

Empowering local arts organizations and governance: The case of Gordon Square Arts District in Cleveland, Ohio

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ARTICLE INFO

Handling Editor: Prof. Andy Pratt

Keywords:

Arts district
Cultural district
Network governance
Policy design
Neighborhood revitalization

ABSTRACT

This study argues for the significance of the network governance model in bottom-up cultural district development aimed at neighborhood revitalization. This study, employing a multi-level policy design framework in a case study of the Gordon Square Arts District in Cleveland, Ohio, found that having a formalized governance structure and ongoing technical assistance empowered local arts organizations to succeed in advocating and bargaining for their organizational interests and needs as well as the broader needs of their community. Both network governance and technical assistance created more opportunities to achieve a relatively balanced power of cultural and non-cultural actors in decision-making on policy objectives, mechanisms, implementation tools, and solutions against the issue of marginalization caused by displacement via market-driven overdevelopment.

1. Introduction: cultural districts and urban revitalization

Cultural district development has been credited with catalyzing economic development and improving city image, quality of life, and cultural participation (Jackson et al., 2006; Galligan, 2008; Sacco et al., 2013a, 2013b). Such positive contributions of cultural district development to urban revitalization are well-documented across various disciplines and fields through the concepts of creative cities, the creative class, creative placemaking, and creative/cultural industries (Santagata 2002; Ashley, 2015; Florida, 2005; Grodach & Loukaitou-Sideris, 2007; Markusen, 2014; Markusen & Gadwa, 2010b; Nicodemus, 2013). The literature on these concepts has legitimized the effectiveness of cultural district development as an urban revitalization strategy by analyzing its various models and types (Brooks & Kushner, 2001; Frost-Kumpf, 1998; Stern & Seifert, 2010); identifying and evaluating its socioeconomic impact (Kim, 2011; Noonan, 2013; Nuccio & Ponzini, 2017); and providing practical implications and research agenda for sustaining its vitality and further development (Chapple et al., 2010; Markusen & Gadwa, 2010a; Park, 2016; Ponzini et al., 2014; Stubbs, 2014)..

One consistently identified challenge in cultural district development around the world is the displacement of local arts organizations and individual artists, even in urban neighborhood revitalization efforts that are aware of and try to avoid possible negative consequences of gentrification (Borrup, 2015; Cameron & Coaffee, 2005; Rich & Tsitsos, 2016; Zukin & Braslow, 2011). Various actions have been proposed to

address this challenge, including cross-sectoral public-private partnerships (Markusen & Gadwa, 2010b; Rich, 2017); establishing management structures (Ashley, 2014); cultivating cultural district development based on the voluntary engagement of non-government actors like individual artists, local arts organizations, and residents (Borrup, 2014; Stern & Seifert, 2010); and building an inclusive development network that places the local cultural community as a crucial stakeholder (Ponzini, 2009; Ponzini & Rossi, 2010).

These solutions all emphasize the engagement of local cultural actors, including non-profit arts organizations and individual artists, as critical players in cultural district development. When discussing how to effectively support local cultural actors in their engagement, most existing studies have analyzed the cultural district development governance structure from the perspective of urban planning and development politics, but less so on the policy process. Specifically, the application of a policy design concept is noticeably absent from these cultural district case studies, despite being useful for analyzing the governance mechanism along with other policy elements which can facilitate or impede the engagement of local cultural actors in the district development.

This study employs a multi-level policy design framework in a case study of the Gordon Square Arts District (GSAD) in Cleveland, Ohio, in order to examine the consecutive policy actions facilitating meaningful engagement of local cultural actors in bottom-up cultural district development aimed at neighborhood revitalization, with the period of

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analysis from 1997 to 2018. This framework enables the analysis of the cultural district development process by focusing on not only the governance mechanisms, but also on policy goals, implementation preferences, specific policy objectives, on-the-ground settings, and implementation tools. Each of these components can affect the ability of local arts organizations to secure positive impacts and improve self-sustaining capabilities while collaborating with non-cultural actors. The non-cultural actors in this study include neighborhood development corporations and real-estate development companies whose priority is bringing in private investment and population growth, and not necessarily on creating artistic value and cultivating local arts and cultural activities.

The GSAD development was initiated in 2003 by voluntary collaboration between a community development corporation—the Detroit Shoreway Community Development Organization (DSCDO), and two local performing arts organizations—the Cleveland Public Theatre (CPT) and the Near West Theatre (NWT). Until completion in 2015, the three non-profit organizations made collective decisions to achieve their goals and immediately respond to any issue raised in the process, proceeding from relatively informally organized actions to a more formally coordinated one. They also obtained official recognition through the award of government grants and were eventually designated by the city and state governments as a Special Improvement District and Ohio Community Entertainment District, which further legitimized the neighborhood revitalization efforts.

