



LOUISIANA
CULTURAL
DISTRICTS

Office of the Lt. Governor
Department of Culture, Recreation and Tourism
Office of Cultural Development

APPLICATION GUIDE



LOUISIANA
OFFICE *of* CULTURAL
DEVELOPMENT

ARTS · ARCHAEOLOGY · HISTORIC PRESERVATION · CODOFIL

Louisiana Cultural Districts

Program Overview and Guidelines

The purpose of this document is to provide an understanding and overview of the Cultural Districts program in Louisiana. It gives background information that explains why the Cultural Districts program was created within the context of the goals that strategically guide projects of the Department of Culture, Recreation and Tourism. It describes the Louisiana Cultural Districts program including who may apply, eligibility requirements, application procedures, tax incentives, certification criteria, and reporting responsibilities.

If you are considering submitting an application as a Cultural District, please read the entire document carefully to gain a better understanding of the program, criteria for eligibility, and decide if being certified as a Cultural District will provide the desired benefits to the residents and businesses in the proposed district and surrounding community. You should also review the companion Cultural Districts Application Form that details specific requirements.

For additional information check the website–

<https://www.crt.la.gov/cultural-development/arts/cultural-districts>

The cultural industries have increasingly been recognized as one of the leading economic clusters in the Louisiana economy. The cultural cluster includes the following industries:

- culinary arts
- design
- film and digital media
- music and performing arts
- visual arts
- literary arts and humanities
- preservation

Together, the nonprofit institutions, individual artists and performers, and commercial businesses in this cluster accounted for over 144,000 jobs in Louisiana prior to Hurricanes Katrina and Rita in 2005. As of 2015 that number has risen to 178,000. As the state continues to rebuild its cultural economy and to establish culture as one of the core engines of the state's recovery, Louisiana has taken the opportunity to look creatively at all of the potential economic tools that could be used to help bring back and retain its creative talent, to promote the growth and development of cultural production within the state, and to support entrepreneurial development within the cultural economy.

In 2007, following their landmark publication, "[Louisiana: Where Culture Means Business](#)" the Department of Culture, Recreation and Tourism commissioned Mt. Auburn Associates to evaluate how tax incentives are being utilized to promote the development of the cultural economy in other places throughout the country and internationally. The resulting report, "[Utilizing Tax Incentives to Cultivate Cultural Industries and Spur Arts-Related Development](#)" organized several recommended tax incentives for Louisiana to pursue into the three major categories:

- place-based incentives
- artist-based incentives
- industry-based incentives

The Cultural Districts program is considered a "place-based" cultural economy initiative. [Act 298 \(R.S. 47:305.57\)](#) of the 2007 Regular Session of the Louisiana legislature authorized creation of the program.

The [Cultural District Rules](#) were promulgated according to the Louisiana Administrative Code and the program was implemented in 2008.

Description

A "Cultural District" as defined by law is a district designated by a Local Governing Authority for the purpose of revitalizing a community by creating a hub of cultural activity, by offering communities opportunities to create or rebuild cultural destinations.

By Louisiana law a Cultural District must:

Be geographically contiguous

Be **distinguished by cultural resources** that play a vital role in the life and cultural development of a community

Focus on an existing cultural anchor such as a major art institution, art and entertainment businesses, an area or business with arts and cultural activities or cultural or artisan production
Be engaged in the promotion, preservation, and educational aspects of the arts and culture of the locale

Contribute to the public through interpretive and educational uses

Encourage opportunity for affordable artist housing and work space

Similar to Arts and Entertainment (A&E) Districts in other areas of the country, the goal of Cultural Districts is to revitalize a community by building on and creating new cultural opportunities, through creative incentives. Cultural Districts are defined by Americans for the Arts as a "well-recognized, labeled, mixed-use area of the city in which a **high concentration of arts and cultural facilities serve as the anchor attraction.**" Each one is a unique reflection of local heritage, history, and cultural development. Many are found in downtown areas, but they can be in suburban, rural, and neighborhood locations as well. A&E districts, Downtown Developments Districts, Historic Districts, and Main Street communities are prime examples of identified areas that might apply for certification as Cultural Districts, if they conform to the cultural districts criteria set forth below.

Size restrictions are not specified in the Cultural District law or rules. However, size is an important consideration in deciding on boundaries for a Cultural District.

