



THE CREATIVE ENGINE

How Arts & Culture is
Fueling Economic Growth in
New York City Neighborhoods

IT DON'T MEAN A THING, IF IT AIN'T GOT THAT SWING...

Across the country from Philadelphia to Seattle, mayors have invested hundreds of millions of dollars in arts and culture to help grow their economies and bring that elusive sense of "soul" to their cities. But as the rest of the nation implements major cultural development strategies and business investments alike, New York has never developed a coordinated cultural development strategy. It's not that culture is any less important here; all agree that there are few economic sectors more vital to generating growth in the city.

What's different about New York is that arts and culture isn't easily confined to one downtown or midtown location; the proliferation of cultural activity throughout the five boroughs would likely doom to irrelevance any grand master plan from City Hall, the preferred approach in other cities. But government and business leaders here can learn from how the arts and culture sector has developed in neighborhoods around the city and help lay the groundwork for even more cultural-based economic development in the future.

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"No single industry attracts other sectors to the extent that arts and culture does. It's the crucial lure for retail, street life and other amenities that draw business to an area."

We need to take a much closer look at this scattered and complex industry, particularly in neighborhoods where arts and culture-related growth has taken root. Since one of the city's biggest economic development priorities in recent years has been developing alternative business districts to better compete with Jersey City and other suburbs, New York must do a better job of understanding how, when, where and why cultural economic development occurs—and how its power can be harnessed in positive, balanced ways to benefit neighborhoods.

The Bloomberg administration and outside experts realize that neighborhoods across the city—north of midtown and in the other boroughs—have a lot of room for economic growth. This report shows that the way to expand neighborhoods outside of central Manhattan is not just through the creation of more office space, but with development from the ground up, often with arts and culture as a base.

This report further illustrates how arts and culture has been a primary component of growth that already has occurred in neighborhoods from Harlem to Jamaica and across the city over the past decade. The issues we raise are important for both arts and culture organiza-

With an astonishing 52 percent growth rate over the past nine years, New York's cultural industry is responsible for more than 150,000 jobs. While analysts foresee continued slow or flat employment growth for financial services, they predict the creative economy will continue growing, almost across the board.

tions, some of which are really struggling, and for the city and its neighborhoods, many of which could reap great benefits from the type of arts and culture-fueled growth that a few communities already have experienced. Nurturing the cultural sector means focusing on the thousands of smaller organizations that feed cultural economic development at the neighborhood level, as well as on major institutions like the Metropolitan

Museum of Art and Lincoln Center. This cultural sector takes root fairly quickly at the neighborhood level, but has definite needs including space, organizational stability and coordinated marketing and planning.

THIS REPORT FOCUSES ON CULTURAL AND economic development that happens over time, at the neighborhood level. We found that balanced cultural development occurs organically within vibrant and diverse “creative economies.”

In this report, we refer often to this concept of creative economies—a phrase used as early as 1982 by Bernard Jacobs, president of the Shubert Organization of theaters and producers, to refer to what he saw as a relatively independent Broadway economy that was often unaffected by national economic trends. Keeping in mind the subsequent work of influential scholars such as Richard Florida, who helped popularize the idea, we use the phrase here to refer to creative-based economic clusters that attract dynamic and diverse pools of workers, who in turn attract an even wider spectrum of mixed industries and business.

It is critical that we understand the creative economy as an economic sector, equal to financial services, telecommunications, or manufacturing. Solely in terms of direct employment, the field is a major growth sector that warrants similar assistance and economic-development thinking like any other. With an astonishing 52 percent growth rate over the past nine years (based on a full impact employment analysis in this report), New York's cultural industry is responsible for more than 150,000 jobs. There have been a number of major impact studies. Yet the city has never conducted an overall, neighborhood-by-neighborhood assessment of cultural development that looks at the potential of arts and culture to stimulate economic growth. This report, two years in the making, attempts to do just that.

But the creative economy brings benefits that go far beyond direct employment. Among its greatest strengths is the ability to attract other businesses and jump-start neighborhood development. Arts and culture do this by giving local economies their “soul.” And this is everything, given that “knowledge workers”—an influential group that runs from playwrights and museum curators to software designers and financial analysts—demand vibrant and dynamic settings in which they can work, live and create.

“I've been to Irvine and I have to say, there is nothing there,” says Joel Kotkin, author of *The New Geography* and senior fellow with both the Center for an Urban Future and the Davenport Institute for Public Policy at Pepperdine University. “This is why they and

KEY FINDINGS:

Taking Arts to Heart

The Creative Engine is the first comprehensive assessment of arts and economic development in New York City's five boroughs. Despite a lot of rhetoric about the importance of the creative economy, such a study has never before been done. Even after two years of research, it is clear to us that more exploration of this multi-faceted and dynamic sector is still needed. As a preliminary step, however, we present several key findings that emerged from our close look at seven New York City neighborhoods.

- ✓ **Arts and Culture is a Major Jobs Engine.** There are over 150,000 jobs in the creative economy, a number that has grown an estimated 52 percent over the past nine years. It's probably the second most important part of the city's economy behind the financial sector—but arguably has more potential for growth than Wall Street. The sector could also play a pivotal role boosting neighborhood development. In our analysis of seven city neighborhoods, we found that arts and culture were seen as the crucial lure for retail, street life, and other amenities that draw businesses to the area.
- ✓ **Cultural Development Has Exploded in Neighborhoods Outside of Central Manhattan.** As the Bloomberg administration searches for alternative business districts throughout the city, at least seven neighborhoods are experiencing renewed growth based in large part on arts and culture assets. These are not the traditional creative hubs like SoHo, the East Village or Midtown; rather, the creative economy is spurring overall economic growth in the South Bronx, Fort Greene, Jamaica, Long Island City, Harlem, Lower Manhattan and St. George in Staten Island.
- ✓ **Economic Development Intermediaries are Key to Cultural Development, but the Majority Are Not Plugged In.** In our survey of over 150 economic and community development organizations, only six were involved in efforts that directly linked the arts with business to foster economically beneficial environments for long-term growth. The vast majority of business intermediaries, while interested in working with the creative sector, had yet to make definitive moves in that direction.
- ✓ **New York Has Pioneered Standout Solutions to the City's Space Crunch—One of the Sector's Top Concerns.** In our two-year survey of various space programs offering affordable and collaborative working environments for artists and cultural organizations, we found eight standout initiatives. A number of these are national models.
- ✓ **Issues of Gentrification and Displacement are One of the Biggest Barriers to Cultural Development at the Neighborhood Level.** In five of the seven neighborhoods we studied (the exceptions being Lower Manhattan and Jamaica), issues around the displacement of community residents, local merchants, manufacturers and artists were found to be a major barrier, slowing specific development projects and creating resentment at the local level. These issues play out in particularly unique ways in New York City. Cultural development here is not about regenerating abandoned downtown hubs, as is often the case elsewhere, but about better integrating the creative sector into already dense residential and business communities.
- ✓ **Key Ingredients for Successful Cultural Development Are Most Often Found at the Neighborhood Level.** We found the most encouraging indicators for innovative development strategies at the local level. Successful strategies of sustainable cultural development include: tackling issues of displacement head-on; cultivating leadership with vision and patience; nurturing and sustaining cultural growth that isn't exclusively dictated through planning but happens organically; and mixing different creative industries including nonprofits, commercial arts enterprises and traditional businesses.
- ✓ **Funders Rarely Make the Connection Between Arts and Culture and Local Economic Development.** New York City government is the largest public funder of the arts; individuals and foundations contribute approximately \$700 million per year. But few of these funders direct their dollars toward culturally-based economic development. Promisingly, some, including the city, are beginning to make the connection.
- ✓ **New York Lacks a Clear Understanding of the Impact and Potential of the Creative Economy.** While a number of overall arts economic impact studies have been done, New York has yet to produce a comprehensive analysis of the creative economy and the jobs it produces, how those jobs fuel other industries, and exactly what incentives and economic assistance tools are most beneficial to it.
- ✓ **Both New England and Portland, Oregon Provide Helpful Models.** Like New York, both New England and Portland have begun to realize the vast importance of the creative economy. Unlike New York, however, they have already completed significant research and established action plans involving the business, philanthropic and cultural communities to thoroughly understand the creative economy and provide it with targeted support.

Silicon Valley are having a tough time right now. They're areas I typically call Nerdistan—they only thrive on technical know-how. New York has culture and a mix of industries that the new economy thrives on."

The new economic reality is that the most dynamic companies are increasingly making decisions to relocate based not on tax breaks and cheap labor, but on quality of life, as well as creative pools of talented and mobile workers. And those workers who truly feed the creative economy seek out areas with culture, entertainment and foot traffic at any time, day or night. The creative economy abhors empty skyscrapers, desolate pavements at sundown, and sterile office parks in the suburbs. Rather, it calls for funky residential units in close proximity to offices and artisan workspaces. "People are less attracted to the sterile and more toward what is authentic and original," notes Richard Florida in his latest book, *The Rise of the Creative Class*.

Outside New York, the power of the creative economy has shifted most economic development planning. Phil Psilos, director of economic and technology policy at the National Governors Association, works nationally to develop economic growth strategies for the nation's fifty state governors. "There is an understanding now," he notes, "that you must have an ability to build a cultural component into development to retain talented and mobile workers. [Culture] is the key to economic development now. Look at any trend analysis and data. Investment follows human capital...and human capital, to a surprisingly large extent, follows the arts."

If the argument for nurturing creative economies should have an audience anywhere, it should be here in New York, where brilliant writers, visual artists and stage performers have contributed as much as the giants of industry and trade to give the city its unique swagger. Given that legacy, and the enormous economic potential of the creative economy, we feel that it is critically important to tackle this issue head-on. But while everyone agrees that arts and culture is a pillar of our economy—in fact, few other industries have stimulated as much economic improvement throughout the five boroughs—the vast majority of us haven't the slightest clue how to define the sector. Culture is not just Broadway and Museum Mile, in other words, but thousands of commercial artists, galleries, botanic gardens and zoos citywide.

Government isn't much help in quantifying arts and culture. Although the Department of Labor tracks industries such as health care and food manufacturing, there is no similar mechanism for understanding the role played by freelance new media graphic artists, for example. Nor does the industry itself keep a tally of its own nonprofit or commercial ventures, individual

artists, or the myriad subdivisions that range from performance to visual arts to media. Industries such as telecommunications, manufacturing, and biotechnology all have trade associations, representatives and analysts who can provide overall insights into their fields and lobby for their interests. But the arts as a sector is famously balkanized and categorized into many different fields.

So how can we nurture growth in a sector if we can't even describe what it is?

Efforts elsewhere provide some ideas on how we might define the creative economy. For example, England and Australia have reorganized entire economic strategies around this vital clustered sector.

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Closer to home, two separate studies—one in Portland, Oregon, and one combining six states in New England—have undertaken massive projects in the past three years to define and respond to the needs of their own unique creative economies (See "Creative Thinking," page 24).

But let's not forget: New York was once a pioneer in this field, too.

In 1983 and again in 1993, the Alliance for the Arts and the Port Authority of New York and New Jersey were the original inspiration for many such efforts with their detailed studies of arts and culture as a sector. Their research enumerated and described in detail the economic effects in terms of dollars and jobs of arts and culture in the two states, and specifically in New York City in 1993. It showed that arts and culture was a primary engine of growth even through the difficult recession of the late 1980s and early 1990s. The study's data offered only a snapshot of one segment of the creative economy; it doesn't take into account relevant

A SNAPSHOT OF NEW YORK'S CREATIVE ECONOMY

New York's creative economy encompasses a massive nonprofit sector and thousands of arts related businesses. The sector boasts tremendous breadth, ranging from the \$130 million budget of the Metropolitan Museum of Art to small dance groups in the Bronx, 600 commercial galleries and 36 commercial theaters, and some 150,000 individual artists. But it also embraces the ancillary sectors of television, advertising, technology and fashion that are directly dependent on creative inspiration. Hence, the creative economy is a jobs engine in a number of ways. First, it's a direct employer at museums or photographic shoots. Second, it attracts cafes, bookstores, and other retail establishments that contribute to a vibrant and creative environment, which in turn draws other business sectors including finance and high-tech. To get a sense of the current strength of the creative economy, we commissioned the Alliance for

the Arts to estimate employment updates from the 1993 Port Authority study. The updates are only a slice of the creative economy, not including many vital sectors such as printing and publishing, architectural services and the more than 150,000 working artists in the city. Borrowing categories from that study, we present the following analysis of a portion of New York's creative economy. The chart presented here takes one economic indicator—jobs generated by various cultural sectors in New York City—and updates it to reflect gains between 1992 and 2001. The chart includes not just full and part-time jobs in the cultural sector, but also jobs in other sectors such as retail and business services, which are supported by the economic activity of those cultural organizations. That is to say, it includes not just employees of art galleries, but the printers of their catalogues and the caterers of their events as well.

A Comparison of Total Impact of the Creative Economy on New York City in Employment between 1992 and 2001

Sector	1992 Total Employment Generated*	2001 Total Employment Generated**
Nonprofits	26,900	41,000
Art Galleries & Auction Houses	6,105	6,200
Commercial Theatre	7,177	12,000
TV & Motion Pictures	26,500	48,900
Tourism & Visitors	32,132	41,000
Capital Projects	903	2,400
Total employment generated	99,717	151,500

Source: This chart was produced by the Alliance for the Arts for this report.

* The Port Authority of NY & NJ and the Alliance for the Arts, "The Arts as an Industry" 1993,

** The Alliance for the Arts based on the study cited above and other data from the NYS Department of Labor.

"Tourism/Visitors" measures the full impact, in jobs created, of ancillary spending of visitors from outside NYC who identified culture as their main reason for coming to the city.

"Capital" is a measure of jobs created as a result of spending on new construction and major renovations by nonprofit arts organizations, art galleries and auction houses and commercial theater.

sectors such as publishing, photography or architecture. The 1993 study did show remarkable growth. And as many analysts foresee continued slow or flat employment growth for financial services, they predict the creative economy will continue growing, almost across the board.

The 1993 report influenced increased arts funding at the Department of Cultural Affairs and the Alliance is currently working with department officials to build a database of cultural organizations in the city. The Bloomberg administration is making concrete steps forward, but the city has yet to articulate an overall culturally-based economic development strategy.

EVERYONE FROM WORLD TRADE CENTER DEVELOPER

Larry Silverstein to Governor George Pataki has been talking lately about the connection between arts and economic growth. But such big talk is not yet linked to an overall strategy. The time is now to replace vague rhetoric with a clear and organized plan of action. We've identified three key groups that need to come together immediately to offer a comprehensive plan for cultural and economic development: city government, funders, and development organizations.

