

CREATIVE SPACES FOR A CREATIVE ECONOMY

EXECUTIVE SUMMARY REPORT

on the Conference Organized by

The Cultural Alliance of Fairfield County at the Bijou Theatre, Bridgeport November 12, 2016

1. Themes and Tools

Sustainability, Affordability and Creativity were the key themes of this conference, organized by the Cultural Alliance in response to calls for action to bring unused or underused space into more productive use for individual artists and cultural nonprofits. (For an agenda with bios of speakers, see https://goo.gl/fA29zm.) Wes Haynes, Director of the Connecticut Trust for Historic Preservation's *Making Places* program, wove these three themes together throughout his keynote, *Old is the New Next*, introducing many of the topics that others would take up in the conference. A clear message of his was that old buildings have much to give us, and that preservationist groups were increasingly focused on economic development: transforming old buildings into dynamic enterprises.

The themes and tools he introduced included: sweat equity, the transfer of development rights, the creation of community land trusts, working with community foundations, partnering with private equity, building relationships with sympathetic real estate developers, working with towns to change zoning regulations to enable mixed-use, and applying for federal and state historic tax credits. He also introduced the theme of sharing spaces with others to reduce costs.

2. Temporary Spaces, Gentrification and Organizing for Change

Looking at artists' use of temporary spaces, Jackie Lightfield suggested that, for landlords and real estate owners, the incentives for giving free or discounted spaces came down to bringing more people into a neighborhood and directly or indirectly raising the value of their property by making an area more desirable. This is the nub of gentrification. For artists, getting a free or discounted space can be the break they need to start a business. Jahmane started selling his line of clothing out of his car. When a landlord liked what he saw, he gave Jahmane a discounted space that allowed Jahmane's KULTJAH DEZIGNS get off the ground. For Margaret Bodell, getting free or discounted space is a civil rights issue. Working with the disabled and the underserved, her broad goal is to bring these "unseen" populations "out of the back-room rental spaces and onto Main Street," through a variety of creative workforce development programs in which the arts are central. She was philosophical about the fact that the success of her projects, in temporary and sometimes rent-free spaces, contributes to rising prices and buildings being sold: "you do your work, you move out and you look for another place to empower a community to create new culture in empty spaces."

More painful was the experience of Jahmane and many other artists at the Marshall Street Studios in the dilapidated 1856 Norwalk Lock Building in the 1990s, where although a plan was developed to redevelop the building as mixed-income artist live/work lofts, the plan was shunned for an alternative development as a high-priced office building, and artists were evicted. The subsequent success of housing artists in Bridgeport's Read's Building, a former department store, renovated and redeveloped by Bill Kraus and Artspace, (the same team that had developed the Lock Building plan) was good news for the region, but took little edge off the sense of betrayal in Norwalk.

Gallery owner, Fernando Luis Alvarez, in describing the Spouting Spaces program operated by his Clementina Foundation, turning commercial vacancies into temporary artists' studios, eloquently described the ways artists actively add value to real estate by their presence and activity. He called for landlords and developers to see artists differently—as magnets for affluence and builders of economic growth. He said many developers reap the economic, social and cultural benefits that artists bring to the community but refuse to acknowledge that value, giving them nothing in return: "Artists are not asking for something for free, but they are using their livelihood to bring something to the community and in return for that effort and work, need to eat, have shelter, a place to work and pay expenses." In other words, artists should be treated by developers as active agents for community development: "Artists are an under-the radar investment for landlords, communities and humanity."

If artists are not conscious partners in the development of cultural equity, then gentrification will happen and they will be turned out and will move on. Fernando argued that there are better ways. One way is for artists, by cultivating collectors and attracting buyers, to raise their prices and thus be able to afford rising real-estate. Another way is for artists to actively partner with developers. Until that happens, he argued, artists should be more politically organized, creating a place where legislators and developers could work with them to develop permanent, guaranteed spaces for artists, perhaps a "percent-for-art" scheme, that could be paid for from a town's marketing budget.

