

**The New Partner on the Block: An Unfamiliar Role for  
Arts and Cultural Organizations in Community Economic Development**

by

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B.S. in Economics  
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Cambridge, MA (2002)

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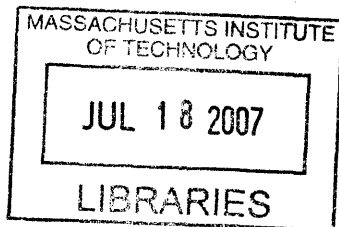
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## **Abstract**

This thesis looks at three case studies of arts and cultural organizations in New York City that have chosen to go beyond their traditional roles and business-as-usual practices to engage in community economic development in their neighborhoods. The cases include the Brooklyn Academy of Music, a performance arts center; the Heart of Brooklyn, a consortium of cultural institutions; and the Bronx Council on the Arts, a quasi-public arts service organization. An important finding of this thesis is that arts and cultural organizations have much to offer to urban communities like other private players such as foundations, corporations and universities, and they may be the new community partner on the block. The case studies show that these nonprofits are interested and can take part in a wide variety of community economic development activities: physical development, neighborhood and commercial revitalization, and job training. The evidence also suggests that these organizations are more prone to take on place-based projects since they are increasingly dependent on their own revenue sources and are interested in upgrading their neighborhoods to build audiences. Some caution must be exercised since these place-based activities may accelerate the displacement of residents and small businesses in neighborhoods that are gentrifying like the communities in this thesis. One outlier among the cases is the Bronx Council on the Arts, which is focusing on human capital development through job training programs, due to its quasi-public mission of serving both “artists and people.” Finally, the research reveals a few words of caution regarding the practices of arts and cultural organizations as they take on community economic development roles. First, their planning efforts lack transparency and active engagement of key stakeholders such as residents and community-based organizations. This may be due to the organizations’ reliance on private foundations to fund the initial planning stages. Second, and in part because of the lack of broader engagement, their efforts may result in one-sided planning that decreases the chances of creating equitable and sustainable outcomes.

**Thesis Advisor:** Susan C. Silberberg, Lecturer in Urban Design and Planning

**Thesis Reader:** Xavier de Souza Briggs, Associate Professor



***Jeremiah 29:7***



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## Chapter 1: Introduction

Change is afoot within the arts and cultural world. In 2003, David Brigham, Executive Director of the Allentown Art Museum, wrote an article in *Art Museum Network News* about the changing role of museums and their new positions as drivers of community and economic development. Citing Mass MOCA as a precedent, Brigham wrote how museums now have the opportunity to expand their traditional duties as collectors, preservationists and educators of art and culture to serve as catalysts of urban revitalization.<sup>1</sup> In his article, Brigham was speaking mainly for museums, but the same argument has been made for the entire spectrum of arts and cultural organizations.

So what explains this shift in the way arts and cultural organizations are viewing their roles in communities? In a sense, these nonprofits are being forced and asked to change. Chapter 2 will explore this phenomenon further, but essentially, the cultural world is experiencing both identity and fiscal crises such that a role expansion is plausible and even strategically sound. Also, cities have for a while now, recognized the importance of the arts in local economies and in revitalizing downtowns, and are encouraging these organizations to become municipal partners. The clearest example is Mass MOCA in North Adams, Massachusetts, in which the turnaround of the downtown has largely been attributed to the museum since it was established. Some cities have also quantified the economic impact of the arts and have discovered large sums. For example, an assessment completed for New York City found that the arts industries contributed \$11 billion annually to the city's economy.<sup>2</sup> The large figures shown on this and other similar reports have really captured the attentions of local government officials and have given greater legitimacy to the urban arts community.

Arts and cultural organizations are not blind to the growing evidence that shows that their presence can create positive effects in communities and are becoming active agents of neighborhood change. In New York City, I found three such arts organizations in Brooklyn and the Bronx that have begun to rethink the way they interface with their surroundings and to expand their roles into community economic development. Whether motivated by a desire to support their arts and cultural missions and provide fiscal stability for their organizations, or to truly act as community economic developers, these nonprofits are trying out new and unfamiliar roles to create change in their communities.

At the beginning of my research, I began with a simple curiosity about what these arts and cultural organizations are doing in their neighborhoods, but it soon became apparent that if these nonprofits are getting involved in community economic development activities which have traditionally been the realm of other entities such as community development corporations, then it is important that planners study their approach and practice. Thus, I embarked on a research project that is exploratory in nature to answer the overarching question: **How are these arts and cultural organizations engaging in community economic development?**

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<sup>1</sup> David R. Brigham, "To Amuse and Instruct: Museums Past, Present, Future." *Art Museum Network News*, October 2003, [http://www.amnnews.com/view\\_10\\_2003.jsp](http://www.amnnews.com/view_10_2003.jsp) (accessed November 7, 2006).

<sup>2</sup> Port Authority of New York and the Alliance for the Arts, *The Economic Impact of the Arts on New York City and New York State*, 1997.

Given that community economic development is secondary to the core missions of these organizations, an additional question was relevant, and I also asked the following:

- **Motivation:** Why are these organizations engaging in community economic development?

Finally, as I continued my research, I also wondered about the implications of these organizations taking on new roles and the impacts of their projects. And thus, I was led to ask the following questions:

- **Effectiveness:** Are arts and cultural organizations effective? What are their strengths and weaknesses?
- **Winners and Losers:** Who are the potential winners and losers as a result of the organizations' projects?
- **Big Picture:** How do the organizations fit in the context of community economic development? Are they community partners?

The last question was motivated by a curiosity about how these organizations fit into the history and institutional context of community economic development. I wondered whether they were good community partners, and what kind of contributions these nonprofits could make to urban communities as a potential new partner on the block.

## **Methodology**

### *Definitions*

Before going any further, some clarification on terminology is needed. The term “arts and cultural organizations” is used in this thesis to include organizations that are within the nonprofit world of arts and culture that display and/or produce visual and performing arts such as decorative and artistic objects, dance, theater, film, music, among others, and includes organizations that support other organizations that do this type work. I also use the term “community economic development” to describe the variety of activities that are conducted to meet and create opportunities for the social and economic needs of low and moderate income communities.

### *The Case Studies*

The methodology chosen for this thesis is the case study method of research and analysis. The following table and paragraph give a quick view of the cases:

<b>Name of Organization</b>	<b>Type of Organization</b>	<b>Type of Community Economic Development Project</b>	<b>Project Area</b>
Brooklyn Academy of Music	Performance arts center	Physical development and neighborhood revitalization	Fort Greene, Brooklyn
Heart of Brooklyn	Consortium of six cultural institutions	Commercial revitalization and economic development	Crown Heights, Brooklyn
Bronx Council on the Arts	Arts support organization	Adult and youth job training	A focus on the Bronx, but particularly the South Bronx

All three case studies, the Brooklyn Academy of Music, the Heart of Brooklyn and the Bronx Council on the Arts, are well-respected arts and cultural organizations in New York City. The first two cases are large cultural institutions: the Brooklyn Academy of Music is a performance arts center and the Heart of Brooklyn is a consortium of institutions. The Bronx Council on the Arts is a nonprofit organization that provides services and funding to artists, cultural institutions and other arts-related nonprofit organizations. Each case study has a different emphasis on neighborhood change and is engaging in a specific type of project in their communities through their established development corporations; the activities range from building a cultural district to revitalizing commercial corridors to creating creative economy jobs. This thesis looks closely at each of these projects and how they are being carried out. Finally, all of these organizations are located in New York City to facilitate making comparisons across the organizations as well as for practical reasons such as ease of access to information and interviews. The three case studies also reside in low to moderate income communities that have been struggling for many years and are just recently feeling the impacts of gentrification to varying degrees.

#### *A Caveat*

Most of the case study organizations have not had enough time to fully develop their projects and see their plans into fruition at the time of writing of this thesis. In a sense, my research is “chasing a moving car,” but I still felt that there was value in researching these case studies, especially since there is no pre-existing analysis, that I have been able to find, that looks specifically at the role of arts and cultural organizations in community economic development.<sup>3</sup>

#### *Data Sources*

Targeted interviews were the main source of data since some of these projects have not received a lot of outside attention and/or these projects are still in the early phases, thus lacking extensive documentation. Among those who I interviewed include individuals in the arts and cultural organizations themselves and the consultants who assisted in the planning or implementation of

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<sup>3</sup> Thanks to Professor Sharon Zukin, author of *The Cultures of Cities*, for her insights and vetting these case studies with the author.

their projects. Relevant stakeholders such as residents, merchants, community-based organizations and local public officials were also interviewed. I conducted interviews both in person and over the phone, and without the use of a tape recorder. The lack of a recording device may have allowed my interviewees to feel more comfortable and more at ease in offering information; however, I was not able to get long quotes for obvious reasons. The interviews generally lasted between 30 to 60+ minutes.

To balance the interviews, I also used other forms of data including documentation provided by the arts and cultural organizations such as plans, grant proposals, websites, marketing materials and other documents. Third-party analyses, mainly news articles, were also used.

### *Data Collection*

To answer my questions in a systematic manner and to make comparisons across the case studies, I gathered data in the following categories and subcategories of information shown below. The three case study chapters and the synthesis and analysis chapter will more or less follow these data groupings.

	<b>Category</b>	<b>Subcategories</b>
<b>Background</b>	About the Parent Organization	Type, Mission, Goals and Ambitions, Constituents
	Historical and Neighborhood Context	Neighborhood History, Demographics, Responses to Neighborhood Changes, Prior Community Involvement
<b>The Project</b>	About the Development Corporation	Leadership Background, Board Composition
	Project Planning	Choice of Project, The Spark, Consultants Used, Planning Process
	Project Implementation	Funding, Community Involvement, Working with City Government, Other Partners and Competitors

Background information on the parent organizations was collected to shed light on why these nonprofits are getting involved in community economic development and why they chose the particular projects they are working on. The initial phases, including the formation of the development corporations, and planning processes for the community economic development projects were looked at to determine how these projects came to fruition as well as how they are being shaped. Especially since the projects are relatively new and still in the process of being implemented, the intentions and plans are important to determine what the results will be. Finally, I also set out to analyze how the projects were implemented and funded to determine the organizations' effectiveness, and looked at which partnerships were pursued to reveal how they engaged and worked (if at all) with community stakeholders.

## **Preview of Chapters**

This thesis continues with an analysis of the case studies. But first, in Chapter 2, I set the stage for the other chapters by discussing two subjects. The first is why arts and cultural organizations and cities are coming together as partners. The second looks at an institutional framework of community economic development in the U.S. in which arts and cultural organizations fit into. Chapters 3-5 are the case studies themselves. The data is revealed in narrative form to get into the spirit of the cases. The last two sections will wrap up this thesis: Chapter 6 will take the stories from the case studies and synthesize and analyze the data collected. Chapter 7 will close with a summary of the lessons learned and recommendations to different stakeholder groups.





## Chapter 2: Setting the Stage

### Introduction

The first half of this chapter introduces the phenomenon of arts and cultural organizations and cities joining as partners in urban development. The second half of this chapter then takes a different direction altogether and looks at the institutions that take part in community economic development. Together, these views set the stage for the case study chapters, which explore how arts and cultural organizations are engaging in new roles in urban communities, and provide a framework for how these organizations might fit into the context of community economic development.

### Arts & Cultural Organizations and Cities as Partners

#### *The Changing World of Arts & Cultural Organizations*

Charles Landry, a prolific writer on cities and culture, writes that there is an “atmosphere of disquiet in the cultural world.” According to Landry, in the 21st century, arts and cultural organizations will increasingly face both resource and identity crises.<sup>4</sup>

On the resource side, arts and cultural nonprofits face a great deal of uncertainty. These organizations have three primary sources of funding: earned income from ticket or other sales; private donations from individuals, corporations and foundations; and grants from the three levels of government, city, state and federal. In 2001, the Alliance for the Arts conducted a survey of cultural organizations in New York City, and found that the distribution of funding sources was the following: 51% from earned income, 38% from private sources, and 11% from government.<sup>5</sup> Generally speaking, studies have shown that visitorship trends to cultural institutions have been stagnant over a period of twenty years; not gaining, but also not decreasing.<sup>6</sup> Looking more closely, however, it appears that earned income is not the main problem. Rather, it is the latter two, private and government sources, that are putting fiscal pressures on arts and cultural organizations and making them more dependent on their own sources of revenue.

Private funders are not as easily tapped as they once were. It is getting increasingly harder, Landry writes:

“to convince philanthropists or businesses of the value of investment in culture given alternative worthy causes that have moved up the agenda of urgency from community development to AIDS/HIV prevention to equipping the less privileged with IT tools. In particular, the so-called ‘new philanthropists’ from George Soros, to the Gates Foundation or the Atlantic Trust have a different agenda from the old money. They are

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<sup>4</sup> Charles Landry, *Culture at the Crossroads: Culture and Cultural Institutions at the Beginning of the 21st Century* (London: Comedia, 2001), 8.

<sup>5</sup> Jonathan Mandell, “Arts Funding 101.” *Gotham Gazette*, July 19, 2005.

<sup>6</sup> National Endowment of the Arts, Research Division, *2002 Survey of Public Participation in the Arts*, 2004, 2.

more concerned with being directly involved, ensuring the impact of the monies they disperse, as well as using their resources to create individual opportunity. As a consequence, automatic, unquestioned support no longer exists [...]"<sup>7</sup>

Thus, not only do arts and cultural organizations face more competition for private donations, but they are also being asked by funders to measure and justify their value to society, making them scramble to find new reasons for why they deserve to be funded.