City Hall shouldn't dictate the plan, but it can do a great deal to assist development that is already budding at the neighborhood level. And action need not entail additional funds. New York has a rich array of programs to support economic development that must be better targeted to assist cultural and neighborhood development.

It is clear that Mayor Michael Bloomberg has a deep appreciation for the arts; he has generously donated to arts and culture from his own personal funds over the past ten years. "There is no doubt," one City Hall insider says, "that this administration sees culture as a priority." Indeed, the administration charged the city's Economic Development Corporation and the Department of Cultural Affairs to work together and seriously look at economic programs to assist the arts. But this commitment to arts and culture is not complemented by coordinated city policy. Government support for discrete pieces of the creative economy resides in many different city agencies, notably the Department of Cultural Affairs, the Economic Development Corporation and the Department of City Planning, but nowhere is there an overall strategy for supporting and maximizing the effectiveness of all the separate programs and initiatives. Nor are there liaisons between government agencies charged with collaborating goals and keeping a grasp of their peers' efforts. Equally surprising is the lack of focus on the creative economy among the city's blizzard of programs available to assist

businesses. The city offers a valuable array of incentives—from small business loans, to abatements for moving expenses, to job training for entry level and

As the city moves toward more advanced cultural development, it is important to keep in mind the obstacles. One issue is sheer size: New York is home to some 2,095 arts organizations, 150,000 artists and over 2,000 commercial arts businesses and professionals—most of whom are working toward divergent and unrelated ends.

tech-oriented jobs—but has yet to directly connect such incentives to the arts.

The second group that should better coordinate its efforts is the philanthropic community. Foundations, corporations and individuals contribute approximately \$700 million, including \$500 million from foundation and corporate funds, in support to the arts and culture each year. This is well over triple the city's annual expense budget for the entire Department of Cultural Affairs. But while these efforts provide critical assistance to many, they are rarely coordinated with government or other intermediaries, and almost never focus on local assistance at the neighborhood level. Moreover, few gift-givers think about cultural development from an economic perspective. With a few notable exceptions—such as the Robert Sterling Clark Foundation, JP Morgan Chase, Deutsche Bank and Independence Community Foundation—these entities tend to classify culture and community development as separate in their grant portfolios.

The third, and in some ways, most ripe group of key players is the vast array of economic and community development organizations scattered throughout the city. Of the more than 150 such organizations in New York, we've identified six that have devised innovative and exciting models for incorporating cultural assets into growth strategies (see "Connecting the Dots," page 5). But of this vast network of chambers of

Cultural development efforts are usually designed to bring people back to abandoned downtown centers. But in densely populated New York, the challenge is finding ways to integrate artistic growth into neighborhoods with their own local economies, longstanding residential communities, cultural organizations and artists. When this is not done well, residents perceive threats from “outsiders” seemingly bent on taking over their neighborhoods. Too often, this leads to battles that galvanize communities to slow and even at times halt local development efforts—even when those efforts have major benefits for the communities themselves.

The space issue is no myth: Arts development often does precede gentrification. But to hold arts groups themselves responsible for this phenomenon is to oversimplify the issue. For one thing, this kind of growth has both positive and adverse effects. Outside investment in a community often leads to lower crime rates, more jobs and greater amenities, all of which benefit local communities. The downside is displacement caused by increased property values that can force out longtime residents and small business owners. And artists and cultural groups themselves frequently suffer from the same ill effects of displacement as non-artists, whether they’ve lived and worked in the neighborhood for years or arrived more recently.

What this all comes down to is affordable space. In New York, the real estate market itself is the prime force spurring displacement. Since the early 1990s, the real estate market has been hot citywide, but property values have shot up the most in precisely those neighborhoods that have emerged as arts hotspots. In a November 2001 analysis the Center conducted for the New York Foundation for the Arts, we quantified the enormity of the real estate explosion in arts zones. For example, commercial rents in Chelsea, where many art galleries relocated in recent years, increased 262 percent between 1996 and 2000, compared to “only” a 121 percent increase for rents on the West Side of Manhattan during the same period. Even more striking, rents in emerging arts neighborhoods such as Long Island City and Williamsburg increased more than 100 percent from 2000 to 2001.

Real estate prices are the clearest symptom that a community is changing, but issues on the ground within these communities are at the heart of gentrification battles. The displacement factor of the escalating rents pits community members of long standing, both residents and business owners, against newcomers. Often these new residents are of a different economic class and many times of a different race. The question within the community becomes, “For whom is all of this new development?”

Gentrification is a sprawling and complex policy conundrum that has bedeviled public officials, community activists and developers for decades, and we do not pretend, in the scope of this report, to offer definitive answers. But our research in the city’s neighborhoods offers a few insights for those attempting to foster balanced cultural development at the neighborhood level.

For one thing, a handful of cities outside New York have tackled the issue head-on. Artspace Projects, Inc., a Minneapolis-based space developer for the arts, praises Chicago’s Department of Planning and Department of Cultural Affairs for spearheading an effort to bring the major participants—community residents, business owners, philanthropic leaders and the heads of other city agencies—to the table to create ways to pursue neighborhood-based economic development without displacement.

Closer to home, the Fifth Avenue Committee, a Brooklyn nonprofit, has initiated a “displacement-free zone” in its lower Park Slope neighborhood, and has sponsored anti-displacement legislation. Arts organizations themselves have come up with successful ways to provide office, performance, exhibition, and studio space for the arts [See “No Place Like Home”, page 10]. And the BAM Local Development Corporation project aims to create permanent, affordable space for artists as a partial antidote to the rapid rent escalation that so often push artists themselves out of the neighborhoods that they improve with their own sweat equity. The work of these groups offers lessons that can go a long way toward helping to mitigate displacement within communities.

As a national issue, gentrification and displacement requires the attention of the federal government, which could

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create more affordable housing and take other actions to help solve the problem. But community and city officials must pursue those policy options available to them as well, such as tying development to neighborhood investment and offering tax incentives to counter displacement.

Displacement is everybody’s problem—from policymakers and business leaders to cultural organizations and community activists. In the same vein, everyone affected must cooperate on initiatives that help blunt its effects, such as fostering ownership for nonprofit arts developers and supporting incubators. In this report, we offer a few encouraging examples of how New York City neighborhoods have put these strategies into practice, moving forward with cultural development that integrates, not displaces, communities. ❖

CONNECTING THE DOTS

Local Development Groups See the Power of the Arts

Many of the city's more than 150 neighborhood and borough-based economic and community development organizations understand the importance of culture-oriented development. But surprisingly, few are doing it in any meaningful way. While city agencies and funders play an important role in nurturing creative economies, cultural development takes place in neighborhoods—which means that much of the actual work lies in the hands of local development organizations working with local arts groups.

The following organizations have succeeded in large part because they defined culture as part of their mission at the outset. That focus is critical, since the idiosyncrasies of the creative field can prove frustrating to those whose priority is economic development. For neighborhoods to use their arts and culture assets for growth, these groups must find common ground and language. In an encouraging development, a handful of other notable intermediaries—including the Long Island City Business Development Corporation, Brooklyn Chamber of Commerce, Queens County Economic Development Corporation, Women's Housing and Economic Development Corporation, and the Rockaway Chamber of Commerce—have recently started down the trail blazed by the groups noted below in exploring cultural development programs. That these new players are wading into the cultural waters is encouraging and speaks to the volume of activity that has increased in the boroughs, but there is still much more to be done.

INTERMEDIARY	PRIMARY ACTIVITY
Greater Jamaica Development Corporation	Developed the vision of cultural development in southeastern Queens and helped incubate two important cultural organizations in the area, one of which works closely with the local business community.
Alliance for Downtown New York	City's largest business improvement district has worked for the past seven years to instill more arts programming in culturally barren Lower Manhattan. Proactively assisted new museums' move downtown and helped create new cultural attractions in the area.
BAM Local Development Corporation	City's only local development corporation focusing exclusively on cultural development with a goal of establishing a major cultural district providing affordable space for visual, performing and media arts, arts education, and increased retail amenities.
The Point Community Development Corporation	Founded with a mission to fuse arts and culture with economic development. Programs include an incubator for local arts businesses, cultural programs for teens, and affordable rehearsal and performance space in the South Bronx.
Jackson Heights Community Development Corporation	Links local artists with merchants, provides grants to artists, is developing a marketing campaign for cultural attractions in Flushing Meadow Park.
Bedford-Stuyvesant Restoration Corporation	Has housed a theater and gallery of local art since 1970. Now focused on a major project linking local cultural organizations and artists to a planned revitalization of Brooklyn's Fulton Street.

Chart criteria: These are economic and community development organizations that are directly involved in planning long-term development in their local area. Each has played a leadership role in terms of linking the cultural community to the business community and/or fostering an entrepreneurial and commercial environment for the arts. The chart does not include workforce development programs or the few standout arts organizations that are becoming involved in economic development.

commerce, business improvement districts and development corporations, many have yet to embrace the arts and culture as a tool for economic development. “We all know this is important,” explains Brad Lander, executive director of the Fifth Avenue Committee in Brooklyn. “But for many community development corporations, there’s no obvious sense of how to do it. It’s as though arts and community development folks speak different language[s].”

EMBRACING THE IDEA OF THE CREATIVE ECONOMY

as our anchor, this report focuses on cultural development as it plays out at the neighborhood level. The good news is that we found many, many examples of such development throughout the five boroughs.

We identified seven New York City neighborhoods that are ripe with strong cultural development. Some locales are not surprising, such as Fort Greene, Long Island City, Lower Manhattan and Harlem. Other communities, such as Staten Island, Jamaica and the South Bronx, are far less obvious. And while everyone is aware of headline-grabbing initiatives—the recent temporary move of the Museum of Modern Art to Queens for example—we found that the majority of activity has been happening in small, powerful ways: with significantly less attention from the media. It is this phenomenon that has positioned many neighborhoods to be major areas of growth in a new, more decentralized New York economy.

Such efforts are outlined in our neighborhood profiles in this publication. These include sections on The Alliance for Downtown New York, which has worked hard to foster nascent cultural communities in Lower Manhattan; the Greater Jamaica Development Corporation, whose 35-year track record has proved astonishingly successful at fostering ties between major cultural organizations and the local business sector; Long Island City, where a growing cultural community has been increasingly working with merchants to build a true mixed-use business district; Fort Greene is home to an array of cultural activity and the BAM LDC which is implementing the city’s most ambitious plan for a cultural district; Staten Island, an example of civic activism and preservation efforts, coupled with artists’ entrepreneurial efforts; Harlem, where the vast array of possibilities for collaboration exist among cultural and business networks; and the South Bronx, where The Point CDC is nurturing local commercial arts ventures and helping to put the neighborhood on the map as a cultural destination.

We argue that these efforts, both large and small, clearly prove the potential for culture-related econom-

ic development in neighborhoods throughout New York. The problem is that most of these standout efforts, strategies and programs are working in utter isolation from one another.

As the city and local players move toward more advanced cultural development, it is important to keep in mind the obstacles of this complicated and complex area.

One major issue is the sheer size of the creative economy: New York is home to some 2,095 arts organizations, 150,000 artists and over 2,000 commercial arts businesses and professionals—most of whom are working toward divergent and unrelated ends.

But the single biggest issue in development efforts is space. The problem of gentrification and displacement was a major area of concern in five of the seven neighborhoods we assessed, and issues surrounding displacement have threatened to impede the progress of cultural development. There are ways to achieve balanced growth without community tensions and without losing the rich cultural fabrics that made the neighborhoods special to begin with. The first step is to face the issue of displacement head-on and to come up with collective solutions to the problem as it plays out in New York City (see “Elephant in the Room,” page 7).

The five boroughs of New York have huge, untapped potential for culture-based development.

Space is also one of the biggest issues with cultural groups and artists themselves. Simply put, artists cannot work without affordable studios, residential spaces and offices. There is no issue more central to their ongoing growth. In our survey, we highlight eight innovative programs looking to address this critical need (see “No Place Like Home,” page 10).

We describe local examples of neighborhood development in the heart of this report in order to highlight one central argument: the five boroughs of New York City have a huge, untapped potential for arts and culture-based economic development. Mayor Bloomberg has promised to focus on economic growth and rebuilding in New York City. Well, now is the time to move beyond isolated examples and toward a coherent, collective plan for action—a plan that leverages a combined effort inclusive of government and philanthropic players, businesses, community and cultural leaders and artists themselves. New York is considered the arts capital of the world. If we can fuse our unique creative vibrancy with smart, balanced growth, we just may be able to keep it that way. ❖

NO PLACE LIKE HOME

An informal survey of programs offering cultural groups, artists and arts related enterprises access to that all-important space.

The Center for an Urban Future conducted the following inventory of programs that provide affordable space for arts organizations and culturally-oriented commercial enterprises. The survey is not comprehensive and does not include space for individual artists, but it does give a sense of standout examples that could easily be replicated throughout the city.

SPACE SOLUTION	DESCRIPTION
The New 42nd Street <i>Space for Nonprofit Theater in Times Square</i>	<p>A large-scale public-private partnership between the state, city and a unique nonprofit developer, the New 42nd Street achieved striking successes renovating seven theaters along 42nd Street in the early 1990s, opening an acclaimed children's theater and state-of-the-art rehearsal/performance spaces.</p>
Alliance of Resident Theaters/New York <i>Offices for Theater Groups</i>	<p>In the late 1990s, A.R.T./New York used city and private funding to develop two buildings with office space for its off-Broadway constituents. One, a former nurses' residence in Ft. Greene, is now affordable office space for 20 theatre companies. A.R.T./New York is also creating office space and planning to serve as anchor tenant and on-site manager for an additional group of organizations in a converted Garment-district building. It has already leased out one of three floors, even before moving in itself.</p>
Chashama <i>Short-Lived Theater Spaces</i>	<p>A bare-bones, stylistically experimental organization that works in several different media, Chashama takes advantage of underutilized property owned by private developers. Developers donate underdeveloped space to the organization for a specified time. Chashama and partnering groups temporarily build out the space for performances, rehearsals and studios, keeping costs low.</p>
The Fourth Street Arts' Block <i>Theater Groups Buy Homes</i>	<p>This collaborative of seven groups along Fourth Street in the East Village recently secured a commitment from the city to purchase and renovate two properties for permanent homes.</p>
Greenpoint Manufacturing and Design Center <i>Affordable Space for Working Artists</i>	<p>Known for redeveloping industrial buildings, GMDC has for the first time incorporated artist studios into its new building on Greenpoint Avenue in North Brooklyn. Developed through a combination of city financing, tax incentives and the group's own equity, the building is a prime example of the synergies possible when arts groups and industrial concerns—two sectors often pitted against one another—share space.</p>
Lower East Side BID <i>Support for Emerging Designers</i>	<p>LES BID launched Forward, a boutique of four up-and-coming fashion designers on Orchard Street, in December 2001. The program requires owners to learn the basics of business operation, provides marketing and technical assistance, and helps to identify space within the district once designers are ready to set off on their own.</p>
4W Circle <i>African American Artisan Entrepreneurs</i>	<p>Since 1991, this showcase for Afro-centric handmade wares has provided local artisans with working space and a place to develop product lines. It has also housed around 40 small companies and launched four independent shops.</p>
The Point <i>A CDC Provides Mixed Use Space</i>	<p>This acclaimed community development corporation has created a multi-disciplined complex that houses dance troupes, graffiti artists, and other visual and performing artists committed to serving their community in a renovated factory.</p>

LONG ISLAND CITY

In Long Island City, a neighborhood long poised for an economic boom, developers and the cultural community are taking stock of the area's greatest assets: a mix of manufacturing and arts. Best part? The growth has been slow enough to manage properly.