Wes Haynes had also recommended that artists organize themselves as commercial condominiums, and become their own landlords (he cited <u>Ball and Socket Arts</u> in Cheshire, as an example). Audience member Lisa Spetrini, a founding member of EcoWorks, agreed, insisting that artists *can* learn, and many have learned, to be business people and start successful enterprises. It takes the same kind of dedication to the creative impulse that artists show in their artwork, but applied to organizing a business, and she said she knew of many success stories in the room.

On a completely different level, Richard Epstein spoke of the value of temporary alternative spaces as venues for the performing arts. He has developed a virtual taxonomy of both formal and alternative spaces for different kinds of performance events. He made the point that new work by its nature often requires incubation, and temporary spaces can allow the trying-out of a piece and bringing a performance to a certain level. There was immense value for the culture at large for outing both the formal spaces—concert halls, churches, libraries museums and parks—and alternative spaces—sidewalks, plazas, trains, swimming pools, shopping malls, public lobbies, warehouses, restaurants and pop-ups—for cultural groups and artists to use.

3. Creating a Sense of Place

Spaces that connect people and then connect to one another were seen as critical to the sense of creating community. Marcie Kovac helped create the co-working space B:Hive and the creative agency Bananaland as spaces to be able to channel and put to use some of the huge talent she found when she first arrived in Bridgeport. She's met with a certain degree of success - but declared it essential to find multiple ways of connecting to the community and to developers who understood her strategy. Perhaps ironically, she discovered that an important element of creating a sense of place was to make connections with places in other cities. For example, with Hartford Prints!, the urban goods retail store and letterpress studio in Hartford, with which B:Hive/Bananaland collaborate in an ongoing series, *Design Night Out*, presenting events alternately in Hartford and Bridgeport on design-related issues. Hartford Prints! was founded by three sisters through the iConnect Hartford program that gave them 9 months rent-free. Despite heavy use of social media to promote the store, events in the store and neighborhood pop-up parties that emphasize the sense of *place*, and face-to-face connections are critical to its success. Panelist Callie Heilmann, one of the three founding sisters, said: "When I say we're 'handmade and home-grown goods' and we're 'retail with a purpose' - it's flat if there's no human experience that comes with it."

Technology also has a role in creating community. Peter Propp, a founder and marketing director of the Stamford Innovation Center (SIC) described it as a combination of an incubator, nurturing start-ups and leveraging partnerships, and a meeting place for the local tech community. One program with Sikorsky enables SIC to identify key technologies (such as augmented reality) and then develop training and programming around that technology to spur local innovation and entrepreneurial activity. Propp saw the need for computer programming development locally and an opportunity to develop expertise and creative ideas in this area. He offered to put together an advisory group that could lay out the options for artists learning code. Marcie Kovac and Callie Heilmann suggested both more "Code for Kids" programs in (and out of) schools as well as an equivalent place to the B:Hive or SIC for people that could give subsidized coding training to those looking for workforce training.

4. **The SpaceFinder database**, developed by Fractured Atlas for artists and cultural groups to find the space they need to meet, create, rehearse, perform or display their work, and for venues to promote and rent their spaces, was presented by Amanda Keating. She emphasized the tool's ability to demystify the rental process, its illumination of alternative space options and its elimination of many barriers to booking space. SpaceFinder Connecticut's lead partner, The Cultural Alliance of Fairfield County, is actively engaged in building the database that is now open for use.

5. Sharing Spaces, Sharing Services

Given the state of the nonprofit economy in which both artists and cultural nonprofits find it hard to afford the space and professional services they need, this panel presented a range of experiences and possibilities in developing services to help with both. Jim Kern runs Comradity, a shared workplace, providing electricity, internet and other high-end technology as part of the rent to its clients. As with B:Hive, Comradity provides space where organizations gather, talk, share ideas, are part of a community and work together without being burdened with figuring out how the sausage gets made—and not knowing what they don't know about running an office.