All three levels of government are also scaling back on supporting the arts. In New York City, public resources generally come from the City's Department of Cultural Affairs and other city agencies such as the Department of Youth and Community Development and the Department of Education. Funding also comes from state agencies such as the New York State Council on the Arts, NYS Natural Heritage Trust, NYS Department of Education, among others. The federal government provides grants through the National Endowment of the Arts, the National Endowment for the Humanities, the Institute of Museum and Library Services, and more. Despite the number of different government sources, in general, arts and cultural nonprofits in New York City and other regions have felt pinched by decreases in public spending over the years.<sup>8</sup>

Apart from fiscal dilemmas, arts and cultural organizations are also facing an identity crisis which stems from being pulled in many directions. From a simplified view, there are three 'reasons for being' for the arts: it can either serve a social/political purpose such as in religious and civic art, or a higher/abstract purpose also known as "art for art's sake." Additionally, in an increasingly materialistic and commercialized world, the arts also serve an entertainment purpose as a product for consumption. Cultural institutions, especially, feel the tug in all three of these callings: to be avant-garde and provide entertainment as well as to contribute to the world socially and politically.<sup>9</sup> The emergence of the Guggenheim Group is a testimony to this phenomenon. With urging from public officials, this multinational organization is planting satellite museums in cities across to globe, bringing both high and popular art along with promises of revitalization and economic development.<sup>10</sup> Although the Guggenheim has taken on all three roles, many other smaller institutions struggle internally with the questions of who they are and what purposes they must serve.

Interestingly, in many ways, the funding crisis is fueling this identity crisis, opening the door for institutions that were solely focused on the high arts to consider broadening their audiences with more popular forms of culture. Tight resources are also forcing these entities to take on new roles in their communities. Elizabeth Strom, a professor in the Department of Geography at the University of Florida, writes that "urban cultural institutions have a strong interest in improving their surroundings, especially now that they have become more dependent on revenue-generating activities [...]"<sup>11</sup> As a result, Strom also observes that cultural institutions have become active

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<sup>7</sup> Charles Landry, 10.

<sup>8</sup> Jonathan Mandell.

<sup>9</sup> Charles Landry, 22.

<sup>10</sup> Guggenheim Bilbao, "History." <http://www.guggenheim-bilbao.es/ingles/historia/historia.htm> (accessed March 19, 2007).

<sup>11</sup> Elizabeth Strom, Converting Pork into Porcelain: Cultural Institutions and Downtown Development. *Urban Affairs Review* vol. 38, no. 3 (September 2002), 3.

stakeholders in communities and their interests are aligning with the interests of local governments on issues such as neighborhood revitalization and economic development. This section will now turn to the perspective of cities to explore why municipalities are interested in partnering with arts and cultural organizations.

### *The Changing Worlds of Cities*

Arts and cultural organizations have always been reliant on government grants to supplement their operational and capital needs, but in recent years, the dependency appears to be mutual as public officials are now looking to these organizations to assist in revitalizing downtowns and encouraging economic development. This section will give a brief account of the events that have led cities to use the arts and culture as a tool for urban revitalization.

In the second half of the 20<sup>th</sup> Century, American cities felt the effects of the U.S. economy transitioning into the New Economy. Cities underwent a fundamental and radical shift from an industrial to a service-oriented economy where knowledge and high technology came to the fore. As a result, many urban areas experienced a staggering loss of industrial jobs as companies moved to southern states and other countries.

At the same time, cities were also facing the effects of suburban sprawl. The automobile gave citizens the freedom to move away from urban centers and to travel increasing distances to and from work and other destinations. However, not everyone was able to leave the city for suburbia. As middle and high income households moved out, low income residents were left behind and were trapped in neighborhoods that eventually became overwhelmed by poverty.

To redevelop city centers and bring back residents to populate urban areas, the federal government, in partnership with local governments and the private sector, began experimenting with urban revitalization policies. Faneuil Hall in Boston and Yerba Buena Center in San Francisco as well as the redevelopment of Times Square, are some of the products of these urban renewal programs. The common element of all of these successful projects is that they have the magic ingredients of arts, culture and entertainment for attracting people. Although the cultural elements were perhaps little more than an afterthought in some of these projects, over time cities would come to use these tools more explicitly.

As cities entered the global arena where they would compete for businesses and residents with cities across the nation and world, the idea of a “creative class” of workers that is driving the New Economy became very popular and was crystallized by Richard Florida’s book, “The Rise of the Creative Class.” According to Florida, in order to attract and retain footloose companies that provide jobs and tax revenue, cities must make their environments appealing to creative workers.<sup>12</sup> Thus, many municipalities have made efforts to create historic districts and cultural districts in their downtowns. According to Strom, cities are also engaging in a “cultural building boom.” In 2002, in a survey of 65 large cities in the U.S., she found that “71 major performing arts centers and museums have been built or substantially expanded since 1985.”<sup>13</sup>

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<sup>12</sup> Richard Florida, *The Rise of the Creative Class* (New York: Basic Books, 2002).

<sup>13</sup> Elizabeth Strom, 3.

Today, it is difficult to imagine a major urban project that does not have the arts, culture and entertainment as an important element. It has become clear to both planners and developers that these components are important in creating the vibrant, 24-7 and mixed-use communities that have become the goal of many large urban development projects.

As both arts and cultural organizations and cities have begun to see eye-to-eye on certain urban issues such as neighborhood revitalization and economic development, they are beginning to perceive each other as partners. In the past, as in some of the examples above, cities have mainly initiated these projects and have included arts and cultural organizations. The arts and cultural organizations in this thesis are different in that they are taking more proactive roles and focusing their efforts on changing their neighborhoods by taking on community economic development projects of their own. This chapter will now turn to how arts and cultural organizations may fit into the community economic development context.

### **Arts & Cultural Organizations in the Context of Community Economic Development**

The macro level forces that changed cities in radical ways, as described in the previous section, created impacts that filtered down to the level of neighborhoods. In the mid-20<sup>th</sup> century, once stable communities became increasingly poor as jobs and middle and upper income classes moved out of cities. Only the poor were left behind and these neighborhoods slipped into a downward spiral of decline that could not be stopped without intervention. This is a story that has repeated itself in many urban areas across America and begs the question: Who is looking out for these troubled communities? The rest of this section will explore this question and take a look at the institutions that engage in community economic development.

#### *Government*

In the U.S., before the decline of central cities, there were few mechanisms to deal with such large-scale urban problems. Although many have severely critiqued federal government policies for causing some of the complications, the history of federal place-based initiatives indicates that community economic development has been a learning process. Over time, the federal government has recognized its past mistakes and has created new and revamped policy tools as a result. However, these have yet to be used properly as many, like the CDBG program, are inadequately funded, and still others, self-defeating due to other conflicting policies. Williamson, et al. writes, “We believe that a much more coherent and systematic implementation of many of the tools already used extensively by government could play a major role in the reconstruction of community—and local democracy—in America in the new century.”<sup>14</sup>

However, due to the highly market-oriented nature of the U.S. economy and the individualistic values of the American public, the federal government is limited in what it can achieve. The Community Development Block Grant (CDBG) program and other federal enabling programs were conceived to get around these issues and to allow private entities such as community development corporations, churches and other nonprofit organizations to step in where

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<sup>14</sup> Thad Williamson, et al., *Making a Place for Community: Local Diplomacy in a Global Era* (New York: Routledge, 2002), 105.

government cannot. Since its inception in 1974, the CDBG program has funneled money directly to cities, which in turn distribute the funds to various government agencies and private nonprofit organizations. These monies must be used to meet community-level needs that are determined by an allocation plan that is written every year through a public process to ensure that local stakeholders have a voice in how federal funds are used to improve their communities.<sup>15</sup>

### *Community Development Corporations*

The CDBG program has played a large role in encouraging the growth of Community Development Corporations (CDCs) in many cities. Roughly 75% of these organizations receive financial support from the federal government through this program. By no means are CDCs the only entities that are working on the ground to help communities in need; however, they are recognized by the government and the private sector as being one of the main vehicles for nurturing community economic development.

Community Development Corporations are generally geographically based. They are usually formed by concerned members of a community, and thus have a strong tie to local constituents and a particular place. Most CDCs are located in poor neighborhoods or have a strong focus on assisting low and moderate income individuals and households. These nonprofits engage in a variety of projects and offer services to meet the needs of a usually diverse body of clients. Initiatives often include the creation of affordable housing and commercial real estate development, small business loans and technical assistance, adult and youth job training, and neighborhood advocacy, among others. As Avis Vidal, an authority on CDCs writes, “Much of the work CDCs do in their communities probably would not occur if these organizations did not exist.”<sup>16</sup> By directly assisting underserved communities these nonprofits fill in the needs gap that is not being met by the government or the market.

CDCs originally began through grassroots initiatives and public-private partnerships. In the 1960s, fueled by the civil rights movement, community members and nonprofit organizations responded to the crises in urban neighborhoods, and became advocates and activists for poor urban communities of color. Concurrently, President Lyndon B. Johnson initiated his War on Poverty as one part of the Great Society reforms, which also helped to enable many community-based anti-poverty programs. The merging of these two private and public movements led to the creation of the first community development corporation in the Bedford Stuyvesant neighborhood of Brooklyn, New York. This effort was led by a strong network of civic groups and Robert F. Kennedy, the U.S. Senator of New York. As a result, the Bedford Stuyvesant Restoration Corporation was created in 1967 and was backed by national legislation written by U.S. Senators Kennedy and Javits, which has helped to launch similar nonprofit organizations across the country, now collectively known as CDCs.<sup>17</sup>

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<sup>15</sup> U.S. Department of Housing and Urban Development, “Community Development Block Grant Programs – CDBG.” <http://www.hud.gov/offices/cpd/communitydevelopment/programs/> (accessed April 23, 2007).

<sup>16</sup> Avis Vidal, *Rebuilding Communities: A National Study of Urban Community Development Corporations* (New York: Community Development Research Center, New School for Social Research, 1992), 3.

<sup>17</sup> Pratt Center for Community Development. “CDC Oral History Project: Bedford Stuyvesant Restoration Corporation (BSRC), Brooklyn, NY.” <http://www.prattcenter.net/cdc-bsrc.php> (accessed April 21, 2007).

The history of how CDCs have evolved sheds light on how the environment of community economic development practice has shifted over the years. According to Vidal, the first set of CDCs were created and influenced by the activist spirit of the 1960s. The second wave of CDCs, founded between 1973 and 1980, were less connected to these national movements that the original groups were founded under. Rather, these new organizations were tied to more local initiatives as CDCs became increasingly recognized and accepted as community economic development vehicles. Institution of the federal CDBG program allowed CDCs to further flourish in the 1970s.<sup>18</sup> The Reagan years from 1981 to 1998 created a new but difficult environment for CDCs, causing the growth of a new generation of CDCs. The Reagan administration cut in half the roughly \$2.5 billion in federal funds that were allocated annually for the purpose of community economic development. Funding was tight overall and became very competitive. CDCs now had to spend more time putting together financing for projects; more importantly these nonprofits no longer had sufficient funding to maintain their operational needs for staff salaries and other administrative expenses that are important in maintaining stable leadership and institutional memory.<sup>19</sup> Due to shortages in federal funding since the Reagan administration, CDCs have had to change their business models, and have learned how to “infiltrate into the system” and “do deals,” forging partnerships with those that could provide capital such as foundations and corporations in addition to the government.<sup>20</sup> The result has been that CDCs now take on less activist and advocacy roles, are less confrontational with government bodies and market forces, and focus more on developing real estate and other activities that produce revenue.

### *Foundations and Intermediaries*

In an era of federal devolution and less financial support from government in general, private foundations have increasingly stepped in to engage in community economic development. The Ford Foundation was one of the first and largest supporters of CDCs, but there are many other foundations that operate locally and nationwide. Ford and other foundations assist CDCs in various ways, but particularly in the initial stages of projects or in helping organizations get off the ground. With Ford’s financial support, Bedford Stuyvesant Restoration Corporation was able to begin its work, as well as many other CDCs.<sup>21</sup>

Foundations have also played a role in launching intermediaries that work directly with CDCs. For example, Ford created the Local Initiatives Support Corporation (LISC) to provide grants and low-interest loans to CDCs, as well as technical assistance. Since the creation of LISC, many other similar organizations have sprung up. Some are geared towards a particular region such as the Community Economic Development Assistance Corporation (CEDAC) in Massachusetts, and others provide assistance nationwide like LISC and the Enterprise Foundation.<sup>22</sup>

### *Partnership Models*

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<sup>18</sup> Avis Vidal, 2.

<sup>19</sup> Neil Peirce, *Corrective Capitalism: The Rise of America’s Community Development Corporations* (New York: Ford Foundation, 1987), 58.

<sup>20</sup> Avis Vidal, 3.

<sup>21</sup> Neil Peirce, 61.

<sup>22</sup> *Ibid.*, 75-78.

Knowing that CDCs, foundations and intermediaries are still limited in their capacity to address all the issues of community economic development, the Ford Foundation was one of the first to encourage cooperative models. The organizations' "community development partnership strategy" envisions bringing together the different resources and expertise of government, CDCs, foundations, corporations and other stakeholders.<sup>23</sup> Through these partnerships, the Ford Foundation's goal is to stretch the value of subsidies and to reduce the risk for investors who are providing capital for community economic development projects.