What makes this case noteworthy is that the three organizations proactively recruited their own partners to establish a formalized network governance structure and determined their own policy objectives and requirements, rather than being instrumentalized into following the plans pre-developed and directed by government officials or urban developers. Through their governance structure, they were able to contextualize the cultural district development mechanism and thus utilized the optimal implementation tools in advocating for and negotiating on their organizational needs and interests.

As a result, the two local performing arts organizations that were deeply involved in the critical decision-making process, both experienced an increase in the number of audiences, the amount of annual budget, staff members, and available space for their performing arts and education programs. A joint fundraising effort to pay for the district development was also successfully completed. Meanwhile, the neighborhood gained an estimated \$500 million in investment, 77 new businesses (Keating, 2014, p. 8), and a national reputation as one of the extraordinary creative placemaking cases that revitalized an urban neighborhood through local arts and cultural resources (Markusen & Gadwa, 2010b).

2. Literature review

2.1. Bottom-up cultural district development in a decentralized policy process

The number of studies analyzing cultural district development from the perspective of urban planning and policy has steadily increased since the 2000s, as the concepts of creative cities, creative economy, and cultural planning became more popular among government administrators, policymakers, urban planners, and arts and culture advocates (Galligan, 2008; Markusen, 2014). The two distinct approaches to development—top-down and bottom-up—have been frequently and continuously discussed in the literature. A top-down approach usually refers to district development led by the direct intervention of any level of government, whereas in a bottom-up approach, cultural district development is driven by a local non-profit network and/or the private sector.

Stern and Seifert (2007) have fueled debate on the top-down and bottom-up approaches by arguing that “naturally” or “informally” developed cultural districts are likely to be more sustainable than ones

intentionally initiated by a governmental body with a master plan. Internationally, many have sought to demonstrate the benefits of a bottom-up approach through diverse contextualized case studies (Borup, 2014; Sacco et al., 2013b; Seo, 2020). Some studies even argue that cultural district development should be free from government intervention for securing its self-sustainability (e.g., Stern & Seifert, 2007; Stern & Seifert, 2010). On the other hand, more recent studies show that spontaneously initiated grassroots cultural districts also demand policy intervention and support to maximize their sustainability, including the protection of local artists and arts organizations from displacement (Chapple et al., 2010; Lidgaard et al., 2018; Markusen & Gadwa, 2010a; Rich & Tsitsos, 2016).

While the effectiveness of the bottom-up planning approach is intensively debated, encouraging bottom-up cultural district development with minimal government intervention has become an important agenda in the fields of arts administration and cultural policy. This agenda has attracted much attention in the U.S. due to the arm’s-length principle in American arts and cultural policy: avoiding excessive governmental intervention in terms of advancing artistic excellence, expanding public access, and generating economic and social impact as a public value. This principle has resulted in the development of a decentralized policymaking and implementation process where the indirect intervention of governments and greater engagement of non-governmental actors are encouraged via the use of non-profit agencies, intergovernmental and/or public-private partnerships, and matching grant schemes (Wyszomirski, 2004; Nicodemus, 2013).

In a decentralized policy process, federal, state, and local arts agencies in the U.S. have developed their respective award programs that included cultural district development sites as eligible grantees. However, none of the agencies have been the central nor key initiators of the cultural district development. Rather, non-profit organizations are regarded as the principal policy actors: these non-profits usually have spurred and enacted cultural district development by obtaining and applying diverse policy tools including grants, tax credits, official designation, peer networking, and many others (Ponzini, 2009; Borup, 2014; Eger, 2014; Grodach, 2010; Markusen & Gadwa, 2010b; NASAA, 2020; Redaelli, 2016). They have even developed networks or management structures by establishing partnerships amongst private, non-profit, and public sectors at a local level and even between different levels of government. This is a phenomenon observed in most cultural district developments in the U.S. (Ashley, 2014; Doeser & Kim, 2018; Markusen & Gadwa, 2010a; Moon, 2001; Ponzini, 2009).

Only a few existing studies have examined this decentralized policymaking and implementation process of cultural district development (Chapain & Sacot-Duvauros, 2020). For example, Ponzini (2009) demonstrates that the voluntary collaboration of local non-profit arts organizations played a role as a cultural policy network that formulated and implemented cultural district development with less intervention from governments. Others seek to empirically demonstrate how the governance of cultural policy network increased or decreased the sustainability of cultural district development according to the local context (Ponzini et al., 2014; Gugu & Dal Molin, 2016; Lidgaard et al., 2018). However, these studies have overlooked the fact that there are many other policy elements that affect the sustainability of cultural district development other than the network governance. This issue raises a need to review policy design discourse linking the governance analysis with a series of policy actions determining policy objectives, mechanisms, and the use of tools for effective implementation, and identify its relevance to the subject of cultural district case studies.

