

# Types of “natural” cultural districts: opportunities for policy development



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June 2010

Most cultural activity in cities is the product of grassroots efforts by individuals, organizations, and firms that—for their own reasons—pursue creative enterprises. “Natural” cultural districts—the concentration of these assets in particular urban neighborhoods—provide an important lens for understanding the **ecology of urban culture** and the types of investments that can allow these districts to flourish.

**“Natural” cultural districts are self-organized.**

These cultural clusters are not primarily the result of outside efforts. So, the first principle for “outsiders” who wish to engage those involved in these districts is: **do no harm!**

In practice, this calls on funders and policy makers to take their cues from those who have already invested their money and time in these districts. This calls for funder **humility**: The vision for “natural” cultural districts comes from their participants, not from their funders.

**“Natural” cultural districts must be discovered.**

While funders must allow local residents to take the lead in building these districts, identifying candidates for support requires more active efforts by funders and policy-makers.

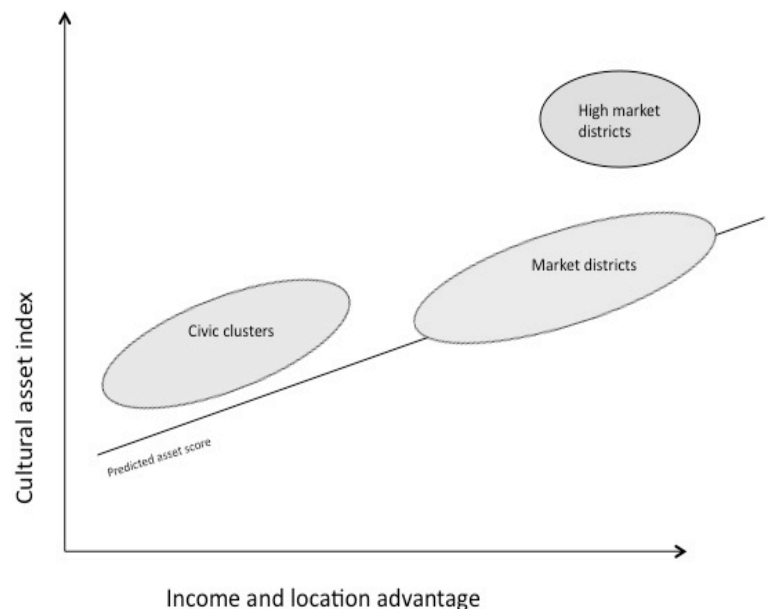
The process of discovery calls for a greater investment in research than conventional grant-making. It requires funders to engage the communities within which they work. This poses a particular challenge to national funders who need to identify local partners to serve as their “eyes and ears.”

**“Natural” cultural districts must be cultivated.**

“Natural” cultural districts are not all the same. Recently, the **Social Impact of the Arts Project (SIAP)** has begun to study the different types of districts and the policy strategies each type requires.

“Natural” cultural districts can be differentiated by their economic and location advantages. Using both quantitative and qualitative data, SIAP has identified three types of districts in Philadelphia:

- **High market** districts combine heavy concentrations of cultural assets with very advantageous economic and location advantages.
- **Market** districts tend to locate in the “next hot” neighborhood but often face significant challenges.
- **Civic** clusters emerge from the collective efforts of residents in neighborhoods who seek to use cultural engagement to overcome significant economic and location disadvantages.



SIAP’s research confirms that all three types of “natural” cultural districts generate significant non-economic benefits to their communities. The “*social stress index*” developed by the University of Pennsylvania’s KIDS project includes data on underweight infants at birth, teen births, infant deaths, and measures of child abuse and delinquency. SIAP found a strong correlation between all types of districts and lower social stress index scores. The presence of a “natural” cultural district also has led to lower levels of *ethnic and racial harassment* in Philadelphia neighborhoods.

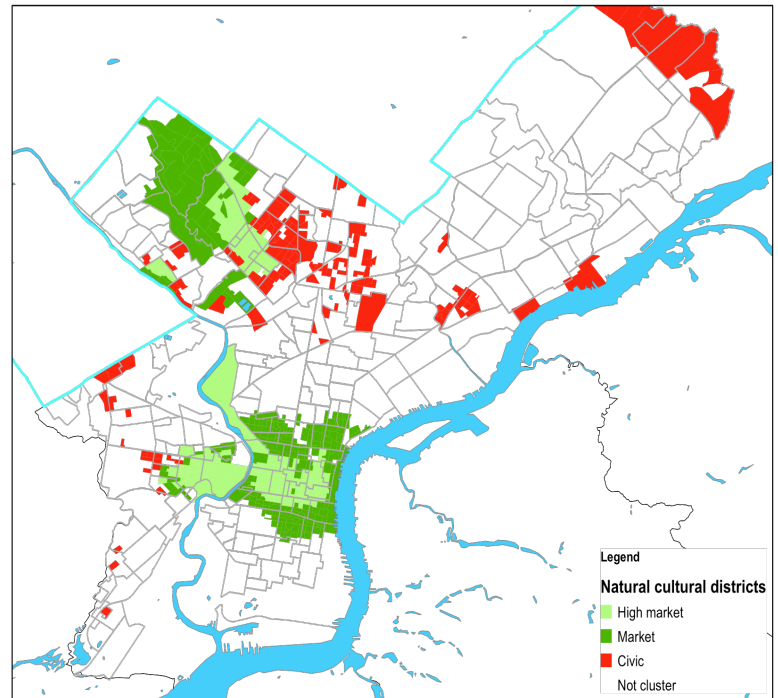
However, not all “natural” cultural districts can produce the same level of economic benefits for their residents. High market and market districts lead to significant improvement in the housing markets in their neighborhoods, but civic clusters—because of their economic and location disadvantages—find it difficult to translate their civic benefits into economic rewards for residents.

***Different policies for different districts***

These different types of cultural districts call for different policy responses.

***High market districts*** are generally able to advocate for their own interests. Representing more privileged parts of the city, they often create *business improvement districts (BID’s)* to improve their streetscapes and services.

***Market districts*** present the most difficult policy challenges. The individuals and organizations that locate in these districts would benefit from improvements in city services to accelerate the process of place-making. At the same time, these districts are likely to generate fears of gentrification and displacement that can undermine their contribution to increasing opportunity and equity.



***Civic clusters*** require integrated strategies that cut across different sectors. The types of coordinated interventions anticipated by the Federal government’s **Partnership for Sustainable Communities** could build on the existing civic assets in these neighborhoods to increase their chances of success.

Philanthropy can play an important role in assuring that “natural” cultural districts’ potential for increasing economic opportunity is balanced by a concern for social justice and equity. Although SIAP has found little evidence of social displacement associated with cultural clusters, fear of gentrification itself can undermine support for the neighborhood-based creative economy.

Civic clusters, in particular, provide an opportunity for philanthropy to use its traditional support of nonprofit organizations to leverage cross-sector social investment. Philanthropy has the potential to be more nimble in identifying opportunity and more flexible in marshalling its resources than government. These qualities should allow it to take the lead in cultivating “natural” cultural district.