heim said there is a clear interest in identifying how arts and culture plays a role in connecting community and building a sense of identity. While not impossible, it is very difficult for commuter communities. The big question on the arts side is how to make the community a place workers, even if they choose not to live in Bellevue, will want to stay after hours for dinner and to visit a museum or a performance.

Mr. Heim said the strategy document seeks to answer the questions raised in the white paper by focusing on what is working, the assets that are in place, and the strengths that make Bellevue a compelling creative place. Bellevue is an arts and creative learning center based on the number of non-profits and satellite non-profits operating in Bellevue, the majority of which have mission statements about arts education. Bellevue is also a tech hub that has a specific focus on knowledge-based industries, including research and development and digital gaming. Bellevue also enjoys diversity in the form of a highly educated international community. Taken together, the factors suggest Bellevue is an international center for arts, creative learning and innovation. The city's creative edge, then is also the vision, which is what the rest of the strategy is built on.

There are three goals, each of which has a series of outcomes that include a case study using examples from peer cities, and 20 strategies. The strategies are sorted into the categories of foundational strategies, which are about relationship and partnership building and things that can be worked on immediately; short-term strategies, which are about building capacity; and mid-term strategies, which move on and expand the creative edge. There are performance measures identified for each strategy.

To be a creative place, Bellevue needs to look like a creative place; continue to be a place where ideas thrive; and focus on the artists and the non-profit organizations and help them stabilize and thrive in the rapidly changing community. The outcomes for the goal creative placemaking goal are strengthening the city's cultural districts, including Bel-Red, and embedding creativity across the city relative to public art. One case study comes from Nashville where their comprehensive plan was updated a couple of years ago. As part of that process, their arts commission was given the task of looking into the barriers artists were facing, which it turned out were around co-locating small manufacturing and retail uses, something not allowed by their zoning code and indeed by the zoning codes of most cities. By working with their planning department, the art commission came up with an artisan manufacturing zoning amendment which allows art to be created and sold in the same place in certain zones.

Commissioner Jackson allowed that while the case study is exciting, she noted that Bel-Red has already been upzoned and there will be no artists there in five years because there will be only highrises and transit-oriented development. She suggested that is in fact the case for most of Bellevue. Mr. Heim said that cannot be answered definitively because the artists have not been asked to weigh in. Another case study from Nashville addresses how they attacked the issue of gentrification.

Commissioner Gulati pointed out that unless affordable spaces are available to artists of all kinds who want to work in Bellevue, they will soon be priced out of the city. Commissioner Jackson said upzoning guarantees that result. Commissioner Lewis added that there is no incentive to stop the development that will ultimately push out artists because people are basically greedy.

Commissioner Lau Hui agreed and said it will take the creation of incentives by the city to make art spaces happen. Mr. Heim concurred and said that is in fact a part of the strategy.

Mr. Heim said the second goal is about making sure Bellevue remains an entrepreneurial place where ideas thrive. Particularly, creativity and arts ideas need to be at the center of the city's entrepreneurial culture. Steps that can be taken involve enhancing and marketing events, festivals and organizations that are already operating in the city, and supporting the entrepreneurial and startup culture for those participating in the cultural industries.

Mr. Heim shared with the Commissioners the story of a woman who moved to Bellevue a decade ago from Pakistan to work at Microsoft. After a number of years there, she decided with some of her friends to start her own business selling shoes made by friends in Pakistan. The transition from Microsoft to creative business owner meant she could no longer afford the rent in Bellevue and so she moved to Bothell and operates her business out of her garage. He noted that other companies began in Bellevue garages, including Amazon and Expedia. The ability of the city to hang onto creative people with good ideas is of foremost importance.

Another case study shared with the Commissioners involved the city of Philadelphia which five or so years ago conducted a creative economy study, which showed the importance of the creative economy to the greater Philadelphia area. They also noticed, however, that there was a divide between artists and techies. The decision was made to try to bring the two groups together by creating a program to leverage both and encourage collaboration. The result was the creation of an all-day salon during Philadelphia Tech Week called Techniculture. Speakers who were at the intersection of art and technology were invited to attend. They partnered with a local philanthropy foundation for seed money that was

used to offer three techniculture residencies in which technologists took up residency within arts non-profits and worked to come up with ideas and pilot projects. The following year during the Philadelphia Tech Week festival a second salon was held at which the ideas were presented. The winning idea received a \$20,000 award to scale up their prototypes; the other two non-profits received \$10,000 awards.