2.2. Policy design discourse: from single tool selection to a series of strategic actions

The considerable attention and effort devoted to effective policy implementation has elevated the concept of policy design as a response to addressing complicated policy problems (Salamon, 1989, 2002).

Original policy design studies pay attention to examining the effectiveness of individual policy tools and developing policy design criteria to select appropriate tools. For example, Guy Peters highlights “the logic of causation, the logic of instrumentation, and the logic of evaluation” as basic principles for matching program purpose with policy ends and outcomes (JHCCSS, 2003, p. 11). Salamon argues that this design logic requires additional “knowledge about individual policy tools,” about how to “package tools” to address particular goals and contexts, and how to motivate and coordinate different kinds of agents and partners toward effective action (JHCCSS, 2003, p. 27).

However, recent policy design studies conceptualize policy design as a series of strategic actions including many subsequent and contingent decisions beyond merely selecting an appropriate policy tool (Howlett, 2009b; Howlett & Mukherjee, 2014; Howlett & del Rio, 2015). They also rebut the myth that the contemporary policy environment is too complicated, networked, and decentralized to conduct policy design (Howlett & Lejano, 2013) by pointing out that the concept of policy design can be applied to any stage of the policy process including policy formulation and implementation (Junginger, 2013; Howlett et al., 2015).

Specifically, these studies highlight governance arrangement as a part of policy design. For example, Howlett (2009a) conceptualizes policy design as a process that includes not only policy tool selection but also identifying and understanding policy goals, established governance modes, implementation preferences, and other policy contexts as determinants of policy tool selection. Another study by Howlett (2014) shows that governance modes tend to constrain the range of applicable policy tools; Howlett et al. (2014) also points out how four different types of governance—legal, corporate, market, and network—limit the use of policy tools and available resources.

This revisited and expanded conceptualization of policy design has developed several theoretical frameworks for examining policy design as “an activity conducted by a number of policy actors in the hope of improving policymaking and policy outcomes (Howlett & Lejano, 2013, p. 358),” and “how specific types of policy tools or instruments are bundled or combined in a principled manner into policy portfolios or mixes in an effort to attain policy goals (Howlett & Rayner, 2013, p. 172).” One of the frameworks is a multi-level policy design model suggested by Howlett (2009a) and further developed by a series of studies including Howlett & Rayner (2013), Howlett et al. (2014), and Howlett (2018).

Howlett (2009a) conceptualizes and distinguishes the contemporary policy design process on three levels: macro, meso, and micro (see Table 1). Each level is vertically structured with activities that match the policy means with ends; horizontally, the policy design goes from a higher level of abstraction to a more specific operationalization. The macro level is related to linking policy goals as general ideas with available implementation logic “for the use of market, government or non-profit forms of organization” (Howlett, 2009a, p. 74). A primary

consideration at this level is whether the governance model is aligned with the policy goals and implementation preference. Since “governance modes set the outside boundaries or context,” it can affect following policy decisions at the meso-level (Howlett, 2018, p. 24”).

The meso-level is where specific objectives are determined, with mechanisms designated to implement the policy goals. At this level, program or project development is primarily conducted to effectively operationalize the mechanisms (Howlett et al., 2014). Lastly, the micro level includes further specification of the policy target and policy tool calibrations, as well as exploring and selecting policy implementation tools to meet policy targets. This level of policy design activities is impacted by “a nested or embedded relationship within a larger framework of established governance modes and policy regime logics (Howlett, 2009a, p. 73).”

This multi-level policy design model guides researchers to examine major policy components individually as well as their relationships systemically over the course of policy formulation and implementation. Applying this model in analyzing cultural district development facilitates a closer look at which governance model is developed under what policy goals and implementation preferences, how specific programs/projects are operationalized as policy mechanisms to attain objectives, and what policy tools are chosen and used. Along with the analysis on the policy contents of each policy design level, the framework also examines how the governance arrangement at the macro-level impacts meso and micro-level decisions on policy objectives, mechanisms, targets, and the use of policy tools. Having a two-step analysis is a helpful approach in identifying policy actions and elements that can empower (or disempower) local arts organizations as stakeholders of cultural district development. For these reasons, this multi-level policy design model is employed as a theoretical framework for the current case analysis on GSAD.

The contribution of this case study in the fields of cultural districts and contemporary policy design are twofold. First, the case study confirms the significance of having a formal governance structure by identifying its relationships with multi-level policy design activities in the formulation and implementation process of cultural district development, which is rarely discussed in recent cultural district studies. Second, it sheds light on the practical applicability of theoretical discussion on the contemporary policy design process. Many policy design studies have recently sought to provide greater conceptual clarity and methodological sophistication in analyzing the decentralized policy design process, yet they remain in the domain of theoretical discussion and are seldom applied in case analysis (Howlett, 2014; Howlett & del Rio, 2015).