Regarding its boundary and size, a Cultural District:

Should contain a variety of structures, residents, businesses, organizations, spaces, and experiences to support and stimulate cultural economic activity

Should have sufficient property owners to take advantage of state historic tax credits and/or vendors to take advantage of original art sales tax exemptions

Should **consider existing National Register, local historic districts, Downtown Development Districts, and Main Street boundaries**

Should be small enough to develop a **sense of identity and community** among the residents, businesses, and organizations to attract and stimulate a recognizable hub of cultural activity

Should be **reasonably compact** and small enough for accessible pedestrian traffic

Should be small enough that sales tax exemptions and tax credits do not become a burdensome loss of revenue to the state and local government

Benefits

Once a Cultural District is certified, a tax incentive takes effect:

1. The sales of qualifying original, one-of-a-kind works of visual art within the district are exempt from local sales tax. *All sales as of July 1, 2018 must charge the state sales tax amount of*

4.45%

2. Renovations to commercial historic structures within the district may be eligible for state historic tax credits.

Annual reports from certified districts indicate increases in occupancy, property renovations, businesses and jobs, a sense of community identity, cultural events, and social activity.

Who May Apply

Any municipal or parish government in the state may designate a specific geographic area and apply for that area to become a Cultural District. A Local Governing Authority (LGA) may delegate its authority, but not its responsibility, to complete the application and comply with all administrative and reporting requirements.

Certifying Authority

The Office of Cultural Development (OCD) in the Department of Culture, Recreation and Tourism determines if an application conforms to the requirements and meets the criteria established by law, set forth in the rules, and described in these guidelines.

Application Assistance

The Office of Cultural Development will provide information to assist the LGA, residents, and businesses, with a Cultural District application and to understand the benefits and responsibilities.

For specific information, copies of forms, and questions please check the Cultural Districts website:

<https://www.crt.state.la.us/cultural-development/arts/cultural-districts>

Definitions and Clarifications

Cultural District - an area designated by a Local Governing Authority and certified by the Department of Culture, Recreation and Tourism in accordance with the statutory and regulatory procedures, standards, criteria, and benefits pertaining to such districts.

Department - the Department of Culture, Recreation and Tourism (DCRT). The Office of Cultural Development (OCD) administers the Cultural Districts program.

Assistant Secretary - the assistant secretary of the Office of Cultural Development, Department of Culture, Recreation and Tourism.

Local Governing Authority (LGA)- the governing authority of the Municipality in which the Cultural District is located unless the district is not located within a municipality, in which case "Local Governing Authority" shall mean the governing authority of the Parish. If the district is located partly in a municipality, "Local Governing Authority" shall mean both the governing authority of the parish and the governing authority of the municipality.

Applicant - The Local Governing Authority (LGA), also referred to as Applicant, may designate an employee, an association, or some other entity or individual to act on its behalf to complete requirements related to the Cultural District application and implementation. The designee should be documented by ordinance, resolution or letter signed by the chief officer authorized to act on behalf of the LGA in which the Cultural District is located. Note however, that while the duties of the LGA may be delegated, the responsibility for these functions remains with the LGA.

Liaison – a locally designated contact person responsible to communicate with the OCD about the Cultural District program, manage the program incentives in the district, communicate with residents and businesses, and facilitate reporting requirements on behalf of the LGA.

Established Location – any location, either permanent or temporary, within the boundary of a certified Cultural District.

Vendor - artists, dealers, or anyone selling original, one-of-a-kind works of art within the boundaries of a certified Cultural District. Vendors should be registered with state and local tax authorities, licensed to sell products, and routinely pay state and local sales tax on retail transactions.

Tax Exempt Original Art - Original, one-of-a-kind, visual art, conceived and made by hand of the artist or under his direction, and not intended for mass production, except for specified handmade media of multiples of up to 100 limited editions.

Criteria Used to Certify a Cultural District

The OCD, through the assistant secretary, will evaluate the proposed Cultural District to determine whether it currently meets the following mandatory criteria, or has the potential to do so in the future.

Mandatory Criteria

1. The district must be geographically contiguous
2. The district must be distinguished by **cultural resources** that play a vital role in the life, economic and cultural development of a community
3. The district must focus on an existing **cultural anchor**, such as a major art institution, art and entertainment businesses, an area with arts and cultural activities or cultural or artisan production
4. The district must be engaged in the promotion, preservation, interpretive and educational aspects of the arts and culture of the locale

If the proposed district meets the mandatory criteria, the OCD will then evaluate the potential of the proposed Cultural District to accomplish the following purposes:

Evaluation Criteria

ARTISTIC/CULTURAL PRODUCT DEVELOPMENT

Promote the arts and support artists
Encourage creativity and cultural activity
Attract artists and cultural industry workers
Potential for artists, housing, studio, and performance

COMMUNITY DEVELOPMENT

Engage residents
Provide a sense of community
Serve as a gathering place
Strengthening community partnerships
Develop a positive image

ECONOMIC DEVELOPMENT

Capitalize on cultural, economic and social assets
Revitalize a neighborhood or area

Enhance property values
Stimulate the economy
Draw tourists

Application Procedures

Deadline

The Office of Cultural Development (OCD) will accept applications for Cultural Districts from Local Governing Authorities once a year, on or before August 1, subject to change. Check with the OCD to confirm annual deadline. OCD will review applications for completeness; evaluate each submission to determine if the criteria for certification are met; issue a notice of conditional approval (subject to change in the 2020 certification year), and pending receipt of a business list and implementation of a communication plan; issue a notice of certification to the applying agent with an October 1 effective date of certification. Timelines may be adjusted at the discretion of the OCD.