Mr. Heim noted that locally the focus is on capacity building and attacking the affordable creative space issue, which is an issue for the entire creative sector. Cultural amenities are a large part of why creative businesses choose to locate in Bellevue. An example of how a community has worked through the issue was shared with the Commission. Mr. Heim said Nashville created a loan program called Make a Mark. At the time Nashville was losing cultural spaces and artists to gentrification and the solution they chose was to partner with the local regional arts fund and private organizations to raise seed money to back loans for artists to buy their homes.

Mr. Heim said the foundational strategies are designed to get people talking, connected and collaborating. They are things that can be started immediately. The short-term strategies are about creating capacities through such things as policy, zoning and marketing to align what is already happening in the city to the greater vision. The mid-term strategies are the big items and focus on building spaces, determining an investment strategy, and linking digital interactive media.

Answering a question asked by Commissioner Lau Hui, Mr. Heim said the strategies are designed to be implemented by 2028. He said a matrix has been developed to measure the effectiveness of the strategies, but allowed that there is no action plan in place yet. There are recommendations within the strategies about the role the city should play; they focus on enabling and connecting. He noted that there is no pot of money set aside but there is some low-hanging fruit that can be picked. Commissioner Lau Hui commented that the strategies all look amazing on paper, but suggested that if there is no funding, it will be very difficult to carry them out.

Commissioner Lewis pointed out that funding available for grants has remained the same for many years.

Commissioner Jackson said the strategies will serve as a mechanism for communicating with people for whom it is not intuitive that art and culture make life better. They will serve as a way to inform those who do not currently make that connection.

Mr. Henderson said it remains a question about whether or not the Council will adopt the Creative Edge report. He said the questions asked by the Council after the report was presented focused on things like how to use it as an approach for Bellevue in the areas of planning and zoning. There was talk of bringing the Creative Edge back for more discussion. Since then, however, the economic development report was provided to the Council in which the Creative Edge was referenced along with the destination development plan as the two main drivers behind the idea of placemaking. Going forward, one approach would be to make the work plan that focuses on placemaking the umbrella action plan for Creative Edge. Another approach would be to use the Creative Edge, the destination development plan and the economic development plan as ways to inform a new work plan.

Chair Manfredi reported that the response of the Council was positive overall. There were questions, however, around what exactly they were being asked to sign onto. There were some concerns voiced that adopting Creative Edge would translate into a policy approach

that would require a financial commitment. While the plan is well thought out, there is still the question of how to effectively carry it out.

On the issue of Bellevue needing to look like a creative community, Commissioner Malkin said the question remains about how the Commission can influence the architecture in Bellevue, most of which is not very inspiring.

Chair Manfredi suggested continuing the conversation with the Creative Edge task force as one way of support knowledge sharing and collaboration. Commissioner Malkin added that if the new office of Cultural and Economic Vitality is going to implement parts of the Creative Edge, the Commission should have a seat at the table.

B. 2017 Grant Program Report

Mr. Heim provided the Commissioners with a report regarding all activities for the Eastside Arts Partnerships and special projects from January to December 2017. He reminded them that the goal of the grant program is to foster cultural connections and participation, increase access to arts and cultural programs, and provide creative opportunities for artists and volunteers in the community. The Eastside Arts Partnerships program is the continued support program for non-profits. In 2017 there were 16 non-profits funded with an average award of \$4700. In all, the various funded programs served just under 770,000 people, the bulk through the arts fairs. Grantees are asked to track the number of Bellevue residents served and for 2017 it worked out to just under half of the total number of people served. Almost 46,000 were given either a free ticket or a scholarship. Overall, 1200 artists and 2000 volunteers were provided opportunities. The 52,000 hours put in by volunteers represents nearly 25 FTEs.

On the special projects side, Mr. Heim said 17 projects were funded in 2017, mostly through non-profit organizations, with an average award of just under \$2000. The programs served 68,000 people, 40,000 of whom were Bellevue residents. There were 4800 people who received a free ticket or scholarship. Additionally, just less than 200 artists were supported through the program along with more than 800 volunteers.