3. Methodology

Four major research methods are used in this case study: document analysis, media coverage review, the construction of an implementation

Table 1
Components of the multi-level policy design process.

		Macro	Meso	Micro
		High-level Abstraction	Program-level Operationalization	On-the-ground Specification
Policy Contents	Policy ends/ aims	Goals as general ideas - What ideas govern policy development?	Objectives - What does policy formally aim to address?	Settings - What are the specific on-the-ground, micro-requirements necessary to attain policy objectives
	Policy means/ tools	Implementation logic - What norms guide implementation preferences?	Mechanisms - What types of instruments are utilized?	Calibrations - What are the specific ways in which the instruments are used?
	Main activities	Governance arrangements	Programs/projects development	Diverse implementation tools employment

Source: Synthesized based on the model of Howlett (2009a), Howlett & Rayner (2013), Howlett et al. (2014), and Howlett (2018).

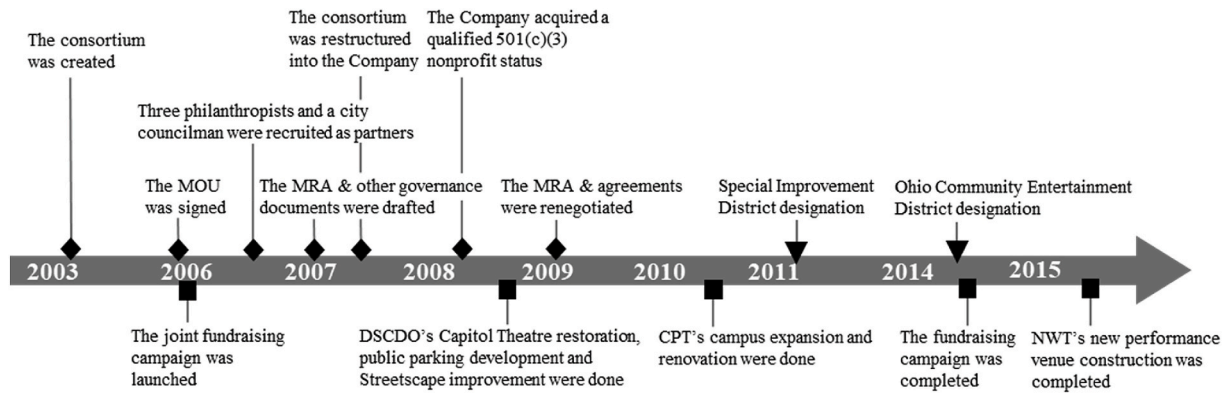


Fig. 1. A brief timeline of the Gordon Square Arts district development.

timeline, and semi-structured interviews. The collection of data from multiple sources generates an in-depth understanding of cases in real-world contexts. The document analysis incorporated a review of published literature as well as official documents regarding the GSAD development, primarily collected through the Western Reserve Historical Society Research Library, Cleveland City Council Archives, and other relevant institutions. The review of media coverage encompassed news articles from the Plain Dealer, the city of Cleveland’s only daily newspaper, from 1995 through 2018. A timeline of implementation was constructed to generate a map of the relevant policy design activities (see Fig. 1). Finally, five cultural or non-cultural actors directly involved in the GSAD development process were individually interviewed in-person in 2018. Each interview was conducted for 1–2 h using semi-structured, open-ended questions which allowed for in-depth discussions in obtaining detailed narratives. The qualitative interview data were triangulated with the narratives constructed through document analysis, media coverage review, and the augmented timeline to strengthen the construct validity of this study (Yin, 2014).

4. Case analysis: Gordon Square Arts District development process

4.1. Macro-level: engaging in establishing a network governance structure

The primary goal that governed the Gordon Square Arts District (GSAD) development was achieving urban revitalization through local arts and cultural resources (see Table 2). The idea of such means to encourage urban revitalization was well-received and appreciated in the city of Cleveland ever since the downtown area saw an increase in both visitors and investment after restoring five historic theaters in the Cleveland Playhouse Square (Sadowski et al., 2004). Like downtown Cleveland, the Detroit Shoreway neighborhood had a thriving commercial and entertainment district based on the Capitol Theater (a silent

movie theater inside the Gordon Square Arcade) and the Gordon Square Theater (a vaudeville theater) in the 1920s. However, the district as well as the neighborhood went into a long decline starting in the Great Depression and continued to struggle with the severe loss of manufacturing job opportunities, population, and retail businesses for several decades in concert with the overall decline of the city of Cleveland (Keating, 2014). The Capitol Theater and Gordon Square Theater were subsequently abandoned and in danger of being demolished, until they were individually managed by the Detroit Shoreway Community Development Organization (DSCDO) and the Cleveland Public Theatre (CPT).