University-community partnerships are another example of a partnership model. The federal government has made efforts to institutionalize this model of collaboration through the Community Outreach Partnerships Centers Program under the Department of Housing and Urban Development. However, the relationship between universities and communities has not always been harmonious. In fact, there are many examples in which universities have harmed neighborhoods in their own self-interest; for example, the University of Chicago in Hyde Park and Woodlawn, Columbia University in Morningside Heights, and Yale University in New Haven.<sup>24</sup> The reasons why universities become involved in community economic development are complex. On one hand, they have a strong interest in physical expansion and making improvements to their surrounding neighborhoods to grow and attract students and faculty. On the other hand, universities have the opportunity to provide services to the community and offer its students and faculty hands-on field experience. Despite the complex motivations of universities, there is much potential in their contributing a wide range of benefits to communities. Universities can provide both financial and human capital as well as research and planning assistance. These institutions can also collaborate with communities to offer services such as mentoring programs for youth, job training, and technical assistance to small businesses, as well as engage in real estate development projects.<sup>25</sup>

There are many important lessons learned from partnership models such as in the case of universities and communities that are relevant to arts and cultural organizations. The building of mutual trust and long-term working relationships, as well as the necessity of transparency, balanced power structures, and inclusion of all parties in the planning process, are some of the key realizations that have emerged as partnership models have grown and evolved over time.<sup>26</sup>

## Summary

This chapter has shown that arts and cultural organizations have long been important in urban revitalization and economic development endeavors. In the ensuing chapters, the case studies will look closely at organizations that are taking matters into their own hands and engaging in community economic development projects of their own. This chapter has also shown that the privatization of community economic development and the increasing use of partnerships to

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<sup>23</sup> Ibid.

<sup>24</sup> Wim Wiewel and Michael Lieber, "Goal Achievement, Relationship Building and Incrementalism: The Challenge of University-Community Partnerships." *Journal of Planning Education and Research*, vol. 17, no. 4 (1998), 294.

<sup>25</sup> U.S. Department of Housing and Urban Development, "Community Outreach Partnership Centers Program (COPC)." <http://www.hud.gov/progdesc/copc.cfm> (accessed April 24, 2007).

<sup>26</sup> Xavier Briggs, "Perfect Fit or Shotgun Marriage?: Understanding the Power and Pitfalls of Partnerships." *The Community Problem-Solving Project @ MIT*, May 2003.

address urban problems create opportunities for arts and cultural organizations to also participate, along with government, CDCs, universities, foundations and corporations, among others, as agents of change in communities. With this foundation, the next three chapters will now turn to the case studies.



## Chapter 3: The Brooklyn Academy of Music & Neighborhood Revitalization

### Introduction

The Brooklyn Academy of Music (BAM) is a nationally renowned performance arts center for dance, theater, music and film. Through its local development corporation, the institution has embarked on a neighborhood revitalization project to create a cultural district in the Fort Green neighborhood of Brooklyn.<sup>27</sup> Like some of the dramatic performances that take place on BAM's stage, the series of events that has unfolded in pursuing this goal have been suspenseful, containing many twists and turns.

This chapter will recount the story, from BAM's establishment in Fort Greene in the mid-19<sup>th</sup> century to its current mega real estate project, to explain why a cultural institution such as BAM would take on the role of a local community economic developer. The manner in which it implemented the project is also worthy of telling, particularly in the partnerships it formed with the City of New York and other arts organizations that are interested in locating in the district. However, like in any drama, there are also antagonists (or protagonists, depending on whose side you are on), represented by an ad-hoc community organization called the Concerned Citizens Coalition. Although the story is not yet over because the project is still in progress, it is clear that there will be winners and losers in this battle over the future vision and development of the Fort Greene neighborhood.

### Background

#### *The First Performance Arts Center*

Established in 1861, the Brooklyn Academy of Music is the oldest performing arts center in the nation. BAM was created by the Philharmonic Society of Brooklyn and other members of the social elite out of a growing desire to develop cultural amenities in Brooklyn so Brooklynites would not have to go to Manhattan to enjoy the arts.<sup>28</sup> BAM was first located in Downtown Brooklyn, but the institution was relocated in 1908 to its current address in the Fort Greene neighborhood after a fire destroyed the original building.<sup>29</sup>

#### *History of the Fort Greene Neighborhood*

In the early 1900s, when BAM moved into the neighborhood, Fort Greene was a fashionable streetcar suburb with a diverse range of income classes. The elegant historic brownstones, which still line the streets east of Fort Greene Park, indicate the former presence of wealthy and middle

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<sup>27</sup> Joseph Chan, President of Downtown Brooklyn Partnership and former Senior Policy Advisor to NYC Deputy Mayor, interview by the author (Brooklyn, NY. March 29, 2007).

<sup>28</sup> Barbara Parisi and Robert Singer, *The History of Brooklyn's Three Major Performing Arts Institutions* (Lanham: Scarecrow Press, 2003), 4.

<sup>29</sup> Nanette Rainone, *The Brooklyn Neighborhood Book* (Brooklyn: The Fund for the Borough of Brooklyn, 1985), 54.

income residents. Fort Greene has also been a racially diverse neighborhood for most of its history.

Like many urban centers across America, Fort Greene went through a difficult period during the 1960s when job opportunities became scarce for residents. While in operation from 1801 to 1966, the Brooklyn Navy Yard had been a major source of employment for Fort Greene residents, who made their living building and repairing ships. During World War II, the Navy Yard employed more than 71,000 workers. When it closed, many of the upper and middle income residents left the neighborhood leaving Fort Greene to continue down the spiral of disinvestment. During wartime, approximately 20% of the land area of Fort Greene was used to build 3,500 public housing units to accommodate workers by the New York City Housing Authority.<sup>30</sup> Over time, the residents of these “Projects” who remained in the neighborhood were especially vulnerable to changes in economic conditions. By the 1970s, Fort Greene was designated a “poverty area” by New York City’s Council Against Poverty because it had one of the highest juvenile delinquency rates, largest percentage of residents on welfare, and highest percentage of families with an annual income of less than \$4,000 in the entire city.<sup>31</sup> Eventually, Fort Greene also became overwhelmed by chronic criminal and drug activity that lasted for a long period of time.

Despite the declining state of the neighborhood, Fort Greene remained a resilient community, particularly due to its active community organizations. During the mid-1960s, the Pratt Institute established the Pratt Center for Community Development to provide planning and technical assistance to the community. Around the same time, a community development corporation called the Pratt Area Community Council was also formed to address the neighborhood’s many needs. In addition, Fort Greene has very active churches, preservation groups such as the Historic Fort Greene Association, among others, and strong merchants associations that are all working to improve economic conditions and to preserve the character of the neighborhood.<sup>32</sup>

Fort Greene has been a diverse community for much of its history, but always with a strong African American presence. During the 19th century, for example, more than half of the residents were black, and the rest were Irish, German and English immigrants.<sup>33</sup> In more recent times, census data show that the racial mix is still very much diverse. In 2000, the neighborhood was comprised of 41% African Americans, 34% Caucasians, 17% Hispanics and 8% other.<sup>34</sup>

Another important point to note about Fort Greene in recent years is that the area is gentrifying. Some members of the community would say that today “there is nothing wrong with the vitality of [this] part of Brooklyn,” but there was a point in time when the neighborhood was in need of revitalization.<sup>35</sup>

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<sup>30</sup> Kenneth T. Jackson, *The Neighborhoods of Brooklyn* (New Haven: Yale University Press, 1988), 132.

<sup>31</sup> Barbara Habenstreit, *Fort Greene, U.S.A.* (Indianapolis: Bobbs-Merrill Company, 1974), 2.

<sup>32</sup> Nanette Rainone, 56.

<sup>33</sup> *Ibid.*, 54.

<sup>34</sup> New York City Department of City Planning, “New York: A City of Neighborhoods.” <http://www.ci.nyc.ny.us/html/dcp/html/neighbor/neighbor.shtml>, December 2005.

<sup>35</sup> Rudy Bryant, Associate Director of the Pratt Center for Community Development, phone interview with the author (March 19, 2007).

## *BAM Over the Years*

During the 1960s, as Fort Greene faced difficult economic times and residents began to flee the neighborhood, BAM's audience also abandoned the institution. BAM faced many difficult years well into the 1970s when many of its performances were consistently poorly attended. To keep the institution afloat during this time, space was rented out to other cultural groups and even for a while, a martial arts school that occasionally disrupted performances with shouts of "Aieeee-yah!"<sup>36</sup>

After years of struggling, BAM brought in Harvey Lichtenstein to infuse life back into the institution. Originally a dancer, Lichtenstein also had experience in arts administration at the New York City Ballet and New York City Opera.<sup>37</sup> Thinking back to his early days at BAM, Lichtenstein said: "When I came to BAM in 1961, it was a dying institution with a budget of \$600,000 or \$700,000. It was doing a lot of community work, folk dancing classes, a big adult education program. Today, it's become really an important cultural institution in the city, with a \$25 million annual budget."<sup>38</sup>

For three decades, BAM benefited from Lichtenstein's strong, visionary and stable leadership. When Lichtenstein first began, his most pressing task was to grow a new audience for BAM. Over time, he made a radical change to the institution's mostly classical and traditional programming that received little attention to display performances that were avant-garde and nationally acclaimed. During the 1980s, multicultural arts performances were beginning to emerge and Lichtenstein was one of the first in the industry to catch on to this movement. Commenting on his life's work, Lichtenstein was quoted as saying, "It was clear to me [that] BAM was going to build its reputation doing things that weren't being done in Manhattan. Things that were of important quality and not conventional."<sup>39</sup> For BAM, these changes also made sense given the institution's location in Brooklyn which was experiencing an increasing influx of immigrants and diversifying neighborhoods. As a result, BAM created programs such as DanceAfrica and the Next Wave Festival, programs that were fresh ideas and reflected multicultural influences.<sup>40</sup>

The success of the new programming was evident from rising viewership as well as increasing coverage and positive reviews in the arts sections of local newspapers such as the New York Times. However, BAM and Lichtenstein still faced barriers that prevented the institution from becoming even greater: the quality of the neighborhood that BAM was located in and the Manhattan-centric mindset of both audience members and arts performers.

In the 1980s, as BAM was on the rise, there were still abandoned buildings and vacant land parcels abutting the institution that prevented it from becoming a destination attraction. Lichtenstein was once quoted as saying, "BAM had made a reputation as a performing arts

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<sup>36</sup> James Traub, "The (Not Easy) Building of (Not Exactly) Lincoln Center for (Not) Manhattan" *The New York Times Magazine*, April 25, 2004.

<sup>37</sup> Downtown Brooklyn Partnership, "The Downtown Brooklyn Partnership | About Us | Staff." <http://www.dbpartnership.org/about/staff> (accessed April 28, 2007).

<sup>38</sup> Rosten Woo and Damon Rich, "BAM's Boom: Is it Good for Fort Greene?" *The Village Voice*, May 25, 2002.

<sup>39</sup> Ibid.

<sup>40</sup> Barbara Parisi and Robert Singer, 4.

center, but the context never grew up around it.”<sup>41</sup> In 1981, BAM formed a local development corporation to address this very issue. The BAM LDC first began by rehabilitating two abandoned theaters in the mid-1980s, the Strand and the Majestic (now called the Harvey Theater), and developed a small park on one of the vacant lots.<sup>42</sup> However, even with these changes, there were still several underutilized parcels that would later become the focus of the cultural district.

Furthermore, BAM faced another problem. Lichtenstein has had to work hard to convince people to attend performances as well as perform at his institution just over the East River because Manhattan was and is still today the center for the arts in New York City. Although perceptions about Brooklyn have changed immensely, for many years it was considered a no-man's land, particularly when it came to the arts. One news reporter recounted:

“Several years ago, Harvey Lichtenstein, the former president and presiding genius of the Brooklyn Academy of Music, visited the board of an important New York arts institution with the hope of persuading the group to consider moving to the “cultural district” he was, and is, developing in the rapidly gentrifying neighborhood around BAM. Lichtenstein said, “You know, Paris has the Left Bank, and London has the South Bank, and here you've got Brooklyn.” The outer borough was the Left Bank-in-waiting. Then some wisecracker on the board cracked, “Yeah, well, in Paris, when you go to the Left Bank, they're still Parisians.” Everyone guffawed; Lichtenstein fumed.”<sup>43</sup>

Thus, to directly draw patrons from Manhattan, BAM began operating the BAMbus, a shuttle that runs to and from midtown Manhattan on performance nights. Such efforts to cater to an audience outside of Brooklyn have not gone unnoticed by locals. A news article quoted a former resident and employee of BAM as saying, “People never felt that BAM was something for the neighborhood. It was more for Park Slope and Manhattan.” Such bitter sentiments became important, as the BAM LDC later found out, when it began planning for the cultural district.

### *Visions of a Cultural Community*

For all the various reasons -- to grow its audience, to change perceptions about Brooklyn as a cultural place and to create a bohemian paradise -- the BAM Cultural District was born. One reporter noted:

“Lichtenstein envisioned something that didn't really exist anywhere: a bohemian, or bourgeois bohemian, paradise where artists lived and worked and mixed with neighborhood folk. It wouldn't be Lincoln Center, with art up on a plinth, and it wouldn't be SoHo, where art has been reduced to shopping bait. It would be a culture community.”<sup>44</sup>

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<sup>41</sup> Julian E. Barnes, “In Brooklyn, a Vision of a Cultural Haven; Academy Plan Generates Buzz and Backlash.” *The New York Times*, September 28, 2000.

<sup>42</sup> Barbara Parisi and Robert Singer, 4.

<sup>43</sup> James Traub, 38.