Mr. Heim reminded the Commissioners that a year ago during a coffee chat with all of the non-profit special projects and Eastside Arts Partnerships partners it was learned that continued support for both is very important, as is the notion of capacity building, which was the genesis behind the Power Up Bellevue program that is currently in its pilot year with five projects. The goal of Eastside Arts Partnerships is to provide a source of reliable funding year after year in support of non-profit organizations and the procurement of public benefits in the form of access to programming. The special projects program is for individual artists, companies and businesses that do not have non-profit status.

Mr. Heim said there are ten organizations between Eastside Arts Partnerships and special projects that have budgets under \$50,000, and four organizations with budgets over \$1.25 million. The Access for All ordinance that would have raised the sales tax to support arts organizations included a definition of what constitutes a regional organization versus a community organization, and the dividing line between them was a budget of \$1.25 million, below which the community organizations fell and above which were regional organizations. Organizations with budgets between \$50,000 and \$200,000 is significant because of the IRS reporting requirements relative to budget size in that range. It is nearly a given that organizations with a budget of less than \$50,000 do not have paid staff, and since those organizations do not have to submit to the IRS Form 990EZ or Form 990, asking them to submit all that information in support of a Eastside

Arts Partnerships or special project grant means they must work all that much harder than the well-resourced organizations.

Mr. Heim suggested making the process easier for volunteer organizations by drawing a bright line between organizations operating above and below budgets of \$200,000 on the assumption that organizations with budgets above that line operate with paid staff and offer professional products to the community. Under the proposal, the community based organizations, those with budgets below \$200,000 and likely without paid staff or grant writers, would be supplied with a simplified application form designed to be completed by a community volunteer. All the same criteria would continue to apply.

Commissioner Jackson commented that she works for a “pro partner” organization, one with a budget exceeding \$200,000. She explained that she cannot use the information from the annual Form 990 and provide it to the city along with a grant application because of where the fiscal year for the organization starts. It is thus still necessary to fill out the Eastside Arts Partnerships application by hand, which is a massive undertaking.

Commissioner Jackson asked why the community partners should not be asked to provide their non-profit status paperwork. Mr. Heim said he has been investigating online grant portal systems as a way of moving away from being paper based. He said he touches every single document submitted by the 40 or so organizations, which is quite an undertaking. The transition to an online system will ping to all the potential decision points. The preferred online grant portal system under investigation has a 501(c)(3) verifier, thus submitting a paper copy is not necessary. The online system will reduce the workload on both sides of the equation.

Commissioner Malkin asked if it would be possible for organizations already established as partners could submit their Form 990, even if from the previous year, along with a statement that their budget would not see massive changes. Mr. Heim said that could be done but that could end up being more work for non-profits. In past years the Commission has asked for actual for two years, which is something that is not required in the Form 990 because it is already reported.

Commissioner Jackson said providing actuals is not all that difficult. The difficulties arise from having to manipulate and combine actuals and fiscal year budget data.

Mr. Heim said under his proposal, community partner awards would be capped at \$5000, and the award could not be more than 50 percent of the total annual budget. On the pro partners side, the awards would be capped at \$10,000. He said organizations could be determined to be community partners or pro partners based solely on the size of their budgets; or any organization could be given the option to apply for either award; or only the community partners could be given the option to apply for either the smaller grant amount with the simplified application or the larger grant with the more intense application.

Mr. Heim said in addition, the proposal would include a requirement to submit a letter of intent. That is the approach utilized by the National Endowment for the Arts and it is helpful because it gets organizations into the system before the actual applications are due. The deadline for the letter of intent would be near the end of August to allow a couple of weeks of preplanning time.

Mr. Heim stressed that there will be a great deal going on all at once. Bellwether will be going on September 14 to September 22, and the county’s sustained support applications will be due in mid-October. He said to avoid a conflict he had set the city’s

application deadline in early October. The idea is to contract with a non-profit or a consultant to run the application process, including coordinating the panelists and doing all of the scheduling.