Dawn Reshen-Doty's Benay Enterprises handles all back-office functions and financial reporting of its clients, "helping businesses with all the things they don't know that they don't know." She saw the issue as generational: for "old business" everything is proprietary and a zero-sum game - for someone to win, someone else has to lose; whereas younger generations are more prepared to share co-working spaces, best practices and other information, and more likely to realize that if we all do better, we all win. Phil Kuchma said that, with resources as rare as they are, groups should recognize there is far more to lose by going it alone, being territorial and protective. Dawn agreed, pointing to her experience working with three small companies that work in a co-working space. Too small to hire individual bookkeeping, admin, and HR services, together they are able to afford to hire her firm to handle those functions. The bottom line is they get a higher level of expertise when they pool expenses. She added there is a clear written agreement that each company's business information is proprietary and confidential.

Rich Wenning said that Spread Music Now, which brings marketing acumen to the nonprofits it funds and whose job of building capacity includes encouraging groups to work together more effectively, is convinced that small to medium nonprofits (c. \$500,000 annual budgets) *could* fairly easily take advantage of synergies to share staff to conduct those non-programmatic services (mostly financial management). "We are very interested in working with other funders to co-invest in a process to explore and build a business plan for a shared-space and shared-services entity. We're looking for some leadership from you cultural organizations in order to understand your interest and willingness in collaboration in this way." Kern supported this offer, noting that he'd seen several examples of services that could be shared, without a company giving up its individuality.

Marti Etter, Executive Director of the Ballet School of Stamford, reinforced the main points of this discussion, sharing her school's experience as part of a cooperative space at the then Stamford

Center for the Arts: "It was wonderful and it worked!" "I think a lot of us are having conversations trying to make this happen. I think it's what we have to do. We have to get over this fear of collaborating and realize that this is the only way we are going to exist." Another audience member commented that we are schooled in being independent, but that can only take us so far and we have to learn to collaborate. Jim Kern agreed with her statement and her idea of something like a community parking pass that she had suggested, and thought such an idea is a key element to successful collaboration: "We need to think about each other as a community; in the past we have operated too much in silos." Diane Lauricella commented that sharing spaces and services in the performing arts is often the *only way* to save spaces and buildings from being lost.

6. Zoning, tax credits and regulation

The final panel brought together public sector, private sector, land planners, architects, historic consultants, and community advocates to share insights into *Policies and Incentives to be used to* Release Commercial Space for Cultural Use. Echoing key points of Wes Haynes' keynote, Tod Bryant explained how federal and state historic rehabilitation tax credits operate for property listed on State or National Register of Historic Places. Federal tax credits give developers, spending at least the value of the building minus the value of the land, 20% of hard and soft construction costs and a direct tax credit; state tax credits equal 25% of hard construction costs (developer spending at least 25% of property's appraised value) with a limit of \$4.5 million per project. Nonprofits can only use state tax credits. The CT program is capped at \$37.1 million/year, (reached within 6 weeks in 2016). Both programs have to follow the Secretary of the Interior's Standards for Rehabilitation that focus on identifying the character-defining features of a building, retaining what you can, preserving the integrity of the building and replacing in kind what you cannot preserve. Any renovation program should include an analysis of the property in terms of its projected future use, and project directors should consult early in the process with the State Historic Preservation Office, which filters all applications. Tod stressed that tax credits make marginal projects feasible, but the process is extremely detailed, very time-consuming, and entails ensuring you have the right project for the building.

In describing the creation of The Wilson Avenue Loft Artists Studios out of a second-floor, 5,000-square-foot space in a former industrial park in South Norwalk (it included an oil terminal and was technically a brownfield), David Genovese, owner of Baywater Properties, said he had tried unsuccessfully for 3 years to lease the space but found nobody with any vision to create something of value and interest. Investing \$60-80,000 to get the space up to code (with stairwell and elevator) he discussed the idea of building-out 12 artists' studios and a gallery for artists, like his neighbor Britt Bair, who had been displaced by the closing of the then Loft Artists Association space in Stamford. Agreeing to his suggestion of forming a cooperative, the artists organized an LLC and Baywater, assuming the space had zero value, spent some \$300,000 on renovating 4,000 sq ft (\$90 per sq. ft) to create something that would have value. It's now a successful, vibrant place, with a waiting list. "We created something great and I'd say, looking back, of all the buildings we've built, this is one of the spaces I'm most proud of." Zoning, though, was also key to its success. The understanding and cooperation of the City of Norwalk in re-zoning the area for artists was critical to its success, as at the time there was no zoning in Norwalk for any artist activity in industrial zones.