FEW NEIGHBORHOODS ARE AS WELL POSITIONED

for creative economic development as Long Island City. With its huge swath of land right over the 59th Street Bridge from Manhattan, the area has excellent access to midtown, waterfront views, and was recently rezoned to spur new office, residential and retail development.

Most importantly, it is home to a thriving cultural community of artists as well as the largest concentration of major visual arts institutions outside of Manhattan. These institutions include: P.S. 1 Contemporary Art Center (founded in the mid-1970s by community activists and local politicians to renovate a dilapidated former elementary school); Isamu Noguchi Garden Museum; SculptureCenter; Socrates Sculpture Park, a community arts project that reclaimed an illegal dumping site; and of course the recent addition of the Museum of Modern Art (MoMA QNS).

The players are all here, in other words, but the area can do much more to take advantage of its cultural strengths. There is the area's unique entrepreneurial and mixed-use qualities—of manufacturers, artisans, cultural organizations and more office-based companies—and the uniquely entrepreneurial spirit of Long Island City artists. Because it is here, perhaps more than anywhere else in New York, that artists operate most like entrepreneurs.

Take Kristy Schopper, for example, a painter who has also funded and created arts projects in the community, including an ad hoc local performance venue and a successful arts program for local teens in a 20,000

artists and community folk: within three days they had cleared the place out. At "The Space," she's hosted everything from digital photography shows to drumming performances, and 40 young people earned school credit in her arts program in just the past year. This is what we mean by entrepreneurship.

LONG POISED TO BE THE NEXT HOT SPOT, LONG

Island City has seen any number of false starts in development. One factor holding back the long-awaited boom is the absence of a "main drag," with a concentration of lively retail outlets and foot traffic. Overall, says Tom Finkelppearl, director of the Queens Museum of Art, "there is still no real pedestrian traffic." Instead, retail is spread thinly throughout the area—some around two new luxury residential towers on the water, and some at the opposite end of the neighborhood on Queens Plaza.

Another problem is transportation. While it has always been fairly easy to get to Long Island City (there are eight subway lines into the neighborhood), getting around once there is another matter. Long Island City has that Los Angeles feeling of having no 'there' there.

An influx of workers from two major commercial tenants—Citigroup and MetLife—hasn't improved the neighborhood's feel. In 1989, Citigroup, with the support of city "as of right" incentives and zoning changes, erected a monumental 48-story skyscraper, the tallest structure outside of Manhattan. This glass fortress is a veritable island unto itself, with its own

Like individual artists, light manufacturers are critical to the creative economy but have become, more and more, a dying breed.

square foot industrial building. Schopper acquired the temporary free space from local sporting goods magnate Bill Modell. Modell, like a lot of local developers, was waiting for the big office boom to fill up his building with tenants. That boom never came. When Schopper came into the building, it was piled high with discarded furniture, old props from a previous theater tenant, lumber and discarded nails, and had no running water and no electricity. Schopper got to work calling in local

subway station, shops, cafeteria and health club for its 2,000 workers.

More recently, with the help of a large city incentive package, Metropolitan Life moved 1,500 employees from Manhattan to a 400,000 square foot converted factory building on Queens Plaza North. If locals thought the arrival of MetLife would usher in a new wave of cultural development and mixed-use retail activity, they were wrong. MetLife received a hefty \$26.2 million in discre-

tionary tax and energy incentives over the next 20 years from the city, and the state kicked in \$4.3 million in grants and loans for worker training and renovation costs. But like the Citicorp tower down the street, the MetLife building wasn't developed in a way that encourages the firms' employees to participate in the surrounding neighborhood. It has all the "comforts of home" with a gym, cafeteria, ATM, and stamp vendors.

When the tech bubble burst, developer Daryl Wills let a few artists rent his LIC space. "I found almost immediately that the artists were the best tenants. They paid closest to the first of the month," he recalls. "They were like a gift from heaven—I was just flabbergasted."

The company is currently floating the idea of a pedestrian tunnel from the 7 train right into their building. If this happens, not a single worker will actually have to set foot in Long Island City.

A truly "mixed use" economy can only happen with a healthy diversity of organic artistic talent and entrepreneurial energy. A creative economy such as that envisioned by cultural groups and much of the business community in Long Island City needs much more than development incentives and towering islands in the sky.

Closer to the ground, innovative businesspeople, artists and residents of Long Island City are developing hopeful examples of how to bring this vision to life.

DARYL WILLS PURCHASED A FORMER HELENA Rubenstein Cosmetics factory two years ago and spruced it up, waiting for the next wave of high-tech companies to pour in. When the tech bubble burst, so did a number of companies that were going to move in. Not sure what to do next, he let a few artists rent space. "I found almost immediately that the artists were the best tenants. They paid closest to the first of the

month," Wills recalls. "They were like a gift from heaven—I was just flabbergasted. My father was an artist and for most of his life he didn't have two nickels. But it's been the opposite. Right now my building's 100 percent rented." Rather than converting his building for a major office tenant, he kept lots of small spaces for smaller companies and artists.

Dan Miner, Long Island City Business Development Corporation's director of business services, says: "It's rare to find a developer like Wills who is willing to cut up his floors into smaller spaces. This is the exact kind of space that artists and a lot of the smaller businesses need in Long Island City and they are always calling us asking for more of it. The area certainly could use more of those spaces."

"This is a rare space for artists," says Melissa Wolf of the Women's Studio Center. "Daryl wants us here. Most landlords just give you clean floors and toilet paper."

Jerry Wolkoff rents space to artists both out of a personal interest in the arts and because of their important role in neighborhood revitalization. "You want 24/7, you need young people... I think artists are great for an area," he says. He is tearing down his Phun Factory building, where he currently has 90 artist tenants, but says he'll build in 10,000 square feet of artists' space in the high rise he develops to take its place.

LaGuardia Community College is also looking to provide space. Located directly across from the new MoMA QNS, the Queens campus, already home to an art gallery and performance space, has plans to branch out even further into the neighborhood by identifying and nurturing new commercial artists working with glass, ceramic, wood, metal, fiber and fabric. LaGuardia is creating the city's largest arts incubator: the East River Studios, with two floors of space in a loft-like building, shared office facilities, and training courses in how to

WHY IT WORKS: Long Island City

- A seven-minute train ride from Grand Central Station, Long Island City has aspirations of being an alternative business district to Midtown in Manhattan. The area has the right assets as it attempts to move to a vibrant, mixed-use community balancing retail, residential, manufacturing, new office development and burgeoning arts clusters. But it's become increasingly apparent that it isn't going to happen simply by luring a couple of large companies with city subsidies.
- Several local projects give hope for attracting both culture and commerce: a number of landlords have embraced the notion of providing free and low-cost space to artists and arts groups, and intermediaries like the Long Island City Business Development Corporation and the Long Island City Cultural Alliance are beginning to collaborate effectively.

commercialize work. With a \$5 million grant from the State Assembly, the incubator plans to launch in December with sponsorship of up to fifteen residents.

“Thousands [of artists] in the city have the potential,” says Louise Weinberg, a painter helping LaGuardia establish the incubator, “but they need someone to work with them to see what the first step is.” A recent national study says that 87 percent of incubator grads remain in business after first five years—most in the same neighborhood—as compared to only 30 percent of small businesses in general.

In looking to these development strategies, it is important to keep in mind the importance of preserving the manufacturing sector in Long Island City. The area accounts for 27 percent of all land zoned for manufacturing in Queens and 9 percent of the manufacturing land citywide. According to a 2001 study by the Pratt Institute for Community and Environmental Development and the Municipal Art Society, there are more than 55,000 industrial jobs in the area, 23,000 of them in manufacturing.

Members of the cultural community see important reasons to preserve manufacturing locally. “Artists are always on deadline,” says Alyson Baker, executive director of the Socrates Sculpture Park, which annually supports 25 artists in residence. “Ours really benefit from having all the materials and manufactures right here. We’re right across the street from a masonry supply yard [where we can] buy granite, sand, concrete mixing stuff and concrete blocks.”

“We [want to] buy from the local manufacturers,” agrees Mary Ceruti, director of the SculptureCenter. The sentiment is shared by many of the other cultural

critical to the creative economy but have become, more and more, a dying breed. At the Falchi Building, an old Gimbel’s factory that mixed art, food, retail, office tenants and manufacturing, developer Irwin Cohen incorporated an enormous art installation composed of pipes, radiators and other old machinery found on the site, creating a gritty aesthetic and paying homage to the area’s industrial tradition. Cohen developed the building specifically for high-end manufacturers, granting rare 15-year leases to manufacturers including jewelry makers and film production companies. The building, which many saw as the embodiment of Long Island City at its best, has since been sold and the industrial artwork ripped out and replaced with a staid marble lobby. With the increase in rents, many industrial tenants have been forced out.

AS IMPORTANT AS FINDING GOOD SPACE IS, collaboration between the cultural and business community is paramount. Connecting business intermediaries with arts groups is not an easy or quick fit. The best relationships take years to build and require tremendous patience. Long Island City is a visible example of this—connection usually comes in fits and starts.

For years, business and arts groups pursued separate agendas and felt they had nothing in common—until the advent of Art Frenzy, the area’s first-ever cultural festival and brainchild of the Long Island City Business Development Corporation (LIC BDC). Art Frenzy included artists opening up their studios, theater productions, a film festival, outdoor music performances, and free admission to local museums.

Long Island City is growing, but as local real estate brokers are quick to point out, it has not taken off. Wavering between growth and stagnation may be the best thing that ever happened to the neighborhood: the extra time has allowed it to find its way and strike a balance.

leaders we interviewed, who see the local manufacturers as providing valuable services, a stable economic base, and an industrial look and feel that contributes to the area’s vibe and sensibility.

“Long Island City is one of the prime danger neighborhoods for manufacturing... [along] with Red Hook and Williamsburg,” said Adam Friedman, executive director of the New York Industrial Retention Network. “The danger is that manufacturing and arts will lose their space, and the diversity of uses that made Long Island City attractive in the first place will be lost.”

Like individual artists, light manufacturers are

An estimated 22,000 people attended, but locals say that the festival’s real contribution to the area was in giving everyone a reason to work together.

Through the many planning meetings, the LIC BDC and the cultural institutions began to discover the value of working together. For Gayle Baron, executive director of the BDC, Art Frenzy was one small step toward a 24/7 creative economy. Once the festival was over, the BDC began floating the idea of a cultural district that would include both longstanding local institutions and more recent additions such as The SculptureCenter and the American Museum of African Art.

Cultural groups were startled to find business interests stepping up to champion further cultural development, and they felt they needed their own organized voice to represent them in the increasingly ambitious neighborhood development plans under discussion. Their efforts to organize culminated in the Long Island City Cultural Alliance.

Comprised of the seven major cultural institutions in the area, the Alliance has helped create common

is a good thing," says Penny Lee, a senior planner at the Department of City Planning. "There is time to catch your breath and look around and that leads to...more of an opportunity to figure out what makes sense, because the growth isn't as explosive."

But locals shouldn't take too long a breath. There is a growing consensus that MoMA's arrival in the neighborhood has brought vastly increased public attention and, some say, stepped up the pace of development.

"When you think of gentrification, there is usually a tipping point you hit, like in Williamsburg or SoHo. Well, here in Long Island City we have not even come close to hitting the tipping point. I've liked the way we've developed in fits and starts. It's organic and not so planned."

ground amongst the culturals and set the stage for joint efforts with the BDC. The two groups are now working together, creating banners to hang on lampposts highlighting attractions in the area and working on ways to help visitors better navigate the bewildering maze of local streets. The Department of Cultural Affairs and the Department of City Planning have also been working with the LIC Cultural Alliance, organizing monthly meetings that grew out of Arts Frenzy and a lot of City Planning's streetscape improvement work.

The formation of the Alliance is a prime example of the need for cultural groups to develop their voice in order to be able to work in meaningful and productive ways with business. SculptureCenter director Mary Ceruti says, "I think we're starting to see that there can be ways that we [cultural and business interests] can work together."

LONG ISLAND CITY IS GROWING, BUT AS LOCAL

real estate brokers are quick to point out, it has not taken off. Wavering between growth and stagnation may be the best thing that ever happened to the neighborhood: the extra time has allowed it to find its way and strike a balance. The slow growth has meant that Long Island City is still pretty much the same neighborhood it was thirty years ago—a neighborhood with a solid mix of light manufacturers, working artists and firmly rooted cultural institutions.

"When you think of gentrification, there is usually a tipping point you hit, like in Williamsburg or SoHo," says Ceruti. "Well, here in Long Island City we have not even come close to hitting the tipping point. I've liked the way [we've] developed in fits and starts. It's organic and not so planned."

"Long Island City's growth has been gradual, which

That entrepreneurial spirit, and the developing collaborative relationship between business and the arts, has the potential to greatly affect the direction of what is sure to be continued local economic growth. ❖



LOWER MANHATTAN

The immense potential—and immediate need—for arts and culture in Lower Manhattan has created talk of a renaissance amid the canyons. Two powerhouse downtown organizations with long-held passions for the arts plan to lead the way. Will the LMDC be willing to follow?

IN MANY WAYS, LOWER MANHATTAN IS THE reason for this report. Nowhere else is the need for a neighborhood-based creative economy more immediate. The whole world is watching the area south of Chambers Street. If we can't build a truly creative economy here, we'll be seen as all talk, no action—and deservedly so.

Everyone from the mayor to the governor to our business leadership gets this. "There is a consensus that no city business district can survive on office towers alone," says Chris Jones of the Regional Plan Association. "There's a need for a 24-hour community

"Financial services will never be as big as it was in the last five years of the 1990s," says the NYC Partnership's Kathryn Wylde. With a whopping twelve million square feet of vacant office space downtown, we're left with a "big question mark," as Wylde puts it. "You have to think about the role that different sectors will play...including arts and culture."

with a rich cultural life to make it an appealing place to work," he adds. "The idea of an isolated commuter office market is passé."