Commissioner Malkin noted his support for mapping out the grant program comparisons. He said he was somewhat concerned about in effect encouraging organizations to apply for special projects and then come into the Eastside Arts Partnerships program. While that would be a way to naturally grow the Eastside Arts Partnerships program, at some point it could become untenable from a funding stance. Mr. Heim said the current approach is to allocate 80 percent to the Eastside Arts Partnerships program and 20 percent to special projects. That breakdown could be revised, though at the cost of reducing the special projects budget.

Commissioner Gulati asked if the allocation to the arts program from the city is a certain percentage of the city's budget. Commissioner Jackson said the allocation has been flat for a long time. Commissioner Gulati noted that the city's tax base is growing and suggested the Commission could ask for more. Commissioner Malkin said the Commission has in fact repeatedly asked for more but the answer has always been no. Commissioner Jackson added that things like Creative Edge are very important when it comes to educating the Council in regard to the importance of arts and culture in the city.

Mr. Heim said he anticipated no changes to the Eastside Arts Partnerships and Power Up guidelines. He sought approval from the Commission in regard to the community partners and pro partners funding levels.

Commissioner Malkin asked if it was necessary to cap the pro partners allocations at \$10,000. He said he recalled a year in which an allocation of \$15,000 was approved.

Commissioner Jackson noted that the Bellevue Arts Museum was awarded about \$18,000 one year but stressed that the organization is a cautionary case for the Commission. Their need might have been high at that time, but their good husbandry of funds allocated to them has not been so high. The needs of the larger organization are always going to be proportionately larger, but caution should be taken to keep them from receiving a disproportionate share the available funding.

Commissioner Lewis suggested that as long the allocation to the arts fund remains the same it would be a good idea to limit the pro partners awards to \$10,000.

Chair Manfredi asked if there were any reason why special projects or Eastside Arts Partnerships recipients could not also apply for a Power Up grant. Mr. Heim said a special projects recipient would not apply, though an Eastside Arts Partnerships recipient could. He stressed that the Power Up funds are a one-time-only allocation. Chair Manfredi voiced concern about putting a cap on the Eastside Arts Partnerships allocations. He said he would be okay with including an exception clause for special circumstances.

Commissioner Jackson pointed out that organizations facing an emergency situation are free to go directly to the Council seeking funds. The Eastside Arts Partnerships is not meant to serve as a source of emergency funds.

There was agreement to cap the allocations for both community partners and pro partners as proposed.

Commissioner Jackson noted that she is the only full-time employee of the organization she works for and does not consider herself a pro. She added that there are many who

would fall under the community partners heading that are in fact very professional in all they do. She said, however, that she did not have a good alternative to use of the word “pro.” Mr. Heim said he had until the end of the month before submitting the documentation to the Council and asked the Commissioners to send him any suggestions.

D. 4Culture Creative Consultancies Grant Opportunity

Mr. Heim informed the Commissioners that 4Culture started a program about a decade ago that was aimed on getting Seattle artists working throughout King County. They were mostly performing artists and the program was called Site Specific and grants were awarded for site-specific temporary performances and artwork in various requesting communities. 4Culture generated the artists list and worked with as a matchmaker with local arts agencies. Most recently the program focused on specific heritage sites and for the last two years it has been all about technology in communities. For the next iteration of the program, the focus is on creative consultancies, which is really artist in residents programs.

Mr. Heim said the Bellevue library recently opened a new maker space that provides access to such things as digital and 3D printers, an audio/music studio, and a wide variety of technology for the creative community. The King County arts program manager who is running the Site Specific program suggested matching up the city’s Creative Edge project with the library’s maker space. To that end, an application was submitted to set up an artist in residency to advance some of the goals of Creative Edge using the maker space at the library. The idea is to have an artist on hand to help solve problems.

5. COMMISSION QUICK BUSINESS – None

6. REPORTS

A. Commissioners’ Committee and Lead Reports – As Noted

B. Project Updates from Staff – As Noted

7. CORRESPONDENCE, INFORMATION

A. Written Correspondence

i. Cultural Competency Foundations Training – As Noted

Mr. Heim encouraged the Commissioners to participate in the training and added that he was interested in the Commissioners having a conversation about the role of the Commission in relation to equity and diversity.

B. Information

i. Committees – As Noted

8. ADJOURNMENT

Chair Manfredi adjourned the meeting at 6:38 p.m.