Erin Wilson described Torrington's backing a successful movement to re-zone the city for live-work spaces for artists. Torrington has difficulty attracting developers because, although it serves the larger Litchfield County area of mostly upscale small towns, it has itself a very low tax-base, and developers only look at the town. Apart from working with its affordable commercial space, the City spends its development capital, including state incentive programs, on brownfield redevelopment. The re-zoning initiative was initiated by 87-year-old artist Ed Jaffe who, coming to Torrington in 2014 because of the Art Deco buildings and the rural surroundings, realized he couldn't live and work in the farm building he had converted and electrified. Downtown, with its mixed-used requirements, welcomed artists, as long as they had gallery-space for the public. Artists could only

work in their home if they met the home occupation standards: 25% of living area (or 400-500 sq. ft., whichever is less) within the dwelling space. This didn't work for Jaffe, who went before several municipal boards (Arts and Culture, Economic Development, and Planning & Zoning) describing a re-zoning solution that would make the City attractive for artists to come to live *and* work. He succeeded in getting the City to change the zoning, created the <u>Artist Relocation Program</u> and is promoting the City as an artist-friendly place. Six artists have approached the City looking for places to relocate to in the last year.

Re-zoning was also the main thrust of Robert Orr's presentation. While federal regulations are, for him, one of the two principal headwinds facing successful community development (they add some \$40-80,000 in construction costs to the average smaller project, and years in waiting for approvals - streamlining regulations could allow smaller community developers build cheaper buildings with local bank loans), the other is zoning. Most conventional zoning, Orr said, is use-based, unintentional and reactive, insisting on the separation of uses for a given area. Form-based codes, however, are more intentional and have a development vision of a unified town, with all its component parts relating to one another in common-sense ways. This tends to make smaller units possible and costs drop, enabling undercapitalized local people to become developers—building their own homes or speculating, using local labor and keeping money in their communities. "SpeedZoning" is one solution to enabling zoning change. It's a process involving three months of facilitated community meetings, a 5-day charrette to design a master plan, and another three months of writing and editing the new code with town staff. The final document goes before the Zoning Commission for approval and the whole process takes about 6 months. He said there were hundreds of such projects around the country.

Jackie Lightfield said artists could be more effective as community organizers and advocates than sitting on zoning boards. Zoning was originally an early-20th-century project to separate home, work and manufacturing. Trying to get live-work space in old factories in an industrial zone today is quite difficult. But artists can be effective advocates—and she pointed to examples in Nashville (where 1% of the City's operating fund goes to build administrative capacity of arts organizations, and 1% of Obligation Bond funds goes to the acquisition or restoration of public art); Somerville, Mass, (that grants sales-tax credits or exemptions for goods produced or sold within one of its "arts districts," income tax credits/exemptions for artists living and working within that district, tax waivers for events within the district, and eligibility for low-interest loans for arts activities); and Providence (that created ten designated arts districts that have many of these exemptions in place). These were all great incentives to get artists to live and work within designated arts districts.

All panelists commented on the value of individuals with vision to develop proposals and push them through, in contrast to municipalities which, in the experience of the speakers, rarely had a proactive, unified vision of what they wanted to accomplish through urban planning. When any masterplanning does happen, speakers said it is up to the cultural community to ensure that it includes a cultural component that is integrated with the residential, commercial and industrial components.

In closing, Kim Morque proposed:

- 1. That this Space Summit become an annual event during the Bridgeport Art Trail, and that Spinnaker would be happy to be a sponsor again.
- 2. That Jackie had proposals for mechanisms for consistent funding for the arts and that we form a committee to explore mechanisms for such consistent funding.
- 3. That the Cultural Alliance convene the stakeholders (government, private sector property owners and developers, and the arts community) to talk about bridging these gaps in collaboration and working together.

The conference ended with a resolution to provide talking points for working groups based on the topics of the conference panels and an invitation to all attendees to join any of those groups.