"Financial services will never be as big as it was in the last five years of the 1990s," explains Kathryn Wylde, president of the New York City Partnership, the city's largest business organization. Now, with a whopping twelve million square feet of vacant office space downtown, we're left with a "big question mark," as Wylde puts it. "So you have to think about the role that different sectors will play...including arts and culture."

Lower Manhattan always has been the office-dominated counterweight to the culturally rich theater district in Midtown. But filling up downtown buildings with paying tenants in the future is going to require a far more vibrant arts and cultural base. We are moving in the right direction. Over the past five years a number of institutions have migrated downtown, attracted to its history as the birthplace of New York and, in many respects, the nation. And with the focus on rebuilding, the value of a better Lower Manhattan cul-

ture has seeped into many conversations. But Lower Manhattan has far more to do if it is to build a solid mixed-use business district, complete with culture and cultural amenities. The question now is, are we all talk?

IN MONTHS OF RESEARCH, WE FOUND JUST TWO strong examples of the kind of thinking that should be universally adopted in Lower Manhattan. The Alliance for Downtown New York, the city's largest Business Improvement District (BID), and the Lower Manhattan Cultural Council (LMCC) were able to pierce a dense,

corporate environment by instilling creative elements into the mix long before September 11th.

More than any other BID, the Downtown Alliance has made it a priority to nurture a downtown cultural community. While most BIDs focus on the mere beautification of a business district, the Downtown Alliance has honed in on Lower Manhattan's unique set of cultural institutions and activities and marketed it to the larger business community, tourists, and creative economy companies and cultural groups. By attracting new institutions to the area, it has shown the power of a business-rooted organization that works directly with the arts.

Likewise, the Lower Manhattan Cultural Council (LMCC), an organization representing the arts community but founded by business leaders, has seeded a strong arts scene and creative community in the corporate canyons of Wall Street. Beyond that, more than any other city arts council in New York, the LMCC has offered rent-free studio spaces to hundreds of artists who have then gone on to successful and profitable careers in the city.

These two organizations have shown that even in the belly of the capitalist beast, an arts scene can take root in a way that helps build a creative economy.

AS A BID, THE ALLIANCE FOR DOWNTOWN NEW York is supported by property owners' tax assessments collected and administered by the city. While its primary mission is to keep the area safe and pleasant, this BID took on many other duties as well.

Carl Weisbrod, a longtime local leader who headed up the Economic Development Corporation during the Dinkins administration, runs the BID. "My entire career," says Weisbrod, "I have seen arts and culture as a crucial element of economic development. That is accepted and conventional wisdom today...[and yet] most world class arts activity doesn't take place in Lower Manhattan."

Echoing Weisbrod, Downtown Alliance marketing manager Lincoln Palsgrove notes that historically, "art had to be framed within the corporate context" in Lower Manhattan, "because that's all that was here." Now, he adds, it is crucial "to develop art and culture outside of that frame."

WHY IT WORKS: Lower Manhattan

- There's broad consensus among downtown residents, civic experts, government officials and business leaders involved in planning lower Manhattan's redevelopment that the area needs to become more of a 24-hour community with rich cultural assets and a more diverse economic base. Arts and cultural development will almost certainly be a central part of the strategy to make this happen.
- The neighborhood has two strong local intermediaries that are already laying the foundation for smart arts and cultural development: The Downtown Alliance and Lower Manhattan Cultural Council. Both work with artists and arts groups and seek to collaborate with the downtown business community. The Downtown Alliance, which has worked for years to make the area into more of a 24-hour community, recently helped launch the River to River Festival and has worked directly with cultural institutions interested in relocating downtown. LMCC developed "World Views," a program to provide work space for artists in vacant office towers. Now, all eyes are on the Lower Manhattan Development Corporation, which holds the purse strings for millions of dollars in future cultural development funds.

So in addition to attracting new high-tech entrepreneurs, Weisbrod also zeroed in on attracting new additions from the arts—even going so far as to personally work the phones to help find space for organizations like the Skyscraper Museum and American Numismatic Society. But more than this, Weisbrod helped to *define* the area through programs such as the 1997 Heritage Trails project, which used bright green and red dots on the pavement to highlight the area's many historical sites and attractions. Through it all, the Downtown Alliance doggedly emphasized the importance of the arts to a financial community, which gradually came to support its efforts with arts and culture.

Since September 11th, the Downtown Alliance has become an important organizer for arts and culture-based strategies aimed at revitalizing the neighborhood. One of its first collaborative efforts was the Downtown NYC River to River Festival 2002, intended as a vehicle to umbrella-market the many different outdoor concerts sponsored by the Downtown Alliance, South Street Seaport, the World Financial Center Arts and Events Program, Battery Park City Authority, LMCC, and the Port Authority of NY & NJ. The idea was that with better coordination, a massive five-month-long festival could generate a sense of healing in the area, renewed tourist activity, and a reminder that there is more to Lower Manhattan than the World Trade Center site. The city's largest outdoor festival ever with over 500 events, River to River attracted dozens of sponsors and millions in corporate funds.

Most River to River Festival attendees neither worked nor lived downtown, and the great majority spent money while in the area. Such statistics prove that culture can have a critical impact on neighborhoods: The Downtown Alliance's challenge now is find a way to create a more permanent status for such programs.

To that end, the Downtown Alliance is coordinating a \$4.6 million marketing plan for the National Museum of the American Indian, the Museum of Jewish Heritage, and the South Street Seaport Museum. It is also working to secure a new cultural center for the neighborhood.

All of these post-September 11th activities are part of the Downtown Alliance's second-stage plan to establish a more permanent artistic and cultural presence in Lower Manhattan. The latest effort is aiming to reach out directly to galleries in Chelsea and SoHo that fear being priced out of their home-neighborhoods. The Downtown Alliance is doing this by cataloguing empty retail spaces appropriate for galleries and then doing what it does best: working the phones with developers and future artistic tenants.

Through it all, Weisbrod emphasizes that the process of melding culture into a corporate atmosphere must be

an organic one. “You can’t force feed what the personality of Lower Manhattan will be. Part of what we’re doing is creating a soul for this emerging and unique neighborhood. Arts and culture can act as a binding force to bring residential and business closer together.”

WITHOUT SPACE TO BE CREATIVE, ARTISTS CANNOT create art. While the Downtown Alliance is working to cultivate a more prominent arts scene downtown, the LMCC looks to provide much-needed workspaces for artists in the scores of office towers throughout the Wall Street area.

Founded by David Rockefeller in 1973, the LMCC was created to diversify downtown and is expressly focused on the concerns and needs of artists and the city’s cultural community, in addition to its emphasis on the Lower Manhattan community. The group has pioneered an artists’ space program by searching the towers of Lower Manhattan for temporarily vacant office space. By the mid-1990s, Jenny Dixon, then executive director, had secured venues for theater rehearsals, painters, and exhibitions by emerging curators.

This program was formalized and dubbed

“You can’t force feed what the personality of Lower Manhattan will be,” observes the Downtown Alliance’s Carl Weisbrod. “Part of what we’re doing is creating a soul for this emerging and unique neighborhood.”

“StudioScape” in 1997. In 1998, Moukhtar Kocache joined the LMCC as director of Visual and Media Arts and helped develop the follow-up “World Views,” which helped provide working space for artists in temporarily un-leased skyscraper offices. It gave artists not just the space but also a new perspective and inspiration for their work. And it was an enormous success—applications skyrocketed from 50 in 1998 to 800 in 2001. In the two years prior to the World Trade Center attacks, more than 10,000 people visited the program’s exhibitions and special events: a mix of downtown workers and residents, arts-goers, and curators seeking new talent for shows at the Whitney, the Studio Museum in Harlem and MoMA. Paul Pfeiffer, a graduate of the 1999 group, received the first Whitney Museum Biennial Bucksbaum Award of \$100,000 a year after his World Views residency.

After the September 11th attacks, the LMCC formed new partnerships to find space for these programs, both in the DUMBO arts district of Brooklyn and at the World Financial Center downtown. But these programs were designed to be temporary. And at the moment, amazingly, both of these pioneering art-space programs are homeless. This is unacceptable. At its peak, the two pro-

grams provided a home to a mere 27 artists. Surely, with their international reputation and obvious financial benefits, someone could step in and fill the void.

One problem is that developers have not come forward to make subsidized space available—a problem now being addressed by executive director Liz Thompson, who has launched a campaign to find new locations. With the corporate culture beginning to understand the benefits of the arts, there is hope that World Views will rise again.

MUCH HAS CHANGED IN THE POST-SEPTEMBER 11th environment. For one thing, virtually everyone—from Mayor Bloomberg to Governor Pataki to WTC site owner Larry Silverstein—is talking about bringing culture downtown. This shift in consciousness has unleashed a flood of possibilities. The Guggenheim’s tenuous proposal for a Frank Gehry-designed arts complex on the East River is now suddenly a contender among development plans. The Joyce Theater, desperate for a mid-sized dance performance space, is looking at the possibility of a downtown annex.

Moving from outdoor concerts and small-scale marketing efforts to serious cultural development endeavors means turning to the Lower Manhattan Development Corporation (LMDC). Charged with cleanup and reconstruction at the World Trade Center site, as well as broader rebuilding efforts, the LMDC holds the purse strings for some \$21 billion in federal funds.

Hiring Anita Contini, a highly experienced and accomplished arts administrator, was a strong initial move for the LMDC. Contini so far has gotten good reviews from both the corporate and cultural communities, with insiders praising the diversity of options she is exploring: live-work space for artists and collaborative space for the New York Historical Society with the Museum of the City of New York, for example.

Many are counting on the LMDC to bring such widely varied ideas together and to spend wisely the millions that have been discussed specifically for arts-oriented nonprofits in the community. “There are a million different groups and people, and hundreds of ideas,” offers Liz Thompson. Now is the time to synthesize these plans, look at the successful efforts of LMCC and the Downtown Alliance, and stitch them into a coherent and bold cultural plan for Lower Manhattan. ❖

FORT GREENE

Home to a promising \$80 million dollar cultural district and some of the city's most famous African American talent, Fort Greene is vaulting upward on its artistic power and traditions. Still, the road has not been smooth for those looking to develop it into the next cultural mecca.

FORT GREENE IS ONE OF THE BEST EXAMPLES OF A thriving, creative neighborhood in New York—a community full of performance cafes, chic restaurants, Kente-filled fabric stores, and other largely African and African American-owned businesses. Fort Greene also has eight nearby colleges and universities, such as Pratt Institute, one of the city's largest arts and design colleges, and Long Island University's Brooklyn campus, one of the most ethnically diverse private institutions in the country. At the gateway to Fort Greene is the oldest performing arts institution in the country, the Brooklyn Academy of Music (BAM). And now there is also the BAM Local Development Corporation (BAM LDC) plan for the most ambitious cultural district in the city's history, for the area just above Downtown Brooklyn. But in the midst of all this activity, tension over the role of new development and how it fits into the fabric of the existing community, along with other issues related to gentrification, has sprung up between the LDC and community members, sometimes making it easy to forget all the unique aspects of the community that make it so dynamic.

Overall, we found much evidence that Fort Greene has a flourishing creative economy that is only becoming more vibrant over time. The BAM LDC has amassed an \$80 million in city and state capital funds for its planned cultural district, which is no small feat. The area covered by the LDC's plan is the only one in New York right now in which arts and culture is the single driver of a major economic development strategy. The BAM LDC is complimented by other promising non-profit and commercial cultural activity including 4W Circle and the South Oxford Space. These two initiatives are doing their part to contribute to the local mix by providing affordable and collaborative space for local artists and artisans.

Among Fort Greene's majestic, pre-Civil War brownstones is a community famous for its artistic and well-educated African American middle class. Fort Greene has thrived since at least the mid-19th century, when fiery abolitionists like Frederick Douglass and Harriet Tubman established a tradition of activism

among dissidents. In 1857, residents founded the Lafayette Presbyterian Church to aid fugitive slaves (the church's Freedom Gates were part of the underground railroad). Later, in the 1930s and 40s, the community became increasingly known as an artistic haven: Richard Wright wrote in Fort Greene Park every day, and the area has been home to a plethora of musical artists such as Wynton and Branford Marsalis, Betty Carter, Erykah Badu and Cecil Taylor. Fort Greene's diversity—with a long tradition of middle- and working-class ethnic groups, such as Italians and Jews, living side-by-side with African Americans—has always attracted artists to the neighborhood.

"Any artist of African American descent thinking of moving to New York City has always thought about Fort Greene," says Maurine Knighton, executive producer of 651 ARTS, one of New York's largest presenters of African American performing artists.

During the late 1980s and early 90s, this hotbed of creative energy and history literally exploded, as Fort Greene's new black aesthetic was splattered across movie theaters nationwide via the film, "She's Gotta Have It," directed by Brooklyn native Spike Lee. Suddenly, the community was on the map in a big way. In this environment (and with no small push from Spike Lee's *Joint on DeKalb Avenue*), the cultural scene translated into actual, thriving markets, as African-inspired clothiers, alternative bookstores and black-owned restaurants became hot commodities. Virtually overnight, Fort Greene emerged as the kind of community that could offer a viable alternative to an artsy hub like the East Village. Still, the road ahead would not be entirely smooth for those hoping to further develop Fort Greene as a cultural mecca.

WIDELY PRAISED FOR HELPING TO DEVELOP ONE of the world's foremost avant-garde theaters, Harvey Lichtenstein first arrived at the venerable, 140-year-old Brooklyn Academy of Music in 1967. With a relatively miniscule budget of \$700,000, BAM was primarily leasing its space for martial arts classes and folk dancing.

Lichtenstein set out to change that, attracting some

of the brightest, cutting-edge talent New York had to offer—including Lou Reed, Phillip Glass, Twyla Tharp, Tom Waits, Robert Wilson, and Mark Morris—and establishing BAM as a focal point for new and mixed-media work. BAM is also the city's preeminent performance space for international dance and theatrical companies from Africa to Holland to Indonesia.

But the area immediately around BAM was stuck in place. It was surrounded by blocks of derelict property including parking lots, empty office buildings and overgrown lots. The vicinity was designated an urban renewal area—a city designation authorizing the use of “eminent domain” to acquire substandard property for

redevelopment. But that development never happened. Attention in the mid-1980s and early-1990s focused on the major office development, MetroTech, just west of the BAM area. MetroTech was a success for the city, attracting many corporate tenants looking for an affordable alternative to Manhattan. But the BAM area remained frozen as the economy took a nosedive soon after the MetroTech development.

During the late 1980s and early 1990s, this hotbed of creative energy and history exploded, as Fort Greene's new black aesthetic was splattered across movie theaters nationwide in the film "She's Gotta Have It," directed by Brooklyn native Spike Lee.