<sup>44</sup> *Ibid*, 39.

Hence, the BAM Cultural District first began from an artist's vision of a neighborhood where art and culture would take place all around, in buildings and in the surrounding public spaces. It was on one hand, a practical solution that would support the growth of BAM as an institution and on the other hand, an artistic expression that was just for art's sake. Indeed, the cultural district would be bold and as one reporter noted: the project is "not supposed to be artistically safe. It is supposed to be exciting." Giving an account of his interview with Lichtenstein, the reporter wrote: "Although Mr. Lichtenstein has filled his office at the development corporation with the trappings of an urban planner (zoning rules, aerial photos, land-use maps), he still thinks like a creative director of a performing arts group." Lichtenstein was also quoted as saying, "The district will develop like a work of art. It will be a creative process. It could be terrible; it could come out terribly. Anything creative starts out with that possibility, that it could be terrible. But we have the commitment, flexibility and nerve to go through with it."<sup>45</sup> Unfortunately for the Fort Greene neighborhood, this artistic and abstract interpretation of the cultural district drove the planning process. And although Lichtenstein was known to say things that were controversial as some of the above statements, many bought into this vision, particularly the City. But not everyone in the community did, as Lichtenstein would later find out.

## **The BAM Cultural District**

In 1999, Lichtenstein resigned from his position as the executive director of BAM to realize his dreams for the cultural district as the new president of the BAM LDC. Starting from 2000, the BAM Cultural District took off as the BAM LDC hired new staff members and local government officials became increasingly involved in the project until it ultimately became a joint project. The City was heavily invested in the project from the beginning when the BAM LDC received a \$50 million matching grant to be used over several years.<sup>46</sup> Around this time, former mayor Rudy Giuliani was quoted as saying that the arts is a "tremendous industry" in New York City, and if the city invests "50 or \$60 million, which sounds like a lot of money, right in BAM, we are going to make that back in the same way that we do when we invest in other businesses like the New York Stock Exchange"<sup>47</sup> Unfortunately, the BAM LDC experienced some difficulty in matching the City's grant after 9/11 when many cultural institutions were hard-pressed and unable to raise funds. Pressing on however, the organization came up with an ambitious plan for the neighborhood.

### *Planning the Cultural District*

The BAM Cultural District consists of 14 city blocks located on the edge of Downtown Brooklyn at the intersection of Flatbush Avenue and Fulton Street (Fig. 3.1). This area is bounded by a neighborhood business district to the east and north, and a mainly residential neighborhood to the west and south. The Brooklyn Academy of Music's historic building sits on one of the blocks. The plan itself focuses on the four developable blocks in the district that are currently used as surface parking for BAM. Each block will be developed in separate phases and

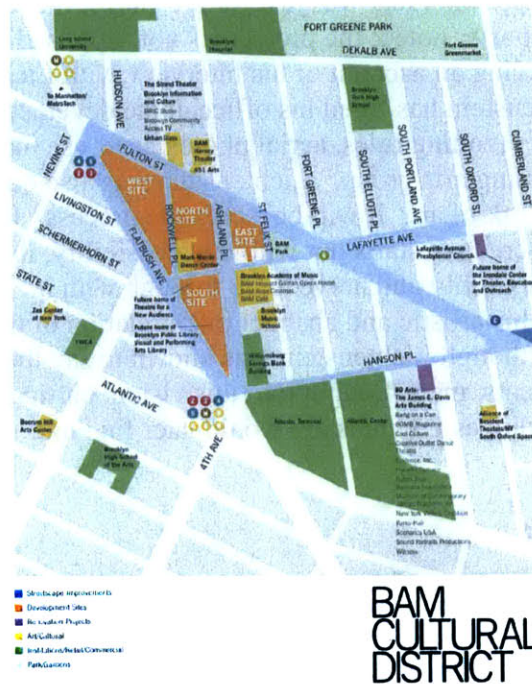
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<sup>45</sup> Julian E. Barnes.

<sup>46</sup> James Traub, 39.

<sup>47</sup> Rosten Woo and Damon Rich.

are currently called the North, South, East, and West sites. The North and South sites are city-owned parcels, while the West and East sites are owned by private groups.



**Fig 3.1: Map of the BAM Cultural District**  
 (Source: Commission for Architecture and the Built Environment)

The BAM LDC enlisted the firm Diller Scofidio + Renfro and famous architect, Rem Koolhaas, to create a master plan for the district. According to the company's website, Diller Scofidio + Renfro is an “interdisciplinary firm straddling architecture, urban design, visual arts, and the performing arts.”<sup>48</sup> The firm is known for its bold and avant-garde design, and in the past few years, has gained several other cultural institutions as clients such as Lincoln Center and the Institute of Contemporary Art in Boston. However, it had completed relatively few large public planning projects at the time it was hired by the BAM LDC.<sup>49</sup>

After an interview with the Diller Scofidio + Renfro and Koolhaas team, a reporter wrote about the drafted master plan:

“The goal of the plan, Charles Renfro, the lead architect, says, was “to overcome BAM’s isolation,” to use design to weave the rarefied, and largely white, world of BAM into the commercial and residential world of Fort Greene. The building scale would be low, the “tawdry outer-boroughness” of the commercial strip would be respected, if not altogether preserved, and the “public space” of the cultural institutions would flow into the “private

<sup>48</sup> Diller Scofidio + Renfro, “Selected Projects.” <http://www.dillerscofidio.com> (accessed April 25, 2007).

<sup>49</sup> Andrew Yang, “The Stealth Designers.” *The Architect's Newspaper*, June 8, 2004, <http://www.archpaper.com> (accessed April 25, 2007).

space” of the housing, which would be provided at subsidized rates to artists and would ensure the 24-hour character of the neighborhood.”<sup>50</sup>

However, when the master plan was completed in 2002, another reporter noted that despite all of the attention caused by the star power design team, “very little in the way of fancy renderings was released to the press.” He continued to write: “That’s because there weren’t any. According to the firm, the master plan really isn’t a master plan at all. It is a series of programmatic and building recommendations for a network of systems and spaces that will maximize a dynamic interplay between the district’s different cultural institutions.” In the same article, Ricardo Scofidio provided an explanation for the lack of detail by saying, “the project [had to be implemented] in phases, and could change, and affect what followed.”<sup>51</sup> However, although the master plan may have suited the BAM LDC well because of its flexibility, the result was that very little information was provided to the public about what would actually be built on the site.

### *A Mega Real Estate Project*

Without giving much detail, the BAM LDC has stated in its various documents that the cultural district would be a “vibrant, mixed-use multicultural arts district in Downtown Brooklyn that will be a resource for the arts, the local community, the borough of Brooklyn and the City as a whole.”<sup>52</sup> In addition, “a primary goal of the planned Cultural District is to convert currently vacant parking lots and underutilized property into affordable, desirable space for nonprofit visual, performing, media and other arts groups to create and present their work.” A lot of romantic language has been used to describe the vision of the BAM Cultural District, but it is in reality, a real estate project. At the end of the day, cultural buildings will be built and other supporting real estate deals made.

The BAM Cultural District is a \$650 million project that will create new theaters, museums, libraries, dance studios, art galleries and housing, many of which, designed by world-famous architects such as Enrique Norten, Frank Gehry and Hugh Hardy.<sup>53</sup> Among the signature cultural pieces of the district is the already built “80 Arts” building, an eight-story office and work space for 12 nonprofit arts and arts service organizations. When it is finished, the district will also have a new visual and performing arts branch of the Brooklyn Public Library and a 299-seat theater as well as other cultural spaces.

Despite its designation as being an arts district, the non-cultural components of the project are significant and include streetscape improvements, new public open spaces, 350 units of mixed-income housing, retail commercial space, and off-street parking. Currently, the housing portion is planned to have roughly 50% affordable and 50% market rate units. Hence, the cultural district is drawing the interest of real estate developers and will continue to do so as the four sites are put to bid for development by the City. On a side note, Forest City Ratner, one of the largest real estate development firms in New York City, is the owner of the East site. Additionally, Bruce

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<sup>50</sup> James Traub.

<sup>51</sup> Andrew Yang.

<sup>52</sup> BAM LDC, *BAM Cultural District, Request for Expressions of Interests: North Site Arts and Cultural Uses*, December 6, 2004.

<sup>53</sup> James Traub.

Ratner, the company's chief, is currently the president of the board of directors of BAM and is a former member of the board of the BAM LDC. As one of the two private land owners in the cultural district, as well as the owner of other nearby real estate, Ratner was involved in the beginning stages of the project and was "instrumental" in helping to get it started.<sup>54</sup> However, the developer seems to be less involved at the moment, and is focusing on the much larger Atlantic Yards development located several blocks away from the BAM Cultural District.

### *Attracting Arts Groups*

In addition to developers, BAM has played a significant role in attracting other arts organizations to the area. It is evident that BAM brings "credibility and legitimacy" to the cultural district by lending its name. A nationally recognized cultural institution like BAM has the ability to attract other arts and cultural groups because of its reputation. Although these groups "tend to be more risk-taking than companies, no cultural institution wants to be the first" to locate in any neighborhood. Arts nonprofits want to be where there is already a "critical mass" of cultural amenities.<sup>55</sup> By drawing 400,000 visitors annually, BAM has helped Downtown Brooklyn become a cultural destination.

Through its efforts, BAM was able to bring the famous Mark Morris Dance Company to Brooklyn. The institution was also at one point in discussion with Twyla Tharp's dance company but the deal was never realized. However, although they are very talented and famous in their own right, the fact that BAM courted these arts organizations irked the community because there was already a local arts scene in Fort Greene and Brooklyn, which some say that BAM has long ignored. As one reporter wrote:

"The area has been home to black artists, particularly in music, from the young Wynton Marsalis and Betty Carter, to Cecil Taylor, the late Lester Bowie, Oliver Lake, Henry Threadgill, filmmaker Spike Lee, and poet Carl Hancock Rux. It is home to two or three popular reading and concert series, and a decade-old wave of young, black-owned businesses like Moshood, Ashanti Origins, and Keure N'Dye. While Williamsburg and DUMBO are Brooklyn neighborhoods known for visual artists, Fort Greene has the oldest and most Afrocentric artist community. And, according to local artists, they have been lobbying BAM for participation in its programming and institutional recognition of the community since the mid-1980s."<sup>56</sup>

However, the choice of which arts organizations that would be part of the cultural district was never an open discussion. The BAM LDC conducted a search process that was largely undisclosed to the public. This particular course of action became a large source of contention for the community. Joe Chan, a former senior policy analyst of the Deputy Mayor's office, explained that the BAM LDC's struggle with the community was a result of there not being any precedents to follow in developing a cultural district in New York City. The difficulty was in deciding the cultural use of the district when "there were so many different stakeholders." In the case of the BAM LDC, they were doing "pioneering work in the City" and there were no "defined checkpoints."

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<sup>54</sup> Rudy Bryant.

<sup>55</sup> Joseph Chan.

<sup>56</sup> Rosten Woo and Damon Rich.



### *Mixed History of Community Outreach*

In general, the Fort Greene community had bitter sentiments against the BAM LDC for contributing to the “Manhattan invasion” of Brooklyn via the new arts organizations, as well as the residents and visitors that it was meant to draw. Not only was there a “Manhattan versus Brooklyn” ill-will, but also a racial struggle, as BAM also symbolized the “white invasion” that was occurring in the area. Former New York State Assembly Member, Roger Green (D-Brooklyn) even called the project, the “Manhattan Displacement District for Racial and Cultural Exclusion.”<sup>57</sup> The community’s strong feelings toward the project resulted in a large group of residents, Brooklyn artists, community-based organizations and clergy members forming the Concerned Citizens Coalition, also known as the CCC. The Pratt Area Community Council, the local CDC, also became part of this ad-hoc group.

The largest concern of the CCC was that the BAM LDC did not adequately consult the community during the master planning process. In 2001, the BAM LDC took its proposal public and conducted three invitation-only community meetings, mostly with civic leaders. In 2002, they held several public forums that were orchestrated to prevent open discussion. One news article stated:

“The Fort Greene residents at the February 26 planning workshop for the proposed Brooklyn Academy of Music (BAM) Cultural District, presumably there to discuss the future of their neighborhood, were instead asked to divide themselves into four categories: the Public Realm, Arts & Culture, Housing, or Local Business. After a series of invitation-only meetings last year, this public forum’s style may have been off-putting. Anyone might have taken it for one of BAM’s interactive performance pieces.”<sup>58</sup>

After these meetings, the dialogue between the community and the BAM LDC became so heated that the Pratt Center for Community Development was asked to mediate and the LDC hired a public relations management firm. Reflecting on the community’s response later on, the BAM LDC admitted that it was not what they anticipated.

It appears that the BAM LDC’s relationship with the community was complicated in more ways than one. According to Deb Howard, executive director of the Pratt Area Community Council (PACC), there was a time when her organization and the BAM LDC competed for a grant from the New York City Department of Small Business Services. When PACC received the grant, Howard, who did not hide her dislike for the leaders, recalled that the BAM LDC was not pleased.<sup>59</sup> Thus, there was also some competition between the area’s community organizations and the BAM LDC, and the fight over the BAM Cultural District can be seen as a conflict between housing developers. In 2004, the CCC put together their own concept for the North site and brought it forward to the BAM LDC and the Deputy Mayor’s office. According to Rudy Bryant, former Associate Director of the Pratt Center for Community Development and

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<sup>57</sup> Ann Schneider and Valerie Joyner, “Fort Greene Community Speaks Out.” The Metropolitan Council on Housing’s Newsletter, *Tenant/Inquilino*, July 2001.

