

Building and Deepening Your Team

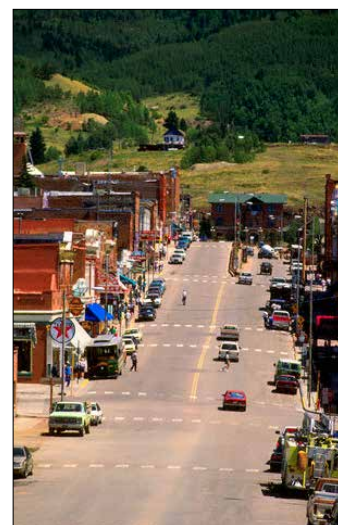
It takes people to make a place really tick, and most creative districts have people involved with a variety of skills and expertise. But it's how you leverage those individual's talents and time that can mean the difference between simply existing and big success. In this webinar news we discuss how you can incorporate passionate people into an organizational structure that works for you and the importance of developing a plan for your district that ensures that 5, 10 and 20+ years ahead, it's still well-managed and going strong.



The Importance of Building a Team

It takes a village. Fostering a successful creative district takes the time and dedication of many, and with that comes many interests and many differences. But developing a team mentality and building a structure that creates consistency in how things are managed and how things get done is critically important to moving tough projects forward. The team approach is important because:

- It brings structure to how you work and achieve goals
- It helps people understand their roles and responsibilities
- It creates a chain of command
- It is a system of support around a common objective
- It helps you grow, mature and achieve bigger and better things



Organizational Structures and How They Work

There are a number of different organizational structures that groups use to manage districts. All have their pros and cons, but they also all have their own unique purpose. The chart to the right categorizes the primary organizational structures into four areas - Informal, Public, Private and Public/Private - and provides some consideration for each.

<p><u>INFORMAL</u></p> <ul style="list-style-type: none"> • Voluntary • No legal structure • Personal liability • Using other resources to get \$ 	<p><u>PUBLIC</u></p> <ul style="list-style-type: none"> • Arm of the government • Advisory to staff/electeds • Ability to do things must mesh with politics • Access to resources limited
<p><u>PRIVATE</u></p> <ul style="list-style-type: none"> • Stand-alone, legal organization • Separate, unique identity • Legal protection • Standard governance • Autonomy • Good opportunities to find \$ 	<p><u>PUBLIC/PRIVATE</u></p> <ul style="list-style-type: none"> • Connect both sectors together • Responsibility/liability for both • Resources and influence • Sustainability



About Informal Organizations

Informal organizations are just that - without structure. They are essentially a group of like-minded volunteers who come together for a cause. This is the place most districts start from early in a district's development. Because they are relatively unsustainable and without legal structure, most districts mature to another structure relatively quickly.

About Public Organizations

Sometimes the safe next step in the organizational management of a district is to put it in the arms of the public sector. This can be beneficial for many reasons - it gives you an in-road to public sector support and can give you the security the public sector provides. It also has limitations, in that it can inhibit flexibility and private sector involvement as the district grows over time; thus, many districts as they mature develop private and/or public/private organizations.

About Private Organizations

As districts move into legally organized private-sector organizations there are many considerations for the type of legal structure that would be most beneficial. For creative district organizations, there are two organizational structures in particular that are most commonly used. Detail on these organizational structures is provided in the chart below:

TYPE	PURPOSE	TAX DEDUCTIONS	OTHER
501c3	Charitable, educational, foundations; limited grass roots lobbying; must serve public purposes	Exempt from federal and state local taxes Contributions/member fees ARE tax deductible	Highly desirable because of tax deductions; most grantors require this designation; takes longer to get/costs more
501c6	To bring together common business interests; typically works to improve business conditions, public policy, etc.	Exempt from federal taxes BUT NOT state/local taxes Contributions/members fees NOT tax deductible but can be a business expense	Gives organizations the capability to respond to specific concerns and needs of members, as opposed to purely community/charity purpose

About Public/Private Organizations

As districts reach maturity and require complex organizational AND funding structures to support them, public/private organizations are typically utilized. These structures provide the ability for both the public and private sectors to legally and financially participate. The most common types of public/private organizations are:

- Business Improvement Districts (BIDs)
- Tax Increment Financing (TIF) Districts - DDA/URA
- Community Development Corporations

These organizations are explained in further detail in the next newsletter on funding.

All of these organizational options are critical to ensuring that the creative district you are working so hard to develop has a sustainable organizational structure that will evolve as time marches on. As you work within your district to develop an organization that's best for you, remember that how you organize should be tied to the goals you are trying to achieve. There are different times when certain structures work better than others.

**"Coming together is a beginning.
Keeping together is progress.
Working together is success."**

-Henry Ford



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