There was talk of revitalizing the space with more commercial and office development. In the midst of this, Harvey Lichtenstein had a radical idea: Why not focus development on arts and culture?

Lichtenstein's goal was to build a major cultural district that would develop underused property to provide affordable, desirable space where arts organizations could both create and present their work. The real estate goal would be to enable cultural groups to either purchase their space or have long-term leases to provide them with stability and security, leaving them free to focus on achieving their missions. This focus on affordable and long-term space was crucial. It is what separates this cultural district from many other flash-in-the-pan arts enclaves like SoHo and Williamsburg that quickly become so pricey that the original artists and cultural groups can no longer stay in the area.

The district's other planned uses—a mix of housing, arts-related educational programs, public open space, retail amenities and parking—would contribute to its vibrancy, diversity and 24-hour character, so that it wouldn't be an isolated arts campus, but part of a larger neighborhood.

The BAM LDC, an independent development corpo-

ration which had been dormant since the 1980s, was resurrected to implement Lichtenstein's vision. And there have already been a number of successes since the new LDC began work four years ago: It helped establish a permanent home for the Mark Morris dance group, jump-started a proposed new Brooklyn Public Library focused on the visual and performing arts, and set about renovating an eight-story office building at 80 Hanson Place dedicated to discounted office space for arts groups.

The Bloomberg administration clearly sees the LDC's plans as critical to future economic growth in Brooklyn. The city views the cultural district as part of three efforts to continue revitalization in downtown

Brooklyn, along with the expansion of the downtown Brooklyn office and business district and development of Brooklyn Bridge Park along the waterfront. Because the city recognizes the synergy between these three projects, the Economic Development Corporation has been working to make these projects a reality by moving forward with all three groups in a coordinated way. The fact that the BAM cultural district is being administered through the EDC, the city's main business development agency, speaks volumes to the economic importance of the project.

AS THE BAM LDC'S PLANS WERE BEGINNING TO take root, however, the Fort Greene community was experiencing a skyrocketing real estate market and major displacement. Against this backdrop, the LDC's planning process was perceived as more of a public relations blitz than a genuine opportunity for community input. The ensuing opposition was loud and intense—highlighting the need to include key members of the community at the *outset* of a development plan. After interviewing more than twenty business community and cultural leaders for this report, we found that without exception, people want the BAM LDC to succeed in its efforts to create a cultural district. At the same time, many of those interviewed wanted more inclusion in the process.

In 2001, a group of community residents and activists formed Fort Greene Together (FGT) to discuss concerns about the proposed cultural district. The group's overall goal, notes organizer Abeni Crooms, was simple: “Real community participation. We're not against [Lichtenstein], and

we realized this could be real exciting for the community," says Crooms, "but we believe that any successful development has to take the needs of the community into account."

Over the past two years, the BAM LDC has been working to gain community input and participation. Three town hall meetings were conducted and a number of focus groups were held. They also hired Jacqui Woods, a longtime community member and arts advocate, and set up four permanent advisory boards to inform the planning process.

On a separate track, the Brooklyn Academy of Music continues to reach out to the community. BAM's president Karen Brooks Hopkins cites widening the audience and performers as one of her defining goals. "We make sure on every level of presentation that diversity is a key component of how we design a season, and (you see that) in our cinema, café performances, and on our main stage," Hopkins notes. The efforts have resulted in continuing and significant growth in community programming.

Responding to the community focus on housing, LDC officials say they are committed to developing a significant amount of subsidized housing targeted to community residents and artists.

Though the LDC's recent efforts have been duly acknowledged, another opposition group, the Concerned Citizens Coalition (CCC), formed last May. Unlike Fort Greene Together, the CCC includes a far more powerful cross-section of residents, some leaders of local nonprofit organizations, as well as arts groups, churches and merchants. The group also received a political push when State Assemblyman Roger Green cobbled together \$50,000 in state funds for a "supplementary" cultural district plan.

While some view the CCC as a purely oppositional

force to the LDC's plans, its formation has had positive effects: It effectively organized various factions of the community members, focused on identifying the collective needs of the neighborhood, and furthered discussions about an inclusive, mixed use cultural district. "There has never been a sense that anyone wants to put the brakes on the cultural district," explains Dan Matthew, chief executive officer of the BEC New Communities, a leading nonprofit housing developer in Fort Greene. "We're not looking to take stuff over," adds Matthew, who is also a member of the CCC. "We just want to be a part of the planning." And they now are. Many of the newly formed CCC members have been engaged on different pieces of the BAM cultural district planning process.

Clearly, the dissenting groups are not necessarily anti-development, anti-business, or anti-growth. Rather, most members indicate that they are committed to growth that would help build the area's creative economy from the bottom up. The hope now is to better integrate community involvement with the most ambitious cultural development project in the city.

WHILE A BIT OVERSHADOWED BY BAM LDC'S development efforts, Fort Greene is already home to two model programs designed to support the space needs of artistic entrepreneurs.

One model was based on the notion that the living room is not always a viable option for an artist trying to create art, or for a growing cultural organization. The Alliance of Resident Theaters/New York (A.R.T./New York), a membership organization of over 400 nonprofit theater companies, has made finding space and moving many of its members out of their living room offices a primary focus. And in 2000 it hit the jackpot.

Using philanthropic, city and state funding, A.R.T./New York purchased the neo-federal building at 138 South Oxford Space, the former home of the Visiting Nurses Association, for \$1.25 million. Erected in 1929, the 19,000 square foot space now houses twenty nonprofit theater groups in a prime location just five blocks from BAM. In fact, being near the newly proposed cultural district was a major lure.

The Space has offices for the groups, a mailroom with fax and photocopying equipment, a stage for rehearsals, and a beautifully renovated great room, which is rented for community meetings (including those of the BAM LDC) and music classes. And the close proximity in which the groups work is itself valuable because they can share information and resources in ways they couldn't previously.

One of the better-known South Oxford tenants is Urban Bush Women, a group of twenty performance

WHY IT WORKS: Fort Greene

- No other neighborhood is using arts as a centerpiece for economic development quite like Fort Greene, where the BAM LDC is implementing a \$630 million cultural district to create long-term and affordable space for cultural groups, artists and increased commercial activity. These efforts are linked to other significant downtown Brooklyn initiatives to give the borough a real boost. The area is also home to a star-studded array of African American talent and booming growth among artisan-focused merchants.
- Some of the recent development has sparked tensions in the community over fears of continued displacement. The conflicts demonstrate the need for strong, substantive community participation right at the outset of development efforts.

artists who explore the history, culture and spiritual traditions of African descendants throughout the diaspora. Prior to making its home in Fort Greene, the troupe was nearly breaking under the pressures of high-rent office space in midtown Manhattan. They jumped at the opportunity to relocate to South Oxford Space. “We were received well in Fort Greene,” says Vanessa Manley, special events coordinator for the group, “because we’re an African American group in an African American neighborhood. And it’s a good feeling being with people who share the same ideas.”

South Oxford Space works because “we get to know the community,” explains Virginia Loulouides, executive director of A.R.T./New York. She made it a priority to

“We were received well in Fort Greene, because we’re an African American group in an African American community,” says the Urban Bush Women’s Vanessa Manley. “It’s a good feeling being with people who share the same ideas.”

integrate her organization into the community by joining a local merchants’ association, hiring Brooklyn-based vendors for events, and by ensuring racial and ethnic diversity in the building, artists and staff. In this way, South Oxford Space has not only succeeded in terms of providing space to artists—its initial goal—but also has become a model for fostering healthy, balanced, community-based growth. As Loulouides notes, such models are fully replicable. In fact, she has already leased A.R.T./New York’s second building in the Garment District in Manhattan.

The South Oxford Space has also been influential locally with the BAM cultural district. Jeanne Lutfy, BAM LDC’s president, noted, “their project has been a both a model and an inspiration for 80 Hanson Place (the LDC’s planned affordable arts office space development). It underscored the urgent need for affordable office space for smaller arts groups.”

Another encouraging model is the 4W Circle of Art and Enterprise, which provides local artisans a place to develop their products and showcase their merchandise. With an eclectic mix of products including jewelry, clothing, stationery and other gift items, the 2,000 square foot storefront has spaces for twenty entrepreneurs.

4W was founded by four African American women entrepreneurs in 1991, adopting the motto “more than a store, an experience in ujamaa”—ujamaa being the Swahili word for unity introduced by the late Tanzanian President Julius Nyerere. The women of 4W created the space with the express intent of “cultivating the artistic and entrepreneurial skills of African

Americans and women in particular,” says Selma Jackson, a founding member. Building on her experiences as a program officer and funder of neighborhood community development at Chemical Bank, Jackson was able to see her community and its possibilities for development from a distinct vantage point.

Since its founding, 4W has provided space to more than forty businesses. Tiffany Touch, a line of skincare products, is sold on consignment; Locksmyths African Lock Groomers has a full service beauty salon right in the store; and Griot Associates runs a website development and publishing business from a space near the bridal products. Each enterprise pays a service fee for its space, and 4W also provides hands-on marketing training and

technical assistance with planning and accounting.

A number of 4W artists have met with commercial success designing record covers and artwork for national corporations including Burger King.

Sustaining 4W is about more than just business, says Jackson. It is also about community involvement, including things such as hosting a series of art exhibits and book signings.

However, even after more than ten years, the 4W collective does not own its building, nor does it have a long-term lease. And certainly some local merchants have seen their rents increase exponentially in recent years. After a 60 percent rent increase, the nearby Nigerian Fabric and Fashions moved, as have others.

In sum, Fort Greene is without a doubt the city’s greatest arts and culture petri dish. Home to a nascent multi-million dollar cultural district, a century-old tradition of home-grown talent, and at least two distinctive models of artistic-entrepreneurial space arrangements, this neighborhood continues to move toward the very best kind of creative economy.

The goal now is to weave such strands together, so that growth is not further slowed by dissent or fear. “I don’t think the critics are the majority,” notes Phillip Saperia, a longtime Fort Greene resident and executive director of the Coalition of Voluntary Mental Health Agencies. “I think [most people] are perfectly happy to see the neighborhood change. There used to be a drug trade on the street where the Mark Morris Dance Center is now. I don’t want to go back to that.”❖

JAMAICA

For more than thirty years, business and culture have bonded in Jamaica. The experience of this ethnically diverse neighborhood has proven how working together—with the help of a dogged intermediary—can benefit everyone involved.

IN 1967, GREATER JAMAICA DEVELOPMENT Corporation (GJDC), one of New York City's first community development corporations, was founded with the explicit goal of transforming downtown Jamaica into a dynamic regional center of commerce, government services, culture and higher education.

This mandate distinguishes GJDC from other such intermediaries in that it was dedicated from the start to integrating business and cultural development. Over the three decades since, it has shouldered the administrative and organizational burden of making such coalitions happen. With dedicated leadership and patience, GJDC has pursued this mission more effectively than any other economic development corporation in the city.

Carlisle Towery, an urban planner who came on board as executive director and president of the GJDC

American cultural presence: during the 1940s it was home to jazz legends like Count Basie and Billie Holiday, and the neighborhood retains the largest African American community in Queens. Today, an ethnic mix that includes residents from Bangladesh, Guyana, Egypt, Haiti and Russia adds to Jamaica's legacy of cultural diversity and dynamic creativity. During the social and political unrest of the 1960s, this dynamism led to civic activism and the creation of new mechanisms for consensus building and development at the local level—mechanisms such as GJDC.

The corporation was instrumental in establishing local cultural institutions such as the Jamaica Center for Arts & Learning (JCAL). Now seen as the focal point for arts activity in southeastern Queens, JCAL offers arts exhibitions, public performances, and classes for children and adults in a variety of disciplines.

Carlisle Towery, an urban planner who came on board as president of the Greater Jamaica Development Corporation in 1971, has been crucial to maintaining local links between business and culture. Says the Queens Borough President's Veronique LeMelle: "When people weren't thinking about arts and economic development, Carlisle saw it."

in 1971, has been crucial to maintaining local links between business and culture. Prior to coming to the GJDC, he had studied Jamaica's development potential for New York's Regional Plan Association. Towery envisioned the neighborhood as a place where residents would be able to "go to work, the dentist, the bank, shopping, and take in an exhibit or a silk screening class." One observer, Veronique LeMelle of the Queens Borough President's office, says of Towery's vision, "When people weren't thinking about arts and economic development, Carlisle saw it."

GJDC envisions arts and culture as a part of everyday city life. "It was clear to us that the arts belonged in downtowns, not remote suburban campuses," says Towery, and ever since, "...we've been steadily wooing merchants to believe that arts attract customers."

Jamaica has enjoyed a longstanding African

The development corporation ran the arts center, nursing its growth for several years, before it was spun off in 1980. The group is currently in the first phase of realizing an \$8 million master renovation that will allow it to provide more educational programs and artist residencies. Its class roster is also expanding to accommodate artistic forms emerging from immigrants in Southeastern Queens—belly dancing and Indian classical, West African and Brazilian dancing.

"The development corporation is extraordinarily unique in that you don't need to demonstrate to them the importance and need for linking arts and community development," says Mary Anne Mrozinski, executive director of the King Manor Museum, an historic site and former home to Rufus King, delegate to the 1787 United States Constitutional Convention. In 1987, GJDC assisted with King Manor's \$2.1 million restoration effort.

EVEN WITH GJDC'S EFFORTS, OVER TIME IT

became clear that the community needed a larger forum among businesses and the arts. GJDC formed Cultural Collaborative Jamaica (CCJ) in 1992, with initial membership from GJDC, JCAL, the King Manor Museum, and York College. CCJ's membership has since swelled to 14 organizations, including the Jamaica Market, the Afrikan Poetry Theatre, Black Spectrum Theatre, Latin American Cultural Center of Queens, Queens Borough Public Library, Queens Council on the Arts, and the Jamaica Center Improvement Association.

The membership of Cultural Collaborative Jamaica has swelled to 14 very assorted organizations, including the Jamaica Market, the Afrikan Poetry Theatre, Black Spectrum Theatre, Latin American Cultural Center of Queens, Queens Borough Public Library, Queens Council on the Arts, and the Jamaica Center Improvement Association.

The cultural collaborative has produced programs and marketing initiatives, including a brochure highlighting Jamaica's ethnic and cultural diversity and a video enticing visitors traveling to the area to shop for bargains and hip hop clothing. These materials also highlight cultural attractions and events organized by its member organizations, notably a highly successful summer festival that brought 70,000 people to the area in 2002 and attracted Nike and Pepsi as sponsors. The group's "Holidays on the Avenue" promotion brought 3,000 local residents to the downtown district and encouraged shoppers to visit after dark.