<sup>58</sup> *Ibid.*

<sup>59</sup> Deborah Howard, Executive Director of the Pratt Area Community Council, interview by the author (Brooklyn, NY, March 28, 2007).

consultant to the CCC, both entities “did not take [the proposal] into full consideration” and only paid “lip service” to the CCC. Bryant also said that the current master plan “seems to take into consideration” what the community wants in the general concept, but not in the details: the main points of disagreement were over the CCC’s requests for the local arts community to be included in the project and that the whole cultural district should be developed at once, not in phases. The CCC proposed that the entire site should be built by one developer, potentially a team designated by the CCC, and that the proceeds from the condo sales should go to an endowment fund for local artists. However, the City did not meet the group’s requests, and will put each parcel out to RFP at different stages. Bryant said that with the City’s approach, the “Coalition can not be assured the RFP” and essentially, the CCC’s development proposal was rejected.<sup>60</sup> However, when the City puts the sites out to RFP, according to Deb Howard of the Pratt Area Community Council, the Coalition’s development team intends to apply.

Although Fort Greene is a small community, not everyone completely agrees with the CCC and dislikes the cultural district project. Phillip Kellogg, president of the Fort Greene Association, an organization of residents, said he believed that the BAM LDC “went through the proper channels” of community outreach, meaning the City’s ULURP process. Kellogg was also concerned that small local arts groups be accounted for in the project. He also would like to see the scale of some of the buildings reduced and more affordable housing, but in general, Kellogg thought that the BAM Cultural District will bring welcome amenities to neighborhood.<sup>61</sup>

However, it now appears that the BAM project has taken the back burner on the agendas of many of the community organizations. The CCC has been inactive in recent years, especially since the project appeared to be at a standstill, and most of the community is now more concerned with the much larger Atlantic Yards project just a few blocks away from the BAM Cultural District.

### *Partnering with City Government*

In the fall of 2006, the BAM LDC was subsumed into an agency created by the City called the Downtown Brooklyn Partnership (DBP). The DBP was created to be the on-the-ground agency to oversee the planning and development of Downtown Brooklyn.<sup>62</sup> It incorporated four of the area’s already existing nonprofit organizations: the Downtown Brooklyn Council, MetroTech Business Improvement District, Fulton Mall Improvement Association, and BAM LDC.

For BAM, this management change does not result in a loss since it does not affect the original vision for the cultural district itself, and will in fact help move the project along more quickly. After the public announcement of the City’s expanded role, Jeanne Lutfy, former president of the BAM LDC was quoted as saying, “We think it’s a great thing. The [City] has always been a partner in this. They’re just bringing more resources to the table, so we can get it into the ground faster.”<sup>63</sup>

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<sup>60</sup> Rudy Bryant.

<sup>61</sup> Phillip Kellogg, President of Fort Greene Association, phone interview by the author (March 27, 2007).

<sup>62</sup> Joe Chan.

<sup>63</sup> Robin Pogrebin, “City Expands Its Role in Brooklyn Cultural District.” *The New York Times*, August 15, 2006.

From the City's perspective, this move was also a good and very logical next step. Given that much public funding has been pledged to the BAM Cultural District, the City has a strong interest in "what happens and how it happens" as one observer commented.<sup>64</sup> More importantly, the project is now part of a larger City agenda to expedite the development and growth of Downtown Brooklyn. The Downtown Brooklyn Plan and the BAM Cultural District originally began as two separate projects but have now been combined into one. The district is also in between two large centers of attention for the City: Downtown Brooklyn and Atlantic Yards.

As the second largest commercial district in New York City after midtown Manhattan, Mayor Michael Bloomberg has placed Downtown Brooklyn as one of his highest priorities. The Downtown Brooklyn Plan calls for 4.5 million ft.<sup>2</sup> of new office space and 1000 new residential units. The Mayor also has a New Housing Marketplace Plan for the entire city "to build or preserve 165,000 units of affordable housing over ten years, the largest municipal housing initiative in the nation's history."<sup>65</sup> The BAM Cultural District is now part of these larger agendas, but also plays a significant role, according to Joe Chan, the current president of the Downtown Brooklyn Partnership. He asked, "What do all great downtowns have?" He continued on to list a commercial center, residential base, and an entertainment and cultural center, which the BAM Cultural District fulfills.<sup>66</sup>

Since the City has taken over, the DBP has begun to address some of the problems that the BAM LDC had been facing. According to Chan, the project appeared to be at a standstill for awhile because of the complicated nature of structuring cultural venue projects. He stated that even just two years ago, "the City treated cultural institutions like corporations" when making real estate deals with them; for example, the City would give a small amount of money and expect the institution to provide the rest. But, Chan said that developing real estate projects with cultural institutions is very different from working with corporations. Over time, the City has learned that cultural institutions require much more public funding, especially since they have tight budgets and many have difficulties keeping up with even day-to-day operations. "When you throw on top of that, a large capital project, the institutions struggle." Thus, working with arts and cultural organizations has required a lot of "hand-holding and close attention" as well as public funds. Although previously, the institutions were expected to match any given public money, Chan said that the majority of the construction costs for the cultural components of the BAM project will now be provided by the City.<sup>67</sup>

## Summary

The BAM Cultural District is a very controversial project with a long and twisted history. It is important to not lose sight of the fact, however, that the cultural district was initiated by an arts and cultural organization, the Brooklyn Academy of Music, even though it has now been taken over by the City of New York. By leading the planning phase, the BAM LDC ultimately shaped

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<sup>64</sup> Rudy Bryant.

<sup>65</sup> NYC Department of Housing Preservation and Development, "City Announces New Mixed-Use Development in BAM Cultural District to Include Dance Center, Affordable Housing and Retail." press release, February 9, 2007.

<sup>66</sup> Joseph Chan.

<sup>67</sup> Ibid.

the project, fulfilling an artistic director's utopian vision of a cultural community that would also support the growth of BAM. However, the organization carried out the planning process without the input of Fort Greene residents, local artists, and community-based organizations, leading to the formation of the Concerned Citizens Coalition. These opponents retaliated the BAM LDC's plans with fierce opposition that was indicative of the bitter resentments that had already existed in the community due to gentrification and underlying class and racial struggles. Overall, assessing the benefits of the BAM Cultural District in the community is difficult, however, because the interests of a neighborhood are pitted against not only the BAM LDC, but also those of the City government and the regional interests that it represents.

<b>The Brooklyn Academy of Music</b>	
<i>Project Choice</i>	Creating a cultural district: Place-based development
<b>About the Parent Organization</b>	
<i>Organization Type</i>	Performance arts center
<i>Year Established</i>	1861
<i>Constituents</i>	Manhattan audience
<i>Missions, Goals, Ambitions</i>	Become/retain status as nationally-acclaimed, avant-garde and multicultural performance arts center; Overcoming the Manhattan-complex
<b>Historical and Neighborhood Context</b>	
<i>Community</i>	Fort Greene, Brooklyn
<i>Neighborhood History</i>	City center decline during mid-20 <sup>th</sup> century; Gentrifying in recent years
<i>Neighborhood Demographics</i> <sup>68</sup>	41% African American, 34% Caucasian, 17% Hispanic; Median Household Income = \$42,500 / Poverty Rate = 18%
<i>Responses to Neighborhood Changes</i>	Added more multi-cultural programs; Began BAMbus as part of marketing initiative and to transport visitors
<i>Prior Community Involvement</i>	Little to none
<b>About the Development Corporation</b>	
<i>Entity Name</i>	BAM Local Development Corporation
<i>Year Formed</i>	1981
<i>Leadership Background</i>	Dance, Arts management
<i>Board of Directors Composition (starting with strongest emphasis to least)</i>	Real estate development, business, government, architecture & design, education
<b>Project Planning and Implementation</b>	
<i>The Spark</i>	Artist's vision
<i>Consultants Used</i>	Architecture and urban design, real estate consulting, and public relations firms
<i>Planning Process</i>	Master plan for the BAM Cultural District was created internally by LDC and released to the public after completion; Held controlled public meetings that limited community input
<i>Community Involvement</i>	Little to none; Bitter relationship with community groups
<i>Funding</i>	Initial project funding by foundations; \$80 million capital investment from City government
<i>Working with City Government</i>	Joint partnership with City government; Subsumed in later years by City-created agency
<i>Other Partners</i>	Developers
<i>Relationship with Community-based Organizations</i>	Competition with local CDC; Ignored Brooklyn arts and cultural organizations

<sup>68</sup> Data from the Furman Center for Real Estate and Urban Policy and the New York City Department of City Planning.



## Chapter 4: The Heart of Brooklyn & Commercial Revitalization

### Introduction

On Valentine's Day in 2002, a nonprofit organization called the Heart of Brooklyn (HOB) was formed by six cultural institutions in Brooklyn: the Brooklyn Museum, the Brooklyn Children's Museum, the Brooklyn Public Library, the Brooklyn Botanic Garden, Prospect Park, and Prospect Park Zoo. One reporter called the HOB, a "marriage" between the cultural institutions, as they were forming an alliance to take measures to increase visitors' access to the cultural offerings of the six institutions.<sup>69</sup> What the reporter did not know then is that this consortium would also enter into a kind of marriage agreement with the Crown Heights community when the HOB also committed itself to "strengthening the future of its surrounding neighborhoods" and began the Crown Heights Renaissance project.<sup>70</sup> However, this union between the arts and cultural organizations and the community is not an equal partnership as the following text will reveal.

This chapter will take a look at the community economic development role that the HOB and its member institutions are assuming in Crown Heights. This section will briefly discuss the history of the nonprofits and the neighborhood they are in to reveal why the HOB was formed. The following pages will also describe the consortium's venture into forming Business Improvement Districts in the commercial areas in its vicinity and the partnerships that the HOB has formed to carry out its project.

### Background

#### *A Cultural Campus*

The HOB's cultural institutions are clustered together around Prospect Park, forming a cultural campus in the center of the borough (Fig. 4.1). The Park was created in the late 1860s when Brooklyn was still an independent city before it was absorbed into the City of New York. At the time, Brooklyn's civic leaders and wealthy elite lamented the lack of recreational and cultural resources in Brooklyn and envied the recently completed Central Park just across the river. Not to be outdone, these visionaries set aside 320 acres of undeveloped land to create a grand park and nature preserve on the southern limits of the city, or what is today the edge of Downtown Brooklyn.

The City of Brooklyn hired the famous landscape architects of Central Park, Frederick Law Olmsted and Calvert Vaux, to design Prospect Park. When it was finished, the western portion of the Park was an impressive network of open spaces connected together and to the residential neighborhoods by "parkways," a word coined by the design team.<sup>71</sup> It was Olmsted and Vaux's

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<sup>69</sup> Bill Farrell, "Wedding Day for Six Cultural Institutions," *Daily News*, February 12, 2002.

<sup>70</sup> The Heart of Brooklyn, "About Us." <http://www.heartofbrooklyn.org/about> (accessed March 5, 2007).

<sup>71</sup> The parkways, Eastern Parkway and Ocean Parkway, were 260-foot wide roads with six lanes for different types of traveling such as carriage riding and promenading.

idea to leave the eastern portion of the park between Flatbush and Washington Avenues for “Museums and other Education Edifices” that would be built at a later date. The recommendation was accepted by the client and the park was intended to become a “center of culture, entertainment, and recreation for Brooklyn residents.”<sup>72</sup> Over the next several decades, the six institutions established themselves and took their respective places in the neighborhood.



**Fig 4.1: Map of Prospect Park and the Heart of Brooklyn Member Institutions**  
(Source: The Heart of Brooklyn)

### *History of the Crown Heights Neighborhood*

Since their creation, the HOB’s six cultural institutions have always been located adjacent to an African-American community. Known today as Crown Heights, this neighborhood was originally where the slaves of Dutch settlers lived in the 1600s. The area later became a community of freed slaves, and eventually, black property owners.<sup>73</sup> Over the centuries, Crown Heights became a relatively stable middle-class African-American community. However, in the second half of the 20<sup>th</sup> century, Crown Heights experienced a decline like Fort Greene caused by the same suburbanizing forces and economic changes that also impacted many urban areas

<sup>72</sup> Joan Darragh, *A New Brooklyn Museum: The Master Plan Competition* (New York: Rizzoli International Publications, 1988), 28.

<sup>73</sup> Nanette Rainone, ed., *Brooklyn Neighborhood Book* (New York: The Fund for the Borough of Brooklyn, Inc., 1985), 37-39.



around this time. Both white and black middle-class households moved out of Crown Heights, leaving low-income households trapped in a poverty-stricken neighborhood.