DSCDO, a non-profit community development corporation, had a long-standing desire to restore the Capital Theater and revitalize the neighborhood. In 1997, DSCDO commissioned an urban planning study that recommended cultural district development by restoring the Capitol Theater as a movie theater to address the high vacancy rate of commercial spaces and the lack of local businesses such as bars, cafes, restaurants, and other retail shops on Detroit Avenue in the neighborhood. At that time, this plan failed to attract considerable interest and consensus within the neighborhood since it depended on a single theater restoration strategy. However, it was revisited with a possibility of having a cluster of theaters. Specifically, the development plan gained momentum around 2003, as Cleveland Public Theatre (CPT) suggested a collaboration to raise funds together and Near West Theatre (NWT) decided to move its location to the next block of the Capitol Theater.

“One theater might be busy one night by they have a great show, but it might not be the next weekend. They really thrive when there’s more activity. We knew that adding Near West Theatre as a third theater would be really important in making this district come alive” (Interviewee, 4).

As a result, DSCDO, CPT, and NWT established themselves as a non-profit alliance with a strong interest in cultural district development as a

Table 2
Overview of the GSAD development policy design process analysis.

		Macro	Meso	Micro
		High-level Abstraction	Program-level Operationalization	On-the-ground Specification
Policy Contents	Policy ends/ aims	Goals - Urban development based on local arts and cultural resources	Objectives - Achieving neighborhood revitalization and organizational development together	Target/settings - Consideration of sustainability for the neighborhood as well as the organizations
	Policy means/tools	Implementation Preference - Bottom-up approach based on the indirect intervention of governments	Mechanisms - Gordon Square Arts District development	Tool Calibrations - (e.g.) Grants, tax credits, loans, donations, technical assistance, district designation
	Key activities	Establishing a network governance	Organizing a joint fundraising project and other five different projects	layering diverse policy tools from financial to non-financial ones

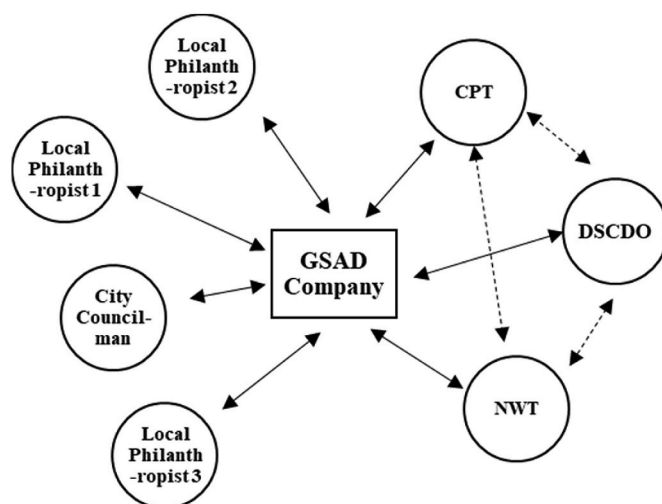


Fig. 2. A network governance structure for the GSAD development.

means to attract more patrons, investment, and neighborhood foot traffic.

DSCDO, CPT, and NWT took a bottom-up implementation approach to conduct their collaborative cultural district development. While they requested grants, tax credits, and permits for road construction to local, state, and/or federal governments, it turned out financial support was more available from the local philanthropic institutions than from governments and public arts agencies. This was due to the decentralized characteristics of American arts and cultural policy based on the arm's length principle. Moreover, the three non-profits had less interest in seeking direct government intervention with regulations or large-scale investment with private sector collaboration. In this context, they mutually agreed to conduct a joint fundraising campaign; soon after, they established a consortium and recruited three local philanthropists and a city councilman as additional partners for the campaign (see Fig. 1). Their decisions were strategic actions to expand their fundraising networks and enhance the public value of this district development while taking the bottom-up approach as an implementation logic of the development.

The consortium, organized by voluntary mutual support and civic-minded engagement, was restructured into the Gordon Square Arts District Limited Liability Company (hereafter as the Company), an independent entity with its own executive director, board members, and a 501(c) (3) status that legally allowed it to obtain funds from local philanthropic communities. By creating the Company, the voluntary collaboration of DSCDO, CPT, and NWT evolved into a network including organizational and individual members. Moreover, the three key organizations agreed to integrate their fundraising, administrative, and decision-making functions regarding the GSAD development. Through this governance structure, the organizations communicated and coordinated with each other and made collective decisions. This in turn drove the Company to act as a network administrative organization, as described in Fig. 2.