Perhaps its most important project is a collaborative effort with JCAL, a \$10.6 million renovation and conversion of the vacant First Reformed Dutch Church—a landmark 1850s building constructed in Romanesque Revival style—into a 400-seat performance hall, visitor center and offices for CCJ. Centrally located on Jamaica Avenue across from King Park and slated to open in 2004, this ambitious project has the potential to attract even more activity downtown.

CCJ IS IMPORTANT IN LARGE PART BECAUSE IT

creates common ground for local cultural and business leaders. "Collaboration is not an easy thing," says Tyra Emerson, CCJ's executive director. "People think you just sit down together, but we had different languages going on," she recalls. "When CCJ started, we had businesses on one side and arts on the other. Now, we have an arts per-

son saying, 'How is this going to help businesses?' and a business person asking, 'How can this help the arts?'"

One CCJ member, the Afrikan Poetry Theatre, grew out of the socially conscious Black Arts Movement of the 1970s. "We started as an ensemble of poets, musicians and actors," says John Watusi Branch, who founded the non-profit in 1976. Today, the Theatre's programming encompasses poetry readings and workshops, jazz and gospel concerts, an art gallery, group tours of Africa, and even a city-funded summer Youth Employment Program.

Branch says that in the past, his organization faced a

lack of understanding and support from GJDC, Borough Hall, and the City Council—at times receiving only \$10-15,000 for proposals even as other organizations were awarded \$200,000 for similar projects. "We reach the people," says Branch, "but our funding has always been much, much less."

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WHY IT WORKS: Jamaica

- Jamaica's business community was one of the first to really understand the incredible importance of the arts to community development. Promoting the arts has been a central part of Greater Jamaica Development Corporation's work for 35 years and that has paid off with the creation of the Jamaica Center for Arts and Learning, now the major presence for arts activity in southeastern Queens, and Cultural Collaborative Jamaica, a forum for joint initiatives between cultural groups and local business.
- Cultural Collaborative Jamaica has taken the baton since its founding in 1992, producing programs and marketing initiatives designed to highlight Jamaica's cultural strengths and stimulate local economic activity. The group has staged festivals and outdoor performances, and is pursuing a major capital project as well. Most important, the collaborative has cultivated closer ties among arts organizations, community groups and the business community, sectors that had not previously had a forum for productive collaboration.

CREATIVE THINKING

Best Practices from New England and Portland, Oregon

NEW ENGLAND CREATIVE ECONOMY INITIATIVE

New York City is beginning to focus more on its immense creative economy, but it remains poorly understood. There are valuable lessons from up north, where the New England region found itself in a similar position a few years ago. A 1998 report by the New England Foundation for the Arts (NEFA) indicated that nonprofit cultural organizations and attractions generated \$3.9 billion and were responsible for 110,000 jobs in the New England economy. The research made it clear that arts and cultural institutions played an important economic role, but it raised more questions than it answered—about how to define the sector and just how much potential arts had as an economic development strategy.

To get some answers, the New England Council, the country's oldest regional business organization, joined with NEFA, a nonprofit arts research and advocacy organization, to form the Creative Economy Initiative, a two-phase effort to define, strengthen and capitalize on the economic benefit of arts and culture in New England. In June 2000, the partners published *The Creative Economy: The Role of Arts and Culture in New England's Competitiveness*. Expanding on the earlier NEFA report, *The Creative Economy* found that when commercial enterprises and the work of individual artists were included in the definition, the creative economy sector generated \$6.6 billion in revenues, and the creative workforce was 245,000 people, or 3.5 percent of New England's total workforce. Furthermore, the creative sector was growing faster than the rest of the economy, by a rate of 14 percent compared to 8 percent in New England overall.

The report established the creative sector as a major force in the New England economy, highlighted new opportunities for growth, and focused governmental and corporate attention on policies with the greatest potential to nurture and sustain the sector over time. Just as important from an economic development standpoint, it highlighted the role that "creative workers" play in retaining and attracting businesses, and it underlined the vast potential of arts and culture to revitalize neighborhoods, small cities and towns in the region. Converting these findings into a plan for action

was the mission of Phase II, in which the Council and NEFA worked with a broader coalition drawn from the arts, the corporate community, and the six state governments of New England.

An intensive eight months of interviews, focus groups and brainstorming culminated in the *Blueprint for Investment in New England's Creative Economy*. The *Blueprint* now serves as an action plan for the region's ambitions to use the arts as an economic engine. Specific action steps include creating new and expanded financing for creative enterprises and entrepreneurs and showcasing creative communities in corporate recruitment efforts. New England, as a region, is now focusing like a laser beam on the big and small pieces of its creative economy, linking arts, business and the foundation community in the effort.

PORTLAND'S CREATIVE SERVICES INDUSTRY

Portland's Creative Services Industry initiative is a prime example of what's possible when partners from the worlds of culture and economic development collaborate on the shared goal of growing the arts sector. A joint effort of the Portland Development Commission (PDC), the city's principal economic development agency, and the Oregon Creative Services Alliance (OCSA), the primary advocate for the industry, the project got started as a result of PDC's cluster approach to workforce and economic development. PDC recognized the potential of the creative sector to bring high-paying jobs and much-needed revitalization to troubled Portland neighborhoods.

In June 1999, PDC released *Designing Portland's Future: The Role of the Creative Services Industries*. The report identified approximately 2,000 creative services firms in the Portland area, mostly with 15 employees or less—a sure sign of entrepreneurial activity. Among its other key findings were: that the industry was principally located in the Central City area of Portland, a distressed neighborhood that had become a virtual incubator of creative services firms; that the industry provided important services to other major firms and sectors in Portland, and thus helped make other industries more competitive; that wages for those who worked in the industry were around \$44,000 per year

(40 percent greater than the regional average); and that the industry had added more than 5,000 jobs in the last five years. Further, the report identified steps the industry needed to take to keep itself economically viable, including establishing branding identity and

Central City's new identity as a "creative" neighborhood has made it more attractive to residents and businesses alike, a point that shouldn't be lost on New York City leaders desperate to retain current businesses and attract new ones.

higher visibility both within the Portland area and nationally, and ensuring that a steady stream of skilled and properly trained workers remain on hand to satisfy the workforce demands of firms in the industry.

Unlike many cities that tout the importance of the arts but don't develop policies to match their rhetoric, PDC took the report's findings and crafted a series of concrete tools to assist the small creative businesses that were fueling growth in Portland. To encourage growth, the agency gave any firm in the industry a \$1,500 loan for each new worker it hired. If the worker was still employed one year later, PDC forgave the loan. PDC also began streamlining the permitting process to make it easier for the industry's small firms to move into office space in Central City, and it invested \$5 million in the development of the Creative Service Center, an 80,000 square foot building in Central City. OCSA has taken up the task of organizing the industry itself, developing a network of support businesses to provide needed technical, legal and financial services, and ensuring that industry partnerships with educational institutions are effective in meeting firms' workforce and training needs.

Participants and observers agree that this effort works because it's a true collaboration—and because it doesn't just help an industry, but the Central City neighborhood as well. Central City's new identity as a "creative" neighborhood has made it more attractive to residents and businesses alike—a point that shouldn't be lost on New York City leaders desperate to retain current businesses and attract new ones.❖

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Over the decades, these perceived inequities played out as lingering tensions and poor relationships among some cultural and development groups. In one instance, the Afrikan Poetry Theatre saw its proposal to take over an abandoned firehouse on Jamaica Avenue defeated—a setback for which Branch held GJDC at least partly responsible.

CCJ was able to bring the Theatre, GJDC and others together. "We became members and we let bygones be bygones," says Branch. "We shook hands with Carlisle Towery, which hadn't happened in years. Our relationship with Greater Jamaica is a cordial one now, [whereas] before, it was very confrontational. We need to work together at this point," he adds, "and not jockey for power."

EVEN WITH SUCH ACCOMPLISHMENTS, SOME obstacles still remain—not the least of which is an ongoing perception of high crime in the area. This concern isn't borne out by reality, says Bill Martin, Verizon's director of community affairs and an active local business leader. According to the latest police figures, in fact, the local crime rate has gone down 67 percent in the last nine years.

There are signs that new development projects are helping Jamaica to turn a corner. One came with the May 2002 opening of a shiny new \$82 million building with a Cineplex, chain stores like Old Navy and Gap Kids, and a parking garage. While not a cultural development, it is a show of confidence in the area's retail potential that could help catalyze the revival of the business district and attract arts patrons after dark. GJDC, for one, has tried for years to lure such developers to the area.

Many in Jamaica credit the forward thinking of GJDC and CCJ as critically important in other, less tangible ways. For example, one of the primary functions of these groups is to introduce members of the community to one other and open up the lines of communication. "The better established those relationships are," says Mrozinski of the King Manor Museum, "the stronger your organization is as a result. You're becoming a larger member of the community rather than working in isolation."

How far CCJ has come was evident at recent meetings, where members contributed to a give and take in which decisions were made quickly and smoothly. It has taken years to reach the point of "easy" collaboration, and there remains much work ahead, but members are in this for the long haul. As they press forward, other New York City neighborhoods should watch their moves and take note.❖

ST. GEORGE

The artistic ambitions of this small Staten Island community are evident on the walls of its businesses, where restaurants and even beauty salons double as galleries. Officials say St. George is “doing all the right stuff.” Locals are looking for more tourists, more funding—and a little recognition.

THE RENAISSANCE OF ST. GEORGE IS A TESTAMENT

to the ingenuity and initiative of its residents. Separated from the rest of the city and distinct from other parts of Staten Island, it is a tight-knit, civic-oriented community where residents and artists have demonstrated that grassroots connections can have a collective impact. Private and public investment, a real connection between arts and local business, and coordinated efforts to attract more tourists all have raised St. George’s profile, making it an increasingly prominent player on the New York cultural scene.

“St. George is different,” says Mary Bullock, a painter who recently returned to the community after being away for 20 years. “The people who live here think like New Yorkers but live like Staten Islanders.”

With its stately but affordable Victorian homes and close proximity to Manhattan via the Staten Island Ferry, St. George—a planned community with origins dating back to 1834—has enjoyed a rebirth since the 1990s, after years in which crime and a stagnant economy plagued the neighborhood. The crime rate has dropped by 62 percent since 1993, and the population,

Recently, the Borough President’s Lee Covino was approached by tourists who asked him where the landfill was. “They showed me a guidebook and the only sentence under Staten Island was for the landfill,” he recalls. “I told them it was closed, and took them inside and gave them some materials about other attractions on the island.”

once predominantly Irish and Italian Americans, now includes an exciting global mix of Albanians, Russians, Poles, Slavs, Liberians, West Indians, and Sri Lankans. Interracial and gay couples are another sign of the area’s tolerant and vibrant atmosphere. “Our community is based in the idea that everyone and anyone is welcome here,” says Stephen Kaye, president of the St. George Civic Association.

And artists are welcome, perhaps most of all.

According to a voluntary registry maintained by the Council on the Arts & Humanities for Staten Island,

there are at least 276 artists in the St. George and New Brighton areas. Visual artists dominate the list, followed by musicians, writers, theatrical performers and dancers. What began as a trickling migration during the 1960s has gradually swelled into a veritable cadre of creative types, whose efforts are on display in retail shops, restaurants and homegrown exhibits.

RHTugs, a restaurant on the waterfront between St. George and Snug Harbor, exhibits paintings, prints and photographs by Staten Island artists. So does the Muddy Cup Coffeehouse in Stapleton, which has also featured local performance groups like Sundog Theater. “It wasn’t until after we opened,” says Jim Svetz, co-owner of the Muddy Cup, “that we realized how many artists and musicians lived in the area. Now the back room for art is booked through next September.”

“That’s how we get to know our neighborhood,” adds Svetz. “We support them and they support us.”

In St. George, local art is on display when you get a haircut at Babooshka, the local beauty salon. It’s there when you buy bread at Le Pain d’Epices. And art is engrained in the local architecture itself: After a ten

year battle to have their neighborhood designated a national historic district, St. George residents finally attained their goal in 1994 when 78 structures, most of them built during the late 1800s in Queen Anne and Colonial Revival styles, received landmark status.

Local painter Mary Bullock served as curator for “At Home with Art,” an exhibition displayed on the hill-top loggia of the Rectory of St. Peter’s Roman Catholic Church. An entrepreneurial and collaborative effort, the show was a featured stop on a tour of Craftsman, Dutch Colonial, Spanish Revival and Tudor Revival

structures organized by the St. George Civic Association and the Preservation League of Staten Island (PLSI). Dubbed "After the Victorians," the tour attracted several hundred people who paid \$15 to \$20 each for tickets.

"The concept for the show was art from our neighborhood," says Dan Icolari, a poet and copywriter who has hosted exhibits in his own landmark home, an 1885 Queen Anne with stained glass, a witch's hat tower, and 22 rooms (some of which he rents as apartments to

of the Borough President James P. Molinaro. Recently, says Covino, he was approached by tourists outside of Borough Hall who asked him where the landfill was. "They showed me a guidebook and the only sentence under Staten Island was for the landfill," he recalls. "I told them it was closed, and took them inside and gave them some materials about other attractions on the island."

Since 1998, the Council on the Arts & Humanities for Staten Island (COAHSI) has been operating the V.I.S.I.T. (Vital Information for Staten Islanders and Tourists)

A planned community with origins dating back to 1834, St. George has enjoyed a rebirth since the 1960s. The neighborhood now includes a global mix of Albanians, Russians, Poles, Slavs, Liberians, West Indians and Sri Lankans. Says the Civic Association's Stephen Kaye: "Everyone and anyone is welcome here." And artists are welcome, perhaps most of all.

artists). For the past two summers, Icolari's garden has provided the setting for an exhibition of local clay sculptors, "Friends of Fire." Most of the potters successfully market their work during the one-day events, selling pieces ranging from \$25 to several hundred dollars each.

"We're trying to make collectors of people," says Icolari. "We want to increase the market and the exposure for artists." Bullock and Icolari, who describe themselves as "art instigators," are already brainstorming plans for their next show, a fundraiser for the Civic Association.

The creative locals of St. George aren't the only ones to envision a renaissance here. Since 1998, New York City has invested in the island's future with a series of projects aimed at attracting more visitors, businesses and dollars. A new stadium for the Staten Island Yankees opened in June 2001, and the St. George Ferry Terminal is currently undergoing a massive renovation, placing St. George on the cusp of cultural and economic expansion.

One key to St. George's continued development lies in finding ways to draw visitors off the ferry and into the surrounding streets. Approximately one million tourists ride the Staten Island Ferry annually to enjoy its views of the Statue of Liberty and New York Harbor. Often, however, they simply turn around and head back after reaching the other side. Residents hope that the \$81 million renovation of the St. George Ferry Terminal will change this. The new design includes high glass walls with panoramic views, 12,000 square feet of restaurant and retail space and a new plaza with public performance space. The Ferry Riders Committee of the St. George Civic Association has also won improved signage and connections to cars, buses and the Staten Island Railroad.