Authority to Submit an Application

The Local Governing Authority in which the proposed cultural district is located must endorse the application by ordinance or resolution. The LGA should specify the boundaries of the proposed district; acknowledge local sales tax exemption for original art sold within the boundaries; designate a responsible party to act on behalf of the LGA; and accept responsibility to provide required reports and conduct communications.

A sample resolution is available at–

https://www.crt.state.la.us/Assets/OCD/arts/culturedistricts/sample_resolution_for_cultural_districts.pdf

Steps to Become a Cultural District

By August 1 The LGA adopts a resolution or ordinance supporting the application to designate a specified area as a Cultural District.

August 1 The LGA (or its designated representative) prepares and submits an application to the OCD through the new Cultural Districts online portal *only*

to certify that designated area as a Cultural District.

August/September The OCD evaluates applications.

September The OCD issues notice of conditional approval of the Cultural District, or returns the application requesting more information, or declines to approve the application.

September The LGA begins implementation of a communication/promotion plan as outlined in the application

September 20 The LGA compiles and submits an initial Business List of cultural businesses that handle or sell original art and cultural products.

LGA submits report to OCD describing communication/promotion plan progress

October OCD issues notice of decision to certify the Cultural District, or refusal to certify. Effective date of certification is October 1.

Submission Instructions

Provide **only** the documents, maps and photographs required or requested in the application, no extraneous material not specifically required or requested. **New for 2020:** All applications will be submitted through the Cultural Districts portal, louisianaculturaldistricts.org

Provide all requested information in the space provided on the application form. Narratives, maps, photographs, and supporting documents must be clearly labeled with section numbers. Use the Checklist below to be sure all required information is included.

Email any questions to:

kmccrary@crt.la.gov

Cultural District Application Checklist

- I. CONTACT INFORMATION
 - A. Local Governing Authority Contacts
 - B. Designated Cultural District Liaison Contact
- II. PHYSICAL DESCRIPTION
 - A. Boundary Description
 - B. District Information
 - C. Feature Data
 - D. Cultural Assets Inventory
 - E. Map(s) of proposed district
 - F. 5 to 10 Photographs
- III. PROGRAM OBJECTIVES
 - A. Artistic/Cultural Product
 - B. Community Development
 - C. Economic Development
- IV. OUTREACH and ORGANIZATION
 - A. Communication and Promotion Plan
 - B. Organization
- V. GOVERNMENT AND COMMUNITY SUPPORT
 - A. Resolution(s) or ordinance(s) from Local Governing Authority
 - B. Evidence of community support
- VI. CERTIFICATION AND SIGNATURE

If the application is incomplete or requires additional information, the OCD will notify the Applicant through its designated contact, specifying the deficiencies and/or information required to complete the application.

1. If the Applicant is notified that additional information is required, the Applicant must provide the requested information within 15 days after date of notification.
2. If the Applicant does provide the requested information within 15 days of issuance of the notice of deficiency, the application will be deemed incomplete and will not be reviewed further.
3. If an application is rejected for failure to remedy omissions the Applicant can apply for reconsideration in future application cycles with no penalty or prejudice.

Notice of Certification and Opportunity to Appeal Decision

The OCD will notify the Applicant in writing whether the proposed Cultural District has been certified as proposed, has been certified with amendments, or has been denied.

If an application is denied, the OCD will provide specific reasons whereby the criteria for certification were not met and work with the Applicant to identify those areas in the application that prevented the proposed cultural district from being approved as submitted. The Applicant can apply for reconsideration in future application cycles with no penalty or prejudice.

If an application is denied the Applicant may submit a request for administrative review to the Secretary of the Department, within thirty (30) days of the issuance of the decision of the Department. An appeal must include the following:

1. Identification of the decision to which the appeal pertains
2. A statement of the decision sought
4. A statement of the facts and reasons upon which such remedy is requested
5. The name and address to which the Department will send all communications regarding the appeal

Mail appeal to: Cultural Districts
Appeal for <insert name of proposed Cultural District>
PO Box 44247
Baton Rouge, LA 70804

Or Email to : kmccrary@crt.la.gov

Within thirty (30) days of issuance of a request for administrative review the Department, will reconsider the application based on additional facts and information provided and will issue a decision by mail.

Effective Date

The effective date of certification shall be the date specified in the final written notice of approval of the Cultural District, set for October 1, 2020. Associated tax incentives take effect on the effective date of certification.

For more info: <https://www.crt.la.gov/cultural-development/arts/cultural-districts>