The three organizations appointed the Company board members, including a representative from each organization and four additional experts in relevant fields (legal affairs, finance, and urban development) but were not affiliated with any of the three non-profits. Also, they declared that they would not independently raise funds for the GSAD development without cooperation and discussion with the Company. They formalized DSCDO's roles as a fiscal agent and oversight administrator of the Company and outlined the allocation formula and goals of this joint fundraising. These agreements were further developed into formal written documents including a Memorandum of Understanding (MOU), Mutual Reliance Agreement (MRA), Operating Agreement, Fiscal Agent Agreement, and a Project Oversight Agreement. Those

documents promoted a clear purpose that was shared among the organizations and outlined their responsibilities for securing continuing support until all the projects for the district development were completed.

4.2. Meso-level: specifying policy objectives and mechanisms to attain the objectives

The macro-level considerations discussed above were also applied to determine policy objectives and mechanisms at the meso-level. DSCDO, CPT, and NWT had a firm belief on the positive contributions that local cultural resources could bring for neighborhood revitalization. The belief came from reviewing and understanding how the historic theater renovation of Playhouse Square revitalized the downtown area and thus evolved into a common desire for the same means and outcome in their Detroit Shoreway neighborhood (Interviewees 1, 2, 4). The three non-profits also realized increased public interest in CPT's performing arts production and education programs had attracted more patrons and additional foot traffic to the area at large (Brown, 2005; CPAC, 2008).

In addition to this mutual understanding, the network governance structure facilitated in bringing the three non-profits' respective organizational problems and concerns to the table and thereby a formal discussion on the operationalization of objectives and mechanisms. Both DSCDO's Capitol Theater and CPT's theater complex (Gordon Square Theater and its adjoining buildings) were in dire need of renovation, and NWT did not have its own performance venue to produce and present its programs. Since DSCDO, CPT and NWT were struggling with limited in-house resources such as administrative staff members, annual operating budget, and networks with local philanthropic communities, as well as insufficient organizational capacity to successfully undertake a major capital campaign to jointly raise funds. Furthermore, CPT and NWT were concerned that they would become mere spectators due to their relative lack of experience with urban planning and development dynamics.

As a result, DSCDO, CPT, and NWT explored and confirmed the validity and feasibility of this collaborative cultural district development by seeking the advice of local experts in cultural policy and urban economic development. They subsequently labeled their cultural district development mechanism as the Gordon Square Art District development and declared three major objectives: 1) to enhance each organization's facilities and capacity in producing arts and cultural events and programs, 2) conduct effective fundraising efforts to support their own organizational goals as well as commonly shared district improvement efforts, and 3) to use these organizational and neighborhood improvements to generate positive economic impacts in the neighborhood.

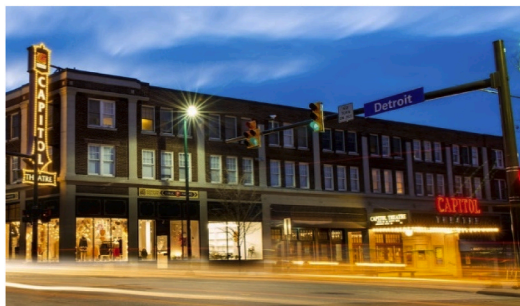
DSCDO's Capitol Theater*CPT's theater complex*

Fig. 3. Cultural facilities restored and renovated in Gordon Square Arts District. Source : (left) Cleveland Public Theatre website; (right) by the author

DSCDO, CPT, and NWT also completed a set of studies on architectural design, fundraising feasibility, economic impact assessments, parking, and business plan analysis. Such studies became the foundation for operationalizing the district development mechanism into five major projects: 1) DSCDO's Capitol Theater restoration (see Fig. 3), 2) CPT's campus expansion and renovation (see Fig. 3), 3) construction of a new NWT performance venue, 4) shared public parking development, and 5) streetscape improvement, in addition to the launch of a joint fundraising campaign. Such program-level operationalization indicated that DSCDO, CPT, and NWT treated each organization's progress as essential to the overall neighborhood revitalization.

4.3. Micro-level: matching policy targets and tools for the further operationalization

Many different types of implementation tools were used for this cultural district development. The most used tools among them were financial tools which encompassed government funds, grants, and tax credits; philanthropic foundation grants and loans; and donations from corporations and individuals. Such financial tools were obtained from both the arts and non-arts fields as well as from various levels of government, non-profit, and even private sectors. For instance, cultural facility development grants were secured from the National Endowment for the Arts,¹ while energy efficiency grants were obtained from the Ohio Department of Development. Other types of tools included informational and advisory studies as well as technical assistance to acquire knowledge in the fields of architecture, business administration, fundraising, law, tax, and urban planning and development. In particular, technical assistance was deemed the most helpful and empowering tool for the three nonprofits.