"It's tough because Staten Island is not really a city, and you don't know where to go or what bus to take," says Lee Covino, director of contracts and procurements for the Office

Center at the Whitehall Ferry Terminal, across the water in Lower Manhattan, which is also in the midst of a major reconstruction. Through a partnership with the Downtown Alliance, which helps staff the kiosk, it has been open seven days a week as busy attendants distribute maps describing the cultural attractions of Staten Island. COAHSI is also reproducing a walking map of St. George drawn by Mary Bullock. "If we can get people to walk one block up the hill when they get off the ferry and see some art, maybe buy a hot dog, that's economic development at a very basic level," says Bullock.

Another ambitious grassroots effort that could use some coordinated funding and help is the Waterfront Festival, a series of monthly outdoor fairs from June

WHY IT WORKS: St. George

- Staten Island's gateway to Manhattan is becoming a haven for artists and cultural entrepreneurs. St. George, the neighborhood that houses the borough's ferry terminal, recently landed the National Lighthouse Center and Museum and a minor league baseball stadium that hosts an affiliate of the New York Yankees. In addition, the neighborhood's summer Waterfront Festival draws thousands from all over the city.
- The neighborhood has benefited from close ties between the arts and business communities. Local shops and restaurants feature the work of neighborhood painters and performers. Meanwhile, a growing community of high-tech entrepreneurs has added vitality to the area.

through October. Jeffrey Gross, owner of four resale shops downtown, has organized the festival with cooperation from the Staten Island Chamber of Commerce, cultural organizations, and youth volunteers from borough schools. “If you come here on a typical Saturday, the whole area is pretty much dead, and we thought we had the potential to create an attraction on the waterfront to get lots of tourists off the ferry,” says Gross. He estimates that the festival has brought out 6,000 to 9,000 people throughout the day-long event. “I used to

surprise to residents who were initially fearful about the effects they would have on the neighborhood. The Richmond County Bank Ballpark at St. George, home to the minor-league Staten Island Yankees, has drawn thousands of baseball fans to the neighborhood over the past two summers. High schools and colleges on Staten Island have hosted games at the new ballpark as well, and local singers have performed the national anthem. Management also presented a free film series for several hundred children and promoted the

Art is engrained in the local architecture itself: After a ten year battle to have St. George designated a national historic district, residents finally won in 1994 when 78 structures, most late 1800s in Queen Anne and Colonial Revival styles, received landmark status.

live in San Francisco,” says Gross, “and it seemed like Staten Island had some potential to develop the waterfront in this area the way Fisherman’s Wharf was turned into a significant tourist and retail attraction.”

Alluding to the approximately 115 booths set up at the fair, Gross adds, “We’re creating a tremendous marketplace for all of Staten Island and vendors throughout the city.” But despite rental fee income of up to \$25,000, minimal sponsorship from Snapple, and some funding from banks and local business, the festival is still run on a shoestring, with mostly volunteer efforts.

Soon, other planning efforts could provide ferry passengers with new places to explore. Directly south of the St. George Ferry Terminal, the historic U.S. Lighthouse Service Depot has been selected as the future home of the National Lighthouse Center and Museum. Once the pier is ready, the museum may house the 1938 Nantucket—the oldest and largest surviving lightship—currently docked in Red Hook, where it is undergoing repairs.

The Staten Island Institute of Arts & Sciences also had big dreams for a new museum on the waterfront, tentatively called the Museum of Arts, Science and Technology (MAST), or “Discovery Center.” But lack of funding has prevented this from being realized. In addition, the Institute is one of several waterfront settings showing public art projects as part of the “Artfront/Waterfront” show curated by the Newhouse Center for Contemporary Art at Snug Harbor Cultural Center, and it is also reinstating an annual exhibition of local artwork that had been suspended by prior leadership. “A lot of [artists] had resentments toward the Institute, felt shut out and ignored,” reports Bartholomew Bland, the Institute’s director of collections and exhibitions. “I tried to make them feel appreciated.”

Other development projects have been a pleasant

Waterfront Festival.

“Initially we did encounter some opposition from residents,” says Stanley Getzler, chief executive officer of the Staten Island Yankees, “but we won them over. The key...was explaining that we were here to be a community-based operation.”

On the business front, funds from the New York City Economic Development Corporation’s Digital NYC program have lured about 15 emerging businesses to a new high tech district in St. George called the SI HUB, which has more than 80,000 square feet of internet-ready office space. “The city had pumped a lot of money into St. George before that, so it was in their best interests to designate that area as a hub,” reasons Cesar Claro, director of the Staten Island Economic Development Corporation (SIEDC). Now, he says, “St. George is hot. They’re doing all the right stuff down there.” The Borough President’s office is looking to reinforce these efforts with the establishment of a business improvement district and an expansion of tax incentives offered since 1994.

Taken together, these new developments may finally bring together the grassroots efforts of resident artists and civic activists with institutional support. The diverse creativity that has shaped St. George has made the neighborhood a place where Manhattan meets Staten Island in more than just a physical sense. “There are a lot of pieces in the last couple of years that have come into place,” says Staten Island native James Boivin, citing the arrival of minor league baseball and the accompanying waterfront esplanade. With the renovation of ferry terminals on both sides of the water, the momentum is there to weave these vibrant strands together into a coherent plan for sustained development that strengthens the community. ❖

SOUTH BRONX

The South Bronx is home to some of the nation's most popular art forms including graffiti and rap. Community leaders have been experimenting with new ways to cash in on this promise, offering the borough's talent a place to play and grow.

FOR DECADES, THE SOUTH BRONX HAS BEEN A poster child for urban blight. Even today, the area remains the poorest urban congressional district in America. But recent developments have brought to the South Bronx an energy and buzz that could attract sustained economic development.

The South Bronx isn't quite on the verge of an economic boom powered by arts and culture, as we believe the other six neighborhoods profiled in this report are. But the pieces are falling into place: cultural organizations growing in size and impact, individual artists migrating north to places like Mott Haven and Hunts Point, and a potential economic development infrastructure beginning to emerge through the Bronx Empowerment Zone. Business and cultural leaders, public officeholders and artists themselves face a lot of work ahead—but what lies at the end could make the South Bronx the most exciting arts hotspot of all.

Of the many important players in the South Bronx, we found one that deserves special attention: The Point Community Development Corporation. Founded in 1994, this Hunts Point organization was originally conceived as a collaboration to stimulate homegrown culture and enterprise and to lead residents, especially children and teenagers, to invest in their own assets. In addition to giving free and low-cost instruction in photography, dance, music and theater to residents, The

Point offers performances and exhibitions, such as the South Bronx Film & Video Festival (now in its sixth year); space for private parties and corporate events; and a marketplace which houses, among others, Pat's Kitchen, a soul food café and catering company, and BronxGear, a silk-painting and design business operated by young members of the community.

Other collaborative efforts were forged as well. In the mid-1990s, choreographer Arthur Aviles started teaching dance at The Point. Seeking to expand his company, Arthur Aviles Typical Theater, he partnered a few years later with Paul Lipson, executive director of The Point, to help him find a space in the nearby American Banknote Building, built in 1911 but later abandoned. Together, Lipson and Aviles worked out a barter system with the current landlord of that property, Walter Cahn and Associates, who offered Aviles a 3,500 square foot performance and work space rent free. In exchange, Aviles and Lipson converted the building's second floor into a dozen studios and then recruited artists to rent them. The Contemporary Ballet and the dance company Full Circle Productions, both incubated at The Point, have permanently located across the street.

Many other artists have found a home for their art at The Point. "When we started," says Angel Rodriguez, "all we did was tap into people in the neighborhood and ask them what kind of gifts and talents they have." Rodriguez, a music teacher and drummer, employed by The Point, currently leads "Mambo to Hip Hop" walking tours through historically relevant musical and cultural sites.

One of the most well-known of these artists is Tats Cru, a graffiti art business whose works have been commissioned by the Smithsonian in Washington, D.C. as well as by national advertisers like Coca Cola and Reebok. Its three founders—Wilfredo "Bio" Feliciano,

The South Bronx isn't yet on the verge of a cultural economic boom. But the pieces are falling into place: cultural organizations growing in size and impact, individual artists migrating north to places like Mott Haven and Hunts Point, and a potential economic development infrastructure beginning to emerge.

Hector "Nicer" Nazario, and Sotero "BG183" Ortiz—met in an art class at James Monroe High School. "When I found this art form, it had so much relevance to me. It was rebellious and sort of antisocial," recalls Nazario. He and his cohorts began painting subway trains in the early 1980s, making names for themselves by spray-painting "tags" that rode on some cars for months.

After finishing school, they all took jobs in design but continued to pursue their art. “We would [still] get together every week or two to paint walls in our neighborhood, like a guys’ night out,” recalls Nazario. But now the crew began to ask store owners for permission to paint their walls, and soon other businesses were approaching them. The three men were commissioned to create memorial murals for victims of gang violence, and they soon had enough projects to leave their jobs and make full-time careers of graffiti art.

During the time that the building for The Point was under construction, Tats Cru was asked to paint a sign for the organization. This arrangement led to a long-term rental of office, storage and studio space at The Point, where Feliciano, Nazario and Ortiz also received administrative support and professional advice from lawyers and accountants. The group also began teaching youth-oriented graffiti art workshops at the Point. “We teach them to do the legal version of what we did when we were younger,” explains Nazario, “how to go to property owners and ask for permission, how to be responsible for their images.”

Today, the company has six full-time employees, another half dozen freelance representatives, and contracts with other graffiti artists nationwide. “The whole idea from the start,” says Nazario, “was to make this a viable art form.” Tats Cru is well beyond the incubator

stage, and heightened demand for their work may soon spell a departure from The Point. But their work has already had a profound impact on the community, and has been embraced by established institutions such as the Bronx Museum of Art, which incorporated a Tats Cru mural in its popular “One Planet Under a Groove: Hip Hop and Contemporary Art” exhibition.

WHILE THE POINT HAS HELPED NURTURE THE creativity of Hunts Point residents, the community will need greater political and business backing to build upon their local arts efforts and create real neighborhood development. In the South Bronx neighborhood of Mott Haven, that’s starting to happen. With the help of Bronx Council on the Arts director Bill Aguado and others arts leaders, Borough President Adolfo Carrion Jr. has been exploring the possibility of creating a cultural district linking established institutions like the Bronx Museum and the Hostos Center for the Arts & Culture with the Bruckner Antique District and the emerging artists community in Port Morris. For the first time, local and federal politicians like Carrion and Congressman Jose Serrano are working together on cultural development.

Still in the planning stages, the “cultural corridor” is intended to provide a catalyst for the creative economy and a marketing strategy for various cultural institutions in the Bronx. The proposed cultural districts would highlight areas targeted for cultural, commercial and retail development, including Mott Haven, seen as the gateway to the Bronx and a natural extension of the Museum Mile in upper Manhattan, as well as a major area for Latino culture; the Belmont/Fordham University area, with its Italian American district, the Botanical Garden, Fordham, and the Bronx Zoo; and the City Island-Pelham Parkway community.

“[We have] active visitor traffic,” explains Doris Quinones, director of the Bronx Tourism Council. “We’re trying to take it now to the next level and have an economic development impact.” Last May, the Bronx Empowerment Zone’s created a \$500,000 culture and tourism fund last May to spur sustainable projects by arts and cultural groups.

“I see a Bronx arts and culture revival about to take place,” Borough President Carrion declared in his first State of the Borough Address last March. He zeroed in on the South Bronx as “ripe for redevelopment.” With an increasing number of artists, political leaders and cultural organizations pushing for development in the South Bronx, the time is right to take advantage of the great potential for arts and economic development in this historically blighted community.❖

WHY IT WORKS: South Bronx

- The South Bronx is probably one of the last places that come to mind when New Yorkers think about happening arts neighborhoods, but some of the most exciting cultural activity in the five boroughs is happening there. Hunts Point, a neighborhood that is better known for its massive wholesale food market and high asthma rates, is now home to dozens of artists, dance studios and the nationally-known graffiti arts business, Tats Cru. Meanwhile, local and federal officials are putting together a marketing campaign promoting a “cultural corridor” connecting Mott Haven with other cultural assets in the borough.
- The impressive arts development in the South Bronx is exemplified by the pioneering work of The Point Community Development Corporation. Conceived as a collaborative effort to stimulate homegrown culture and enterprise, The Point offers free and low-cost instruction in photography, dance, music and theater, runs the South Bronx Film & Video Festival, houses business start-ups, and helps provide space for several dance and theater troupes.

HARLEM

Few neighborhoods in New York have been blessed with Harlem's history and soul—not to mention its powerful political connections. But efforts to take advantage of this rich potential have thus far fallen flat. What will it take now?

FOR A CENTURY, HARLEM WAS THE EMBODIMENT of African American culture and, simultaneously, the worst aspects of urban decay. Like other neighborhoods profiled in this report, Harlem is wrestling with difficult questions of land use, economic diversification, cultural balance, and gentrification and displacement. Since its re-emergence in the 1990s, the community has enjoyed a number of successful development projects, but at times it seems stuck in a dynamic of discord that undermines efforts at cohesive community-based cultural and economic development.

Harlem boasts an impressive web of resources, including well-established and powerful community development and business organizations such as the Abyssinian Development Corporation; the Harlem Congregations for Community Improvement (HCCI), a collaboration of religious institutions; the Harlem Community Development Corporation, part of the state-run network of economic development corporations; and the 125th Street Business Improvement District, which has worked for decades to bring commercial and residential investors to the community. Finally, the Upper Manhattan Empowerment Zone (UMEZ) has been a major force for retail development and business reinvestment over the last eight years—and has millions to spend on cultural activities.

The neighborhood is also rich in cultural organizations and community-based arts groups, notably the big nine that comprise the Harlem Strategic Cultural Collaborative (HSCC) formed in 1999: the Apollo Theater Foundation, Aaron Davis Hall, Boys Choir of Harlem, the Dance Theater of Harlem, Harlem School of the Arts, Jazzmobile, Inc., the National Black Theater, the Schomburg Center for Research in Black Culture, and The Studio Museum in Harlem. HSCC came together with the goal of “enhancing the recognition of Harlem as a center of intellectual awareness, as well as artistic, cultural and creative excellence.” Seven of its members also belong to the Harlem Arts Alliance (HAA), recently formed to provide support and networking for its 80 members, ranging from individual artists to community-based cultural organizations such

as the New Heritage Theater Group and the Frank Silvera Writers' Workshop. Finally, the Lower Manhattan Cultural Council, which serves not only lower Manhattan but citywide communities, has convened a cultural task force for Harlem that includes educators, artists, cultural leaders, environmental justice advocates, academics, community advocates, business leaders, policymakers and religious leaders.