Today, Crown Heights still remains a predominantly black community – about 80% of all residents – but most of the population is now composed of recent immigrants from the Caribbean and West Indian nations. There is also a small community of Lubavitch Hasidic Jews that originally settled in the 1950s. Although the different ethnic and racial groups have generally coexisted peacefully, a three-day riot broke out in Crown Heights in 1991 when a Guyanese child was killed in a car accident involving a Lubavitch Hasid.<sup>74</sup>

The most recent data from the U.S. Census show that Crown Heights is in flux. From 1990 to 2000, the neighborhood has seen a 10% decrease in blacks, 4% increase in Caucasians, and a 95% increase in other races. (The racial mix of the neighborhood in 2000 was 79% blacks, 12% white and 9% other.) The residents were more educated in 2000 compared to 1990: there was an 18% decrease in people without a high school diploma while there was a 29% increase in those with a bachelor degree. Finally, the neighborhood has seen an increase in wealth: there was a 13% decrease in the number of households with income less than \$35,000 and a 67% increase in the number of households with income greater than \$50,000. Overall, the above data indicate that economic conditions have improved for Crown Heights. The results do not necessarily indicate that massive displacement of low-income residents has occurred, but there is some evidence that blacks are leaving the neighborhood.<sup>75</sup> There is also a general sense in the community that gentrification is moving east from the wealthier parts of Brooklyn towards Crown Heights, and that rent prices and property values are rising as a consequence.<sup>76</sup>

### *The Cultural Institutions over the Years*

Throughout their history, the HOB cultural institutions have directed their sights on visitors rather than directly reaching out to the communities around them. However, the economic downturn in Brooklyn during the mid-20th century as well as a general decreasing trend in visitorship forced the institutions to rethink their practices to grow their future audiences. The institutions responded by creating community outreach programs and making their cultural offerings more relevant to a broader audience.<sup>77</sup>

According to Carol Enseki, president of the Brooklyn Children's Museum, the cultural institutions of the Heart of Brooklyn are seeking to balance their ambitions of becoming world class cultural institutions with their neighborhood focus. Within the HOB consortium, the level of interaction and engagement with the immediate community is different for each of the institutions due to their different missions and cultural focus. For example, the Brooklyn Children's Museum has programs that directly address some of the neighborhood's problems. In an interview, Enseki stated that many of her institution's programs have been shaped by the educational and social needs of the children in the area. The Museum established after-school

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<sup>74</sup> Kenneth T. Jackson, ed., *The Neighborhoods of New York City* (New Haven: Yale University Press, 1988), 78-82.

<sup>75</sup> The Heart of Brooklyn, *Crown Heights Renaissance: Strategic Community Economic Development Plan for Crown Heights, Brooklyn*, revised April 2005.

<sup>76</sup> Gus Vlahavas, owner of Tom's Restaurant, interview by the author (Brooklyn, NY, March 29, 2007).

<sup>77</sup> Carol Enseki, president of the Brooklyn Children's Museum, interview by the author (Brooklyn, NY, March 14, 2007).

and internship programs to overcome the problem of delinquency, drugs and gang activity among youth.<sup>78</sup> The Brooklyn Museum of Art, on the other hand, is an institution dedicated to growing its art collection and putting together innovative exhibits. Although they do have programming for families and schools like many museums, the Brooklyn Museum of Art focuses less directly on the neighborhood's needs.

Not surprisingly, the HOB's cultural institutions are becoming aware of the economic changes that are happening in Brooklyn as a whole. After decades of difficult times, a more prosperous era has come, and these institutions are making physical expansion plans as a result. In 1986, the Brooklyn Museum of Art created a master plan to guide its future capital improvements. Robert T. Buck, the former director of the museum stated,

“During the 1980s, the Borough of Brooklyn, to which the fortunes of the Brooklyn Museum in great measure are bound, has been experiencing an important economic revival. Accordingly, the Museum has developed a plan that recognizes this development and provides for an ever more promising future.”<sup>79</sup>

In recent years, the Brooklyn Museum of Art has added a new auditorium and completed a \$63 million restoration project on its historic building, originally designed by famous architects, McKim, Mead & White. The Brooklyn Children's Museum is currently undergoing a significant capital expansion that will double its size, and the other HOB institutions have also recently received funds from the City of New York to make physical improvements.

However, the cultural institutions still face being in a neighborhood that has not quite caught up with the changes that are occurring in Downtown Brooklyn. They also must deal with the challenge of being cultural institutions that are in the shadow of Manhattan.<sup>80</sup> Furthermore, while they have received large capital improvement funds from the City, the institutions are still recovering from decreases in operational support due to budget cuts after 9/11. The City's cuts resulted in staff reductions at the Brooklyn Children's Museum; a loss of \$1.5 million and 1.2 million for the Brooklyn Museum of Art and Brooklyn Botanic Garden, respectively; and a significant reduction in hours at the Brooklyn Public Library.<sup>81</sup>

### *Formation of the Heart of Brooklyn*

In 2002, due to their budgetary problems, the six institutions joined forces and created a nonprofit development arm called the Heart of Brooklyn. According to Carol Enseki, the institutions were already cooperating on several programming and marketing efforts, like the trolley, a free service for visitors that loops around the neighborhood to the cultural institutions on weekends and holidays. Consequently, the creation of the HOB was a natural extension of previous collaborations.<sup>82</sup> When asked to explain the reason for the formation of the HOB, Ellen Salpeter, the organization's executive director, was quoted as saying, “[...] we are looking to be

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<sup>78</sup> Carol Enseki.

<sup>79</sup> Joan Darragh, 14.

<sup>80</sup> Carol Enseki.

<sup>81</sup> Lisa J. Curtis, “Budget Crunch Suffocating Brooklyn Arts Organizations.” *The Brooklyn Papers* <http://www.brooklynpaper.com> (accessed April 30, 2007).

<sup>82</sup> Carol Enseki.

more effective with the resources we have. [Namely] a centralized system for reaching out to communities.”<sup>83</sup>

Since its inception, the HOB’s mission has been twofold: to promote and increase access to the cultural offerings of the six cultural institutions, and “to strengthen the future of its surrounding neighborhoods.”<sup>84</sup> What is remarkable is the second part of the HOB’s given charge to play a more active role in the development of Crown Heights than the cultural institutions have done in the past. This mission statement came out of the realization that the economic health of the cultural institutions was connected to the economic health of the neighborhood. Their nonprofit arm, the HOB, now enabled the cultural institutions to embark on a community economic development project, which was later called the Crown Heights Renaissance project.

## **The Crown Heights Renaissance Project**

### *The Planning Process*

At the beginning stages of the planning process, the cultural institutions thought about how the institutions themselves might jumpstart the neighborhood economy; however, this idea was soon discarded when it became apparent that changing the institutions’ practices alone would not produce the “impact they were looking for.”<sup>85</sup> Around the same time, in 2002 and 2003, the HOB also surveyed visitors to the cultural institutions and found that a sizable number expressed interest in dining at local restaurants and in exploring the neighborhood. These survey results led to a two-year planning study where the HOB studied more than a half dozen commercial corridors in Crown Heights with the help of several consultants. They also surveyed merchants and held focus groups with residents and employees of the cultural institutions. At the end of the study, the HOB and Sydney Wayman, an economic development consultant, wrote a plan titled, “Crown Heights Renaissance: Strategic Community Economic Development Plan for Crown Heights, Brooklyn.” This plan was also labeled as “Confidential.”<sup>86</sup>

### *Washington and Vanderbilt Avenues*

As a result of the study, the HOB decided to focus on two commercial corridors in particular: Washington Avenue and Vanderbilt Avenue. Both streets lead visitors directly to the cultural institutions from the neighborhoods and Downtown Brooklyn. As these two areas are the focal points of the Plan, the current states of these neighborhood business districts are described below.

Washington Avenue serves the West Indian community of Crown Heights while Vanderbilt Avenue serves a more diverse clientele. Both corridors are composed of small to medium-sized businesses that provide the neighborhood with basic services and are mostly mom and pop

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<sup>83</sup> Patrick Gallahue, “Heart of the Matter.” *The Brooklyn Papers*, February 2002.

<sup>84</sup> The Heart of Brooklyn, “Heart of Brooklyn: Who We Are.” <http://www.heartofbrooklyn.org/who> (accessed March 5, 2007).

<sup>85</sup> Sydney Wayman, economic development consultant, phone interview by the author (April 26, 2007).

<sup>86</sup> The Heart of Brooklyn, *Crown Heights Renaissance: Strategic Community Economic Development Plan for Crown Heights, Brooklyn*, revised April 2005.

stores, not franchises or national chains. The streetscapes in these districts are decent, although Washington Avenue appears to receive less attention and maintenance. Observations of the street activity indicate that people come to these corridors for errands, but not to linger and enjoy the street life. Although Washington Avenue receives more foot traffic than Vanderbilt Avenue, in recent years, the latter business district has been upgrading and has had greater turnover in the types of businesses due to the impacts of gentrification. Thus, over time, the HOB has come to focus more attention on Washington Avenue since Vanderbilt is changing on its own.

### *Results of the Planning Study*

During the planning process for the Crown Heights Renaissance Plan, an economic development consultant, Sydney Wayman, was the project manager. He was responsible for collecting and analyzing data such as demographic information, neighborhood spending patterns, as well as the economic conditions of the commercial corridors. Wayman also made recommendations to the HOB and its board of directors, the leaders of the member institutions, and wrote most of the plan.<sup>87</sup> Another consultant, Benjamin Butler of Community Development Associates, surveyed merchants and held four focus groups with residents and one with the employees of the cultural institutions. Participants for the focus groups were chosen by recruiting volunteers from community organizations and large residential developments. In the Crown Heights Renaissance Plan, the HOB claimed,

“Focus group sessions were held with 40 individuals from diverse segments of the community, including: African-American seniors who have been longtime Crown Heights residents; women with young children in the Medgar Evers Development Center Daycare program; African-American residents of a Classon Avenue building; and a primarily white group of residents from Turner Towers, a large cooperative apartment building on Eastern Parkway.”<sup>88</sup>

The merchant surveys were conducted by focusing on the businesses along Washington Avenue. In total, 13 store owners were consulted.<sup>89</sup> Overall, the HOB engaged in a targeted and controlled community outreach process to develop its Crown Heights Renaissance Plan. Wayman stated that the idea of an open forum or “town hall” was considered at one point but was decided against. His reason for not holding a public meeting was a fear of “[not getting] much accomplished” and having a “big argument” like the Atlantic Yards development where “you have groups arguing for and against [the project.]” And, the plan was labeled as confidential, Wayman explained, because it was a “work in progress.”<sup>90</sup>

The analysis of the results from the focus groups and surveys led the HOB to the main conclusion that the business districts in Crown Heights were not serving existing needs as well as the needs of the new residents that are moving into the neighborhood. Regarding the feedback from current residents, the Crown Heights Renaissance Plan states,

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<sup>87</sup> Sydney Wayman.

<sup>88</sup> The Heart of Brooklyn, *Crown Heights Renaissance: Strategic Community Economic Development Plan for Crown Heights, Brooklyn*, revised April 2005, 14.

<sup>89</sup> The Heart of Brooklyn, *Crown Heights Renaissance Project: Resident Focus Groups Summary Report*, May 2004.

<sup>90</sup> Sydney Wayman.

“By no means was the dissatisfaction universal with regard to all merchants, but the feedback was primarily negative. Generally, participants found that the quality of merchandise, the variety and prices of products and services offered, and customer service were all sub-standard.”<sup>91</sup>

Participants attributed the lack of competition in the commercial corridors to these conditions. The feedback also revealed that many the residents prefer to shop outside of their neighborhood business districts. The residents expressed concern especially for the “captive market,” those who had limited mobility or access to transportation. Residents also gave the HOB some ideas about what they wanted for Washington Avenue:

“While there were mixed views, generally participants envisioned an improved Washington Avenue strip to look less like Park Slope (densely populated with franchise and trendy boutique type stores) and more like Vanderbilt Avenue. Many, though not all, expressed a desire to have stores on Washington Avenue owned primarily by locals and offering food and merchandise that reflects the various cultures and ethnicities present in the community.”<sup>92</sup>

From the Washington Avenue merchants themselves, the HOB learned that business has been slow in the past, but is picking up in recent years. The Plan noted that “almost all merchants observed that the community is becoming more gentrified, as the number of higher income households increase. They have also noticed an increase in racial diversity in the community.” However, the merchants also revealed that “they generally have not changed their business practices in response to the influx of higher income residents.”<sup>93</sup>

#### *The Crown Heights Renaissance Plan's Goals*

With these conclusions in mind, the HOB made the overarching goal of the Plan, “to stimulate economic revitalization in Crown Heights, specifically in the commercial corridors near the HOB member institutions.” The plan also seeks to address the needs of three different stakeholder groups:

- Crown Heights residents: by improving neighborhood services and local shopping experiences;
- HOB visitors and employees: by enhancing the range of retail establishments to better meet their needs and;
- Local merchants and property owners: by providing opportunities for business development.<sup>94</sup>

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<sup>91</sup> The Heart of Brooklyn, *Crown Heights Renaissance: Strategic Community Economic Development Plan for Crown Heights, Brooklyn*, revised April 2005, 15.

<sup>92</sup> The Heart of Brooklyn, *Crown Heights Renaissance Project: Resident Focus Groups Summary Report*, May 2004, 3.

<sup>93</sup> The Heart of Brooklyn, *Crown Heights Renaissance: Strategic Community Economic Development Plan for Crown Heights, Brooklyn*, revised April 2005, 13.

<sup>94</sup> *Ibid.*, 5.