The city councilman, local philanthropists, and the board members of each organization were those who usually provided such technical assistance, particularly fundraising, financing, grantsmanship, and legal matters. Their technical assistance as non-financial support included providing information on available grants, broadening the fundraising network, improving organizational management capacity, and enacting the relatively formal structure for the network governance. MRA and other legally binding documents for fundraising and network governance were also created based on their legal assistance.

"MRA, it was way beyond what I was preparing for, but I sat the table because I had very smart partners and a liaison from our board." (Interviewee, 3)

An agenda considered important in the on-the-ground specification was increasing the sustainability of the neighborhood development as

¹ A federal government agency of the U.S., supporting the arts and cultural activities.

well as the three key organizations. In the middle of the district development process, the Neighborhood Responsibility Fund became a line item to be raised through their joint capital campaign. This fund was set aside to financially support existing retail businesses and residents in a way that would foster community-oriented neighborhood economic development and mitigate possible displacement pressures on these small and local stakeholders (Schultz, 2009). It was also used to pay for a special tax that was required to operate the GSAD district as a Special Improvement District according to the Ohio Revised Code (Interviewee 5; Plainpress, 2011). This payment was in agreement with the property owners in the area.

The creation of this fund and the use of the Special Improvement District as a policy tool showed that the three organizations connected the sustainability issue with economic and social aspects, being more conscious of stakeholder diversity and inclusivity in the district development. Once the organizations determined that they had largely achieved their original objectives in the cultural district development, they applied for the Ohio Community Entertainment District designation as a municipal economic development tool to support new bars and restaurants within the designated area by issuing liquor licenses without resident-based restrictions. In addition, they recruited more governance members from neighborhood resident communities, local small businesses, and other arts organizations who moved into the neighborhood as the cultural district development progressed.

"We would invite other businesses to come in and we were advocates of the community and the neighborhood obviously. We would continue working with the city government on issues that would affect not only us three, but your business in general (Interviewee, 1)."

These actions can be seen as strategies to sustain the integrated decision-making process by reflecting the opinions and needs of diverse stakeholders to address the displacement concerns. They were also efforts to transition the purpose of the network governance from development to sustainability, while continuing revitalization for those who visit, live, and work in the neighborhood.

One tension that emerged from the transition and since the completion of the joint fundraising campaign was that DSCDO, CPT, NWT, and the Company all needed to compete to obtain operating grants and raise funds for themselves as well as for district management (Interviewees 1, 3, 4, 5). Despite the continuation of their integrated decision-making process through the Company, it was challenging to reach another agreement on supporting the operation of the Company. Under this circumstance, maintaining the status of the Special Improvement District functioned as a minimum financial safety net for sustaining the Company's operations and conducting basic maintenance, security management, marketing, and event organizing for the district. The special tax levied on the property owners in the designated district was used for district management.

5. Empowering local arts organizations: governance structure and technical assistance

The GSAD development network was originally activated and governed by the civic collaboration of the CPT, DSCDO, and NWT. As all three organizations mutually agreed to jointly raise funds for the GSAD development combined with public and organizational interests, they were highly enthusiastic about bringing in greater trust and commitment into their network governance. They later created legally binding documents along with the Company, through which their voluntary agreements on sharing fundraising networks, administrative duties, decision-making, and leadership for the district development were clarified and formally institutionalized among the network governance members.

This evolution from informal governance to greater formality enabled DSCDO, CPT, and NWT to continuously engage in policy design activities and collective decisions with relatively balanced power dynamics. More specifically, the written governance documents ensured all network members the opportunity to negotiate for their own needs and reach a collective agreement on the critical importance of sustaining the local arts organizations and revitalizing the neighborhood. The governance documents also committed to securing an inclusive and integrated decision-making process, where none of the three non-profits were left alienated or instrumentally exploited, until the completion of each project. In other words, the GSAD development governance structure enabled the three organizations to work towards their own organizational goals and collective neighborhood efforts together.

A key takeaway from this case analysis is that the development of such a formalized governance structure was catalyzed by the request of CPT and NWT, who obtained legal and fundraising advice from their own board members and other professionals.

“We had to convince our board that this (the joint fundraising) was an idea that we’re going to kind of give up power because we’re going to share donors.” (Interviewee 3)

“We were talking about raising money, but who was raising the money? Who’s responsible? What happens if we don’t raise that money, what is the structure here? As we were beginning to get some top-level donors in, one of them said, hey, this is a lawyer I really trust. We’ve asked them to get involved and help us develop legal documents. Ultimately, we decided to have an MOU.” (Interviewee 2)

Hence, in addition to the development of a formal governance structure, the technical assistance that CPT and NWT received was widely applied in their organizational and district development efforts. This strategic combination gradually enabled them to improve their bargaining power in obtaining a wider range of financial resources beyond the arts and cultural communities, advocating for their financial needs, and overcome the lack of urban planning and development experience.