Further, a wealth of individual players are involved in the Harlem effort, including business leaders like Magic Johnson and political leaders such as State Senator David Paterson, Assemblyman Keith Wright, and Congressman Charles Rangel, author of the Empowerment Zone legislation signed into law under President Clinton.

The most encouraging sign is that each and every one of these groups, individuals and collaborative efforts have one thing in common: They all recognize the importance of arts and culture to economic development. “Because of arts and culture, everyone wants to do development in Harlem,” states Janet Rodriguez, vice president of corporate social responsibility for arts and culture at JP Morgan Chase, who has also managed a number of Harlem based cultural institutions. “In a community like Harlem culture is the brand, and the springboard for so much development.” Lowery Stokes Sims, the executive director of The Studio Museum, agrees. “People don't come to Harlem to do their shopping—they come because of the arts and cultural life that is Harlem.”

But the problem, notes Ronald Novita, director of commercial development for the Harlem Community Development Corporation, is that “all of this activity is going on independently. It's not coordinated. A big marketing push is needed to let the whole city know about the great things happening in Harlem.” But as we found, the absence of collaboration between the major players explains why Harlem's wealth of resources has yet to translate to effective marketing and planning, and why the community has never developed a comprehensive vision to couple Harlem's rich heritage with organized economic development.

Harlem's leaders are aware of the lack of coordination among these varied cultural efforts—and between cultural groups and the retail and commercial development that has transformed 125th Street and other Harlem districts in recent years. Encouraged by the cultural industry, UMEZ sought to address the problem by establishing its own Cultural Investment Fund in

organizations like the National Black Programming Consortium and La Casa De La Herencia, but as Dorothy Desir, director of Community Initiatives at the LMCC and spearhead of the Mapping the Terrain project, points out, “these smaller cultural groups cannot approach UMEZ because they are often not fiscally and structurally ready to face the bureaucratic process [of

Harlem's cultural history is core to the neighborhood's appeal. Says the Studio Museum's Lowery Stokes Sims: “People don't come to Harlem to do their shopping. They come because of the arts and cultural life that is Harlem.”

1998, setting aside \$25 million to support visual and performing arts groups through “strategic investments to stimulate production, increase audiences, create jobs, and realize the economic benefits of heritage tourism in Harlem.” But community arts organizations question whether the fund is doing all it could to boost cultural groups: According to UMEZ's annual 2001 report, only \$6.3 million of the fund was spent on cultural organizations in Harlem in 2001. Similar amounts were allocated in previous years, including to smaller

city and state approval]” that UMEZ is faced with.

This burdensome approval process that requires city and state sign off for projects impedes UMEZ's potential as a full-fledged economic development powerhouse. Such shortcomings have impacted cultural institutions desperately in need of support. The Dance Theatre of Harlem, for instance, was forced to wait two months for an overdue payment of \$150,000 due to the state's delay in releasing funds. In another example of stalled growth and missed opportunity in Harlem, the historic Apollo Theater announced last summer that it would postpone plans to develop a large, performing arts complex, citing a downturn in the economy and a decline in corporate and foundation contributions as reasons for the delay. A landmark institution that could be the foundation for a variety of development strategies, the Apollo is instead focusing its fundraising efforts on a \$53 million renovation of the existing theater space.

In another surprising twist, “Harlem Song,” the Apollo's first musical by acclaimed producer George C. Wolfe, suddenly announced that it was out of money and shutting down—despite opening to rave reviews last summer. The production reportedly could not even pay for promotional radio spots. UMEZ's leadership considered a request from the for-profit producers of “Harlem Song” but deemed them ineligible for funding from the nonprofit investment fund. As we go to press, producers are trying to salvage the show in a last-minute fundraising push.

Finally, Edison Schools, Inc., a national corporate-sponsored school system, recently withdrew plans to build a \$125 million development project at the northeast corner of Central Park. The controversial project was begun several years ago in tandem with a bid—which ultimately failed—to take over five failing public schools in Harlem, Brooklyn and the Bronx, and was intended to house Edison's national

WHY IT WORKS: Harlem

- No other New York City neighborhood boasts a stronger cultural heritage or more high-powered arts groups than Harlem. World-famous institutions like the Apollo Theater, Boys Choir of Harlem and the National Studio Museum lead a parade of creative energy that feeds on the traditions of the Harlem Renaissance and the giants of jazz. The neighborhood also has powerful, deep-pocketed economic development entities like the Upper Manhattan Empowerment Zone and Abyssinian Development Corporation that could help fuel future growth of Harlem's arts and cultural district.
- Unfortunately, connecting culture to economic activity has proven unexpectedly difficult in Harlem. Small arts groups have criticized the Empowerment Zone for insufficient commitment to local arts; major development projects planned by some of the neighborhood's cultural heavyweights, like the Apollo Theater, have flopped; and fears of gentrification and displacement have caused local artists and residents to be wary of future development efforts. Critics point to lack of coordination and communication between cultural groups, business leaders and public officials.

headquarters, a 650-student elementary charter school, and the new home of the Museum of African Art. Edison's pullout has had a domino effect on the museum's stability and future. Temporarily relocated in Long Island City, the museum is still planning a move to Harlem but now must find another partner for the project.

These missteps and missed chances for cultural and economic development have led to widespread calls for new models, new leadership and new funding sources. Like all the communities profiled in this report, Harlem needs a strong infrastructure that will genuinely advocate for neighborhood-based growth. And it needs an answer to the million-dollar question: how can Harlem's rich culture be translated into economic development? And in the process, how can the community sustain Harlem's cultural legacy and remain part of this process?

"There is a lot of opportunity to do this," says Mikki Shepard, chair of UMEZ's tourism committee. She and others within the community are involved in what Shepard calls "a conversation...to create a broader approach to develop a cultural policy that incorporates the economic needs of the cultural organizations and the community at large." Local cultural leaders believe that such a dialogue should incorporate economic development in a concrete way.

But according to many philanthropic leaders interviewed for this report, most of the major actors have not yet grasped that cultural investment and economic development are mutually supportive, not mutually exclusive. "You can no longer do separate development for culture and economic development," says Janet Rodriguez of JP Morgan Chase. And UMEZ is newly involved in a process to develop a clear cultural and economic vision towards this end.

Both Rodriguez and her colleague Gregory King, vice president of corporate social responsibility for community development at JP Morgan Chase, have been working hard to remove this artificial distinction. They have helped fund the Mama Foundation for the Arts. According to Vy Higginsen (star of the two decade-long Off-Broadway hit, "Mama I Want to Sing") and CEO of the foundation its mission is "to use the immense talent of the community as an economic engine to rebuild our community."

The organization's School for Gospel, Jazz and the R&B Arts provides community education about the history and experience of gospel and the other forms of music. It also focuses on the need for training to foster continuous employment. A proposed gospel museum will further their mission to pass on this unique American art form. For the past year, it has even reached

beyond the foundation's walls to collaborate with Jimmy's Uptown restaurant for gospel brunch events, which fill the restaurant's 170-person capacity. Others within the philanthropic community, such as Deutsche Bank, are interested in making similar connections.

Lucille McEwen, executive director of the Harlem Congregations for Community Improvement and former general counsel and chief of staff for UMEZ, likes the idea of a cultural district in Harlem, but sees even bigger possibilities to market Harlem in more comprehensive ways. "Because Upper Manhattan is such a diverse community, it could be a series of cultural districts," she says. "You have East Harlem, which is developing a cluster from 103rd to 106th Streets with El Museo del Barrio, the Raices Collection, and the Julia de Burgos Cultural Center and Metropolis Studios. In Central Harlem from 125th Street and 5th Avenue, there is the National Black Theater, the Studio Museum, the Apollo and Aaron Davis Hall. And in Washington Heights there is the Audubon Ballroom and the Broadway corridor area."

Whether Harlem is to be home to one or many cultural districts, a unified and coordinated effort is needed to sustain a true creative economy in the area, and to ensure the survival and preservation of cultural institutions as well as smaller, community-based arts groups already in place. UMEZ has some capacity to play this role, but it needs to be more responsive to community concerns. Community Board 11, which represents El Barrio's mostly Latino residents, has criticized UMEZ for not allocating equal resources to this community within Harlem.

The ongoing problems of gentrification and the threat of displacement continue to loom heavily over Harlem. Issues of class and race are tantamount to this problem. Many low-income residents feel alienated from the cultural community and the large-scale development that has transformed Harlem in the past few years. Duana Butler, a filmmaker and Harlem resident, has been tracking displaced artists and residents in her documentary project called Harlem Stories: A Community in Transition. The film focuses on how residents are dealing with gentrification in their neighborhood. The work is important, according to community activists, because no one else is adequately tracking the numbers of people being lost. "I want to show what is being threatened here," says Butler.

"If we lose artists," adds Lowery Stokes Sims of The Studio Museum, "why will people want to come to New York City? Without dancers on Broadway you would not have Broadway, and without cultural institutions and artists in Harlem, you would not have Harlem. But many of these groups cannot afford to be here." ❖

RECOMMENDATIONS

New York has all the ingredients needed for successful cultural development. The city is flush with cultural institutions, local economic development organizations, arts foundations, galleries, individual working artists, and thousands of private businesses that understand the value of the arts. The problem is that these players rarely communicate, let alone collaborate. The Bloomberg Administration and the city's Department of Cultural Affairs have taken concrete steps to better nurture the arts sector and the creative economy, but public officials, private sector leaders and the philanthropic community can and should do more to coordinate these initiatives, maximize the impact of the ones that work well, and replicate them in other neighborhoods.

Our recommendations fall into two categories. First, policymakers must begin to regard the arts as an economic sector. Second, they must take bold, definitive steps to assist neighborhoods working toward stable and permanent cultural development. Both are deceptively simple tasks. So how can these two decisive issues be immediately addressed? Below is a list of six comprehensive recommendations for government, business and cultural leaders committed to fostering creative economies citywide.

FIRST, accurately identify the creative sector.

In order to provide assistance, we have to better understand how it operates, which industries it encompasses, and the current trends within the cultural sector. This is not an easy undertaking. The city's Department of Cultural Affairs has begun this task through compiling a massive cultural database. We recommend building on this effort and following both the examples of New England and the city of Portland, Oregon by conducting a thorough assessment of the creative sector that includes the number of jobs it generates, where they are geographically, how the creative economy supports other industries, and most importantly, how best to support the sector. In New York, such an analysis must focus on the micro as well as the macro level, since some of the best examples of thriving cultural and economic development we found are happening in tiny or isolated neighborhood pockets throughout the boroughs. Policymakers will need such a comprehensive assessment in order to understand this rapidly growing sector.

SECOND, focus city agencies on this sector. It is entirely possible that the existing range of business assistance and planning programs are capable of addressing virtually all the needs of cultural development. In order to ensure that the city responds in a coordinated, efficient and cost-effective manner, however, we recommend assigning a high-level deputy commissioner as cultural liaison in each relevant city agency, including the Department of Housing Preservation and Development, the Economic Development Corporation, Department of Transportation, the Department of Business Services, and the Department of Employment. Department liaisons could also explore the opportunities to better employ the talents of the city's creative community. There are few city programs that couldn't be enhanced by the inclusion of a creative component—from managing social services to the construction of public works projects.

Along with assigning cultural liaisons to each agency, City Hall should convene an inter-agency commission to identify a series of supportive measures for the field, particularly for individual artists and smaller organizations. This inter-agency commission should report to the mayor at least twice yearly with ongoing plans for focusing funds and agency resources and local assistance. Such a commission need not require any additional funds, but would instead focus on better using existing state, federal, and city money. Programs that already help economic development in neighborhoods, such as job training, improvements in street signage, and business loan programs, should be expressly extended to include the cultural sector as well.

THIRD, local stakeholders should establish a local entity at the outset of any development plan, charged with insuring meaningful participation from the community as well as cultural, private and government sectors.

In New York, as in many cities, economic and cultural development often follows a typical Darwinian pattern: pioneering arts groups move into an area, property values skyrocket, artists and residents are displaced, and finally, the area is stripped of its once vibrant cultural and economic mix. Addressing displacement is the biggest challenge for any community, and very few, if any, have come up with a good response to this crippling issue. Any cultural development that drives away longtime residents and artists might benefit property owners in the short term, but cannot be considered successful for the community or beneficial to the long-term interests of local business.

FOURTH, bridge the gap between cultural and economic development intermediaries.

Throughout the city, we found community development corporations and local chambers of commerce that want to become more engaged in cultural development, but need mod-

els and technical assistance to help them connect to arts activity. Philanthropic funders can also help overcome this gap through more joint programming and by targeting funds to collaborative efforts. Deutsche Bank has initiated such a program through a just-released Request for Proposals for place-based strategies to unite cultural and economic development. JP Morgan Chase is integrating their development and arts grant-making as well. Finally, the city can provide technical assistance and collaborative grants to economic organizations interested in working with cultural groups. Although the Department of Business Services has said publicly that it wants to play this role, funds for this initiative have yet to be secured.

FIFTH, promote the ownership of artistic space. This can be done in two ways. One, establish a resource website to link cultural groups and artists with realtors and nonprofit developers creating space for artists. New York is already home to a number of programs that have worked well at creating or incubating space for nonprofits, individual artists and commercial arts businesses. The Point, for example, has served as an affordable incubator space for Bronx-based designers and artisans. The Alliance of Resident Theaters./New York's office spaces for small theater groups met a specific need in the

cultural sector and, as the organization has proven, provided a model that can be adapted to other local neighborhoods and real estate market conditions. The second way to encourage ownership of artistic space is to offer incentives for space development. The Economic Development Corporation should study the issues surrounding ownership and leasing of space by surveying existing programs such as the Relocation Employment Assistance Program. The EDC should also formulate a list of recommendations to the mayor to offer incentives to nonprofit and private developers interested in creating affordable artistic space.

SIXTH, fuel local collaboration. Embryonic attempts at this have shown tremendous potential to stabilize a cultural presence in city neighborhoods. Such collaborative efforts also help cultural groups to better interact with business communities. The Department of Cultural Affairs should create a new funding stream, in conjunction with private funders, to support and seed efforts such as that of Cultural Collaborative Jamaica, the Long Island City Cultural Alliance, the Harlem Strategic Cultural Alliance, and the Heart of Brooklyn Consortium. In turn, these efforts should also inform the DCA and development officials at City Hall. ❖

SOURCES & RESOURCES

Much is said about the connection between arts and culture and economic development, but little has been written, especially at the neighborhood level. There were a few excellent resources that we did find: the following publications (and often, the authors themselves) provided invaluable assistance.

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CREDITS

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