### *Formation of Business Improvement Districts (BIDs)*

An inspiration for the Crown Heights Renaissance Plan was the revitalization of Myrtle Avenue, the result of a fruitful partnership between the Myrtle Avenue Revitalization Project Local Development Corporation (MARP) and the neighboring Pratt Institute, a liberal arts college specializing in the arts, architecture and urban planning. While MARP managed the project, the Pratt Institute, through its research and practice-oriented community development arm called the Pratt Center for Community Development, provided student volunteers, GIS capabilities and other resources.<sup>95</sup> Within five years, they were able to turn Myrtle Avenue around from its previous dilapidated condition, and eventually formed a Business Improvement District (BID). The partnership has also been able to get several upscale and boutique small businesses to open on Myrtle Avenue.<sup>96</sup>

Looking to Myrtle Avenue as a model, the Plan's ultimate objective is to upgrade the Washington Avenue and Vanderbilt Avenue business districts and prepare them for BID formation. When asked what the HOB thinks about the current state of the two corridors, Mollita Mohammed, Community Outreach Manager of the HOB, said that although Vanderbilt Avenue has been improving, Washington Avenue has not, but the organization would like to see more attractive streetscapes for both corridors. On Washington Avenue, the HOB would like to have a more diverse mix of goods and services offered, and to convince the merchants to make cosmetic changes such as removing bulletproof glass in some of the stores that still remain from a bygone era.<sup>97</sup> BID formation is an attractive strategy for achieving these ends and the overall improvement of a commercial area. It is also a policy that the City of New York has been pushing because it requires the shared responsibility of merchants, property owners, residents, other stakeholders, and the City to turn around a business district.<sup>98</sup> If and when the BIDs are established, the HOB would become a member of the BID organizations as one of the stakeholders. Mohammed said that it is important that the HOB not be perceived as driving the BIDs; however at the moment, they are the only group that is actively working to form them.<sup>99</sup>

### *Organizing Merchants and Property Owners*

The HOB has learned that revitalizing a commercial district is not an easy task, and requires community organizing and building of trust with merchants and property owners. In the beginning, it was apparent that the merchants on Washington Avenue were, and still are for the most part, weary of the HOB's presence and interest in the business districts. Some of the suspicions have racial undertones: one of the merchants referred to the cultural institutions as "the white folks on the hill".<sup>100</sup> Among the merchants themselves, there is in-fighting between the two districts and among businesses along each avenue. Many of the merchants on Washington Avenue are also reluctant to reform an organization because they have been

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<sup>95</sup> Ellen Salpeter, Executive Director of the HOB, phone interview with the author (February 16, 2007).

<sup>96</sup> Anita Jain, "Myrtle Ave. BID raises the stakes." *Crain's New York Business*, November 22, 2004.

<sup>97</sup> Mollita Mohammed, Community Outreach Manager of the HOB, interview with the author (March 14, 2007).

<sup>98</sup> NYC Department of Small Business Services, *Starting a Business Improvement District: A Step by Step Guide*, [http://www.nyc.gov/html/sbs/downloads/pdf/bid\\_guide\\_complete.pdf](http://www.nyc.gov/html/sbs/downloads/pdf/bid_guide_complete.pdf) (accessed March 9, 2007).

<sup>99</sup> Mollita Mohammed.

<sup>100</sup> *Ibid.*

disappointed by their former merchants association, which is now defunct.<sup>101</sup> Atim Annette Oton, owner of Calabar Imports on Washington Avenue, explained the reason for the atomized merchants in her district stating that these merchants are only concerned with the “the bottom-line, income, and if there’s time for vacation.”<sup>102</sup>

The HOB is taking a mediating role by helping the merchants to organize themselves. The HOB meets with business owners on a regular basis to lay the groundwork for forming a BID. Although there are about 65 merchants on Washington Avenue and 35 merchants on Vanderbilt Avenue, only a handful show up to these meetings. Many of the merchants would like to see improvements in their business districts but they waiver when it comes to actually taking action. When asked how the HOB can get around the lack of participation, negative perceptions and other barriers, Mohammed replied that the HOB will continue to forge ahead with the project and work with those merchants who see the potential of their partnership with the cultural institutions.<sup>103</sup> The HOB is also working to improve relations with the merchants by giving them what they ask for, mainly by making small streetscape improvements, in the hopes that as these business owners begin to see results, they will participate and become more active partners. Even on Myrtle Avenue, a BID would never have formed without first improving the physical condition and retail mix of the street to win the support of the local businesses.

Thus, the HOB is working to achieve small but visible improvements to gain the trust of the merchants as well as property owners. Its first step was to create a marketing brochure for the neighborhood’s commercial corridors including Vanderbilt and Washington. This brochure clearly shows the cultural institutions and the locations of the business districts on a map. It lists the Dining, Shopping and Service establishments for each avenue. The brochure was created free of charge to the merchants and is distributed regularly to them and the HOB’s visitors; it will also be used to recruit new businesses to the area. The HOB plans next to make small streetscape improvements and to install wayfinding markers that will lead the visitors to the cultural institutions and the business districts. The funding for these types of small project will come from City government until a BID is formed.

A group that the HOB has had difficulty in connecting to, let alone organizing, are the property owners in the business districts. The HOB would like to develop a strategic plan with them, in particular, but many are absentee landlords and have shown little interest in participating. To recruit the types of new businesses to the area that the HOB desires to see, the organization would have to work closely with the property owners. For example, the HOB would like to see a bank or two, and perhaps some franchises or national chains set up shop on Vanderbilt and Washington, but many of the footprints of the storefronts are too small for a bank or other larger establishments to be interested in locating in these districts. Only the property owners have the power to re-organize storefronts to create more optimal sizes.

Although it would like to see new types of businesses, the HOB is also working with existing merchants to improve their business models and help them cater to the middle and upper income residents who are moving into the neighborhood. The HOB has joined forces with Medgar Evers

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<sup>101</sup> Gus Vlahavas.

<sup>102</sup> Atim Annette Oton, owner of Calabar Imports, interview by the author (Brooklyn, NY, March 29, 2007).

<sup>103</sup> Mollita Mohammed.

College (MEC), a City University of New York institution, to provide technical assistance to the merchants of Crown Heights. MEC has a School of Business that provides accounting and marketing student interns as consultants to the business owners at no cost. Although with good intentions, Mohammed said that the program has been unsuccessful since few of the merchants are interested in working with the students and only three actually took full advantage of the program. The HOB has heard from the merchants that they were too busy managing their businesses to participate. This reason may be true, but a discussion with Oton revealed that the merchants may feel that they do not need the help. Oton said, "A nonprofit doesn't really understand what it's like to run a business."<sup>104</sup>

### *Working with the City*

The HOB has been working with the New York City Small Business Services (SBS) agency to create the BIDs. Joyce Coward, the Director of Commercial Revitalization at SBS, made it clear that the City does not form Business Improvement Districts. Rather, the City provides technical assistance and seed money through its Avenue NYC program to local organizations like the HOB that are interested in forming BIDs.<sup>105</sup> SBS is one of the HOB's key sources of funding for its Crown Heights Revitalization project.

The NYC SBS would like to see BIDs created on Washington and Vanderbilt Avenues, and has plans to replace all merchants associations across the city with BIDs. The City is working to phase out merchants associations because they have generally been unsuccessful. A key difference between the two types of organizations is that a merchants association uses city funds for their administration whereas a BID is self-funded through a tax levy on the property owners in the business district. BIDs, since they are self-reliant, tend to have stronger organizations and have resulted in improved business districts.

SBS recognizes the importance of cultural organizations in neighborhood business districts, and the symbiotic relationships that they can have with local businesses. In 2003, the agency and the Alliance for the Arts conducted a survey of Business Improvement Districts and local development corporations to study how these entities work with the New York City cultural community. Of the 62 respondents, the majority stated that they collaborate with arts and cultural organizations and those that did not expressed interest in doing so in the future. Coward also mentioned various other successful partnerships that have occurred between arts and cultural organizations and local businesses across the city such as the Chelsea Cultural Partnership and Madison Avenue BID. These partnerships have joint marketing initiatives and sponsor cultural events to bring visitors and patrons to both the cultural organizations and businesses.

### *Community Partnerships*

As already discussed, the HOB is partnering with the City, merchants and property owners, and Medgar Evers College in carrying out the Crown Heights Renaissance project. The organization also engaged in outreach, albeit a focused and controlled one, to community members during its

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<sup>104</sup> Atim Annette Oton.

<sup>105</sup> Joyce Coward, Director of Commercial Revitalization, NYC Department of Small Business Services, phone interview by the author (March 15, 2007).



two-year planning phase. All in all, the HOB and its member institutions have a strong desire to be “a good neighbor” to the Crown Heights community and have even made attempts to overcome racial barriers by participating in community events such as the West Indian Day Parade which takes place every year on Eastern Parkway.<sup>106</sup> After observing the Brooklyn Academy of Music’s dramatic conflict with the Fort Greene community, the HOB aims to play a more careful role in Crown Heights. “Rather than leading the process,” the nonprofit’s goal is to “organize the players” and be more of a “facilitator.” Commenting on the events of the BAM Cultural District, Carol Enseki, director of the Brooklyn Children’s Museum, stated that the BAM LDC’s mistakes in working with the community have “shaped public memory for the long-term” and is something that the HOB would like to avoid.<sup>107</sup>

However, from interviews with three business owners on Washington and Vanderbilt Avenues, it is apparent that the HOB can improve its transparency for the benefit of the community, particularly with those that the project will affect directly. Several of the merchants indicated that they had limited knowledge about what the organization is doing, and Steve Commender, president of the Vanderbilt Avenue Merchants Association, did not know that the HOB is interested in forming a BID on his street.<sup>108</sup> This evidence of a lack of clear communication is surprising especially since the burden of the tax levy that is associated with BIDs often gets passed on from the property owners to the tenants, and will greatly impact the merchants.<sup>109</sup> In an interview with Enseki, when asked about the HOB’s openness regarding its activities, the director of the Brooklyn Children’s Museum admitted that the community’s “awareness could be greater.”<sup>110</sup>

In general, the HOB is taking the lead in improving the commercial districts of Crown Heights, especially since the merchants and property owners are currently not actively engaged. Although the HOB meets regularly with key community stakeholders such as community board leaders, city agency representatives and other Brooklyn-based community development corporations, these gatherings are more for informing these groups about the work they are doing and sharing best practices. While there are CDC’s in the area, the HOB claims that it is the only organization that is concerned about the neighborhood business districts in Crown Heights because the other community-based organizations are focusing on other issues like the Atlantic Yards development.<sup>111</sup> Wayman also mentioned that an attempt was made early in the planning process to work with a local CDC, but was just not followed through.<sup>112</sup> However, it is clear even in the HOB’s limited community outreach that the residents of Crown Heights feel that the organization should work with other groups:

“Participants in three of the sessions concluded that improvements to the commercial districts would not likely happen without the active involvement of residents and

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<sup>106</sup> The Heart of Brooklyn, “Our Timeline.” <http://www.heartofbrooklyn.org/about/history.html> (accessed April 19, 2007).

<sup>107</sup> Carol Enseki.

<sup>108</sup> Steve Commender, owner of the Forest Floor and president of the Vanderbilt Avenue Merchants Association, interview by the author (Brooklyn, NY, March 29, 2007).

<sup>109</sup> Special thanks to Professor Lorlene Hoyt for answering the author’s questions about BIDs.

<sup>110</sup> Carol Enseki.

<sup>111</sup> Mollita Mohammed.

<sup>112</sup> Sydney Wayman.

neighborhood organizations. [...] It was suggested that local elected officials, community development corporations, churches and other neighborhood non-profit organizations needed to be involved with such an effort.”<sup>113</sup>

While the HOB is working alone on the Crown Heights Renaissance project, it does, however, recognize its own limitations, and that it can not meet all the critical needs of the community. For example, while it is trying to assist merchants in changing their business models to cater to a broader clientele, the HOB cannot address their lack of cash flow. In addition, Mohammed also admitted that the organization is unable to serve the large population of low income individuals and households in Crown Heights that are in need of basic human services.<sup>114</sup>

## Summary

The HOB was formed in response to its member institutions’ budgetary crises and consequent need to create a cultural destination location to attract more visitors. After conducting a two-year planning process, the HOB created the Crown Heights Renaissance Plan and embarked on a commercial revitalization project, working with merchants and property owners of two nearby business districts to make streetscape improvements, diversify the retail offerings of the avenues, and conduct joint marketing initiatives. In the HOB’s view, its leaders believe that the organization conducted a thorough and inclusive planning process by conducting surveys and focus groups with community members. Its leaders also believe that the Crown Heights Renaissance Plan addresses community needs unlike the BAM LDC’s cultural district, and that the organization is doing work that is beneficial to the neighborhood overall. However, what the HOB does not take into account is that it held a limited and controlled community process, wrote all of the plan internally, and lacks transparency in general, all of which have the potential to work more in favor for the HOB than the other stakeholders of Crown Heights. However, to be fair, the results of the organizations’ efforts are yet to be determined as they are still in the process of implementation.

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<sup>113</sup> The Heart of Brooklyn, *Crown Heights Renaissance: Strategic Community Economic Development Plan for Crown Heights, Brooklyn*, revised April 2005, 15.

<sup>114</sup> Mollita Mohammed.

<b>The Heart of Brooklyn</b>	
<i>Project Choice</i>	Revitalizing commercial corridors: Place-based development
<b>About the Parent Organizations</b>	
<i>Organization Type</i>	Consortium of cultural institutions
<i>Year Established</i>	In the late 19 <sup>th</sup> century
<i>Constituents</i>	Brooklyn audience
<i>Missions, Goals, Ambitions</i>	Become “world-class institutions” rooted in Brooklyn; Overcoming the Manhattan-complex
<b>Historical and Neighborhood Context</b>	
<i>Community</i>	Crown Heights, Brooklyn
<i>Neighborhood History</i>	City center decline during mid-20 <sup>th</sup> century; Gentrifying in recent years
<i>Neighborhood Demographics</i> <sup>115</sup>	80% African American, 12% Caucasian; Median Household Income = \$31,556 / Poverty Rate = 24%
<i>Responses to Neighborhood Changes</i>	Added more multi-cultural programs; Began HOB Trolley as part of marketing initiative and to transport visitors
<i>Prior Community Involvement</i>	Varies among the institutions
<b>About the Development Corporation</b>	
<i>Entity Name</i>	Heart of Brooklyn
<i>Year Formed</i>	2001
<i>Leadership Background</i>	Arts management
<i>Board of Directors Composition</i>	Executive directors of the six cultural institutions of HOB
<b>Project Planning and Implementation</b>	
<i>The Spark</i>	Trolley program
<i>Consultants Used</i>	Economic development and community development consultants
<i>Planning Process</i>	Crown Heights Renaissance Plan was written internally and held confidential, justified by saying it was a “work in progress”; Conducted surveys and focus groups with merchants and residents
<i>Community Involvement</i>	Consultant-client relationship
<i>Funding</i>	Initial project funding by foundations; Grants from City Government
<i>Working with City Government</i>	NYC Department of Small Business Services’ Avenue NYC Program
<i>Other Partners</i>	Medgar Evers College
<i>Relationship with Community-based Organizations</i>	Little interaction with local community-based organizations

<sup>115</sup> Data from the Furman Center for Real Estate and the Heart of Brooklyn.



## Chapter 5: The Bronx Council on the Arts & Job Training

### Introduction

The Bronx Council on the Arts (BCA) is one of many arts councils in the U.S. serving a state, region or city to promote the growth of the arts in communities. Formed in the early 1960s, it is one of five arts councils that serve each of the boroughs of New York City. The core mission of the Bronx Council on the Arts is to assist the Bronx artists and arts organizations and to “build audiences for the arts.”<sup>116</sup> The BCA also engages in community economic development activities which arts councils traditionally do not take part in. The focus of this chapter will be on the job-training programs that the BCA provides through its sister organization, the BCA Development Corporation.

This chapter will first begin with a brief narrative of the history of the BCA and the Bronx, and the economic conditions that have led the organization to engage in “arts-based community economic development.”<sup>117</sup> The text below will also describe some of the BCA’s programs and initiatives, including their efforts to create a cultural corridor along the Grand Concourse in the South Bronx. This chapter will then delve more deeply into the organization’s workforce development program for certifying art handlers, the only one of its kind that exists in the nation, and end with the BCA’s venture into training at-risk youth.

### Background

#### *The BCA’s Mission*

As the primary arts service organization for the Bronx, the BCA’s main function is to support the growth of the arts community by redistributing government grants to the borough’s artists and nonprofit arts organizations ranging from large institutions like the Bronx Museum of the Arts to grassroots groups such as neighborhood dance troupes. Currently, the BCA “serves over 250 arts and community-based organizations as well as 5,000 artists, and allocates over \$500,000 in direct financial assistance.”<sup>118</sup> Like other arts councils, the BCA also provides marketing and technical services to the arts community.

While most other arts councils have missions that focus just on the arts, the BCA has a much broader agenda that extends into community economic development: “It designs and implements programs that focus attention on issues of concern to Bronx residents including job training, financial stabilization, independent contracting, business startups, environmental concerns, and health related issues.”<sup>119</sup> According to Bill Aguado, the executive director of the BCA, the

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<sup>116</sup> Kim Hamilton-Shakir, Director of the BCA Development Corporation, interview by the author (Bronx, NY, March 13, 2007).

<sup>117</sup> Ellen Pollan, Director of Special Initiatives, The Bronx Council on the Arts, interview by the author (Bronx, NY, March 13, 2007).

<sup>118</sup> The Bronx Council on the Arts, *Arts in the Bronx*, 2007.

<sup>119</sup> The Bronx Council on the Arts, “About BCA” [http://www.bronxarts.org/about\\_bca.asp](http://www.bronxarts.org/about_bca.asp) (accessed April 9, 2007).

organization expanded its focus to include issues of concern to the Bronx because they are also relevant to artists.<sup>120</sup> This holistic vision for assisting artists in the community originated with Aguado, who in his three decades of tenure has played a significant role in shaping the mission and programs of the organization. In addition, Aguado has a passion for finding ways to work at the nexus of the arts and community development, which originates from his former career as a high school teacher where he witnessed the powerful effects of arts programs in the lives of his students and their families.<sup>121</sup> Since then, Aguado has believed that the arts can strengthen communities and have a positive impact in the Bronx aside from its aesthetic and cultural value. Citing the report put forth by the Port Authority of New York and the Alliance for the Arts called the “Economic Impact of the Arts on New York City and New York State,” he also stated that the arts industries can be leveraged to encourage economic development in the Bronx.<sup>122</sup>

### *History of the Bronx*

The BCA’s emphasis on community economic development is no surprise considering the fact that the borough was once a “national symbol of urban deterioration.”<sup>123</sup> Today, the borough is still known for having the poorest congressional district in the country. However, the Bronx was not always an undesirable place. In the early 20th century, it became a haven for second-generation immigrants who fled the crowded tenements of Manhattan. To accommodate the influx of new residents, the Grand Concourse, a 4.5-mile boulevard running north-south through the center of the borough was constructed and real estate development followed soon after. The wide, tree-lined street with its magnificent Art Deco buildings became the “showcase” of the borough and a magnet for middle income and affluent New Yorkers.<sup>124</sup> Over the years, the Grand Concourse also became a destination place as the home of Yankee Stadium, several universities and a number of cultural organizations.

In the mid-20<sup>th</sup> century, brought about by the same forces that were affecting neighborhoods in Brooklyn, as well as other urban areas across the U.S., the demographics of the borough altered considerably in its racial makeup and wealth. However, the extent of the decline that the Bronx experienced set it apart from other places. During the 1950s to the 1960s, many middle and upper income white residents fled the borough to other parts of the New York City metropolitan area. The Bronx changed from having a resident population that was two-thirds Caucasian to two-thirds black and Hispanic.<sup>125</sup> From the 1960s through the 1970s, except for the Riverdale neighborhood, which remained the only wealthy area in the Bronx, the rest of the borough fell victim to waves of arson, criminal activity, and housing abandonment and decay. “The Bronx is burning” became a mantra for the borough, coined by Howard Cosell, a sports commentator who, during the 1977 World Series game at Yankee Stadium, turned for a moment to show the events that were occurring just outside the ballfield to the nation. The South Bronx became particularly afflicted because of its high concentration of public housing units, which over time

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<sup>120</sup> William Aguado, Executive Director, The Bronx Council on the Arts, phone interview by the author (April 23, 2007).

<sup>121</sup> Alexander Eule. “A ‘Force of Nature’ in the Bronx,” *The Eule Log*, December 2005. [http://www.eulelog.com/clips\\_aguado.html](http://www.eulelog.com/clips_aguado.html).

<sup>122</sup> William Aguado.

<sup>123</sup> Evelyn Gonzalez, *The Bronx* (New York: Columbia University Press, 2004), 2.

<sup>124</sup> Jill Jonnes, *South Bronx Rising* (New York: Fordham University Press, 2002), 410.

<sup>125</sup> Evelyn Gonzalez, 2.

became the city's housing of last resort. By the mid-1980s, 55% of families in the South Bronx were below the poverty level and 39% were receiving welfare.<sup>126</sup>

Today, the Bronx still remains the poorest and most underserved borough in New York City. Employment has always been an issue, and recent data from 2002 showed that the area's unemployment rate was 12.7%, the highest in the city. In comparison, the overall unemployment rate in New York City was 8.7%, while the rate for the country was roughly 6%. Similarly, the borough had the highest poverty rate at 26.6%, compared to 17.5% for the whole city. Moreover, in 2005, the data shows that the poverty rate has been stagnant and even increased slightly to 28.1%. The median household income has also seen a slight decrease from 2002 to 2005, from \$28,460 to \$27,500 when adjusted for inflation. However, the cost of housing in the Bronx has been increasing despite stagnant income, thereby increasing the rent and mortgage burden on households.<sup>127</sup>

### *The BCA Over the Years*

Due to the borough's difficult economic conditions, the cultural community in the Bronx has had a hard time growing audiences and attracting visitors. However, one benefit has been that, compared to other places in New York City, "space is cheap and available," and has allowed the growth of small arts organizations of color to flourish in the borough. Today, the Bronx is known to be rich with arts groups that represent a diverse range of cultures from around the world, particularly of Latino heritage.<sup>128</sup> Bill Aguado and the BCA have played a large role in this by helping many of these organizations to find a home in the Bronx and stay in operation. One reporter wrote about Aguado:

"His typically modest self-assessment belies Aguado's vital behind-the-scenes role in virtually every single arts endeavor in the Bronx. South Bronx sculptor, Tim Blum calls him "a force of nature" and says he is the primary architect of the South Bronx arts community. Indeed, the challenges of working in the Bronx -- and Aguado's ability to respond to them -- have made him and his council a model for cultural agencies across the country, says Kathleen Hughes, the assistant commissioner for New York City's Department of Cultural Affairs. The increasing interest in the South Bronx, she says, "is very much to Bill's credit."<sup>129</sup>

A large number of the Bronx arts organizations are concentrated on the Grand Concourse, which is one of the centers of activity of the borough and easily accessible by public transportation. Thus, the BCA has in the past several years, focused more critically on this avenue. To bring visitors to the cultural amenities on the Grand Concourse, the BCA started two marketing initiatives: the Cultural Card and Culture Trolley. The Bronx Cultural Card allows cardholders to receive discounts at cultural venues, events, restaurants, and shops. The Bronx Culture Trolley runs primarily along the Grand Concourse the first Wednesday of every month, bringing visitors to the various attractions that participate in the Cultural Card and to some of the artist lofts

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<sup>126</sup> Evelyn Gonzalez, 119.

<sup>127</sup> The Furman Center for Real Estate and Urban Policy, *State of New York City's Housing and Neighborhoods*, 2005. <http://furmancenter.nyu.edu/publications/SOC2005.htm>.

<sup>128</sup> William Aguado.

<sup>129</sup> Alexander Eule.

nearby. The BCA has received funding from the Bronx Empowerment Zone on both of these tourism initiatives. The two programs appear to be working to the extent that some are calling the South Bronx the “next East Village” and “trendy SoBro.”<sup>130</sup>

### South Bronx Cultural Corridor

The success of the two marketing programs has led the BCA to begin planning for a cultural corridor in the South Bronx. Although it is still too early to tell, the vision and the goals of the South Bronx Cultural Corridor are worthy to note. The corridor will designate a mile-long strip along the Grand Concourse as a cultural place and help to spur complementary economic activities that will draw people to the area. However, Aguado said that he would like this cultural corridor to remain “for the South Bronx” and not just for visitors. Commenting on the BAM Cultural District, he continued to say, “my commitment is not [to create] a place for upper income people. The problem is not that poor people don’t like culture. They just need to define it their own way.”<sup>131</sup> What the BCA would like to retain is the emerging corridor’s already existing diverse and textured arts scene and retail offerings. Currently, there are many small galleries and informal cultural venues such as cafés that regularly feature poetry slams and music performances. There are also larger cultural institutions that represent the diversity of the borough like the Bronx Museum of the Arts and Pregones Theater which showcases plays and musicals rooted in Puerto Rican and other Latino cultures. The BCA also sees the mom-and-pop shops and other local amenities for residents as another key component of the corridor. What is missing currently, however, is a more focused strategy for increasing synergies between the cultural venues and other commercial activity. Thus, the South Bronx Cultural Corridor will build on “the new cultural and arts events occurring in the area,” benefiting many different groups: the arts scene will “bolster local small business activity, engage residents in the cultural life of the neighborhood, and promote the area within the borough and to the general public in New York City and beyond.”<sup>132</sup> Ellen Pollan, the BCA’s manager for the cultural corridor initiative, describes the project as being “timely” because of the growing arts scene and improving local economy.<sup>133</sup>

### The BCA Development Corporation

The South Bronx Cultural Corridor is a relatively recent initiative for the BCA. Throughout its history, the organization has also advocated for the Bronx artists and has assisted in improving their livelihoods through programs like the Artisans Initiative and Art Handlers Training Program. These services were created to help artists improve their entrepreneurial skills and increase their earned income.

The Artisans Initiative targets the Bronx artists and artisans, many of whom are immigrants and are skilled in producing the arts and crafts of different cultures from all over the world. The program focuses on optimizing participants’ “assets and capacities - their innate skills, talents, best practices and unique qualities.”<sup>134</sup> The BCA also supports the artists and artisans as a group

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<sup>130</sup> Joseph Berger, “Goodbye South Bronx Blight, Hello SoBro.” *The New York Times*, June 24, 2005.

<sup>131</sup> William Aguado.

<sup>132</sup> The Bronx Council on the Arts, “The South Bronx Cultural Corridor,” <http://www.bronxarts.org/SouthBronxCulturalCorridor.asp> (accessed April 7, 2007).

<sup>133</sup> Ellen Pollan.

<sup>134</sup> The Bronx Council on the Arts, “The South Bronx Cultural Corridor,” <http://www.bronxarts.org/SouthBronxCulturalCorridor.asp> (accessed April 7, 2007).



through marketing and networking initiatives, and providing them with venues, such as the Longwood Gallery located on the Grand Concourse, where they can display and sell their crafts and wares. The program aims to help participants prepare for increasing gentrification in the Bronx and fully participate in the growing arts scene.<sup>135</sup>

The BCA has another initiative to assist the Bronx artists called the Art Handlers Training Program. This program is technically under the umbrella of the Bronx Council on the Arts Development Corporation, which was established in the late 1990s to be the revenue-generating arm for the BCA. According to Hamilton-Shakir, this sister organization was created because the BCA, like many other nonprofits, must generate its own revenue in order to be sustainable, especially since nearly