“When donors said, I want my funding to go to A organization or B organization, we’d renegotiated the agreement. It was a very complicated allocation of funding. That’s where the fight is always going to be in a collaboration.” (Interviewee, 4)

“We renegotiated the Mutual Reliance Agreement like five or six times. It’s getting very frustrating. Some donors wanted to make up the difference for A organization. We’re mutually aligning so we said okay and were asking for other [conditions].” (Interviewee, 2)

These findings demonstrate that securing technical assistance from experts in diverse fields is as important as establishing a formally governed network structure, especially for empowering local arts organizations in making policy decisions. As presented in this case analysis, bottom-up cultural district development also requires a series of discussions and decision-making on policy objectives, mechanisms, on-the-

ground requirements, and the use of tools. The decisions are likely to be circumscribed by governance mechanisms as argued by Howlett (2009), because decision-making power in the network governance structure can be symmetrical or asymmetrical depending on differences in “organizational size, resource capabilities” and the degree of experience among its members (Provan & Kenis, 2008, p. 235).

In this respect, technical assistance can be applied to generating more opportunities to achieve relatively balanced power dynamics between cultural and non-cultural actors in policy design, from macro to micro-level. To sum up, the sustainability of cultural district development is not only contingent on whether the implementation approach is top-down or bottom-up. Sustainability depends on network governance structures, especially when it employs an integrated decision-making process with relatively balanced power and continuous technical assistance from qualified experts. Thus, the creation of a formal governance structure with professionals from diverse, relevant fields is desirable in collaborative cultural district development, even when primarily based on the voluntary engagement of local non-profit organizations on a more grassroots level.

6. Concluding thoughts

While this case study was based on data collected before the COVID-19 pandemic crisis, the research findings on the importance of governance structure and mechanism which resulted in the empowerment of local arts organizations remain as relevant as ever. In fact, the topic is even more timely today as many arts organizations are navigating their own ways to acquire financial and organizational resilience and capacity-building during these uncertain times in the post-pandemic society, which demands cross-sectoral collaboration. Also, as more and more significance is being placed on local arts organizations as critical policy actors in their respective neighborhood revitalization (Ponzini, 2009; Markusen & Gadwa, 2010a; Seo, 2020), their resilience and empowerment matter when working with various actors (e.g., neighborhood development corporations, private urban developers) to reap positive change from urban revitalization efforts (i.e., economic growth without displacement). In other words, for local arts organizations to be empowered means to be the best advocate for themselves and for the city at large, which can benefit each other in a virtuous cycle.

Through the lens of a contemporary policy design process, the GSAD case study identified a formalized network governance and technical assistance as key factors in providing the necessary conditions for local arts organizations’ empowerment and subsequently the integrated decision-making process for the cultural district development. The two local arts organizations in this case study, CPT and NWT, were engaged in the development of a network governance model from beginning to end: initially based on informal agreements, the network governance became formalized with legally binding documents including the creation of the Company as a network administrative organization. CPT and NWT maintained their equal role in the process by continuously bargaining for their needs and contributing to the neighborhood revitalization efforts. The non-cultural actors also had a strong interest in collaborating with the arts organizations for the district development with a full understanding of the public value that the arts organizations had generated in the neighborhood.

The most significant research finding is that, despite the cultural actors’ lack of experience and professional knowledge on urban planning and real estate development, the engagement of cultural actors developed a network governance model where cultural and non-cultural actors could make collective decisions in urban revitalization with a relatively balanced power. In terms of facilitating the engagement, robust and ongoing technical assistance from non-arts fields is crucial, as this case study demonstrates. Technical assistance for fundraising, governance, marketing and even impact assessment has been identified and implemented as a key policy tool for supporting the sustainability of bottom-up cultural district development (NASAA, 2020; Stubbs, 2014).

However, assuring the applicability of the technical assistance is still limited, since it is often provided via 'ad hoc' support even in the states with their own cultural district development programs (NASAA, n.d.).

Future research in cultural districts could look into how local arts organizations continue their significant engagement, and thereby maintain and advance their empowered positions, even after becoming members of an established governance structure. This would be critical for cultural actors in securing further benefits from cultural district development against displacement concerns. The role of public agencies and their programs for the empowerment of local cultural actors in culture-based urban revitalization efforts would also be worth studying; the effects of not only non-financial technical assistance but also of financial support would have valuable implications for arts organizations as well as cultural district development at large. As the arts and cultural sectors continue to be important governance members in urban revitalization, establishing a policy design environment that would not marginalize local cultural actors in market-driven development processes will be a crucial longer-term agenda for all diverse stakeholders that support urban revitalization based on cultural district development.

CRedit authorship contribution statement

MinKyung Kim: The author confirms sole responsibility for the following, Conceptualization, data collection, Formal analysis, and interpretation of results, and manuscript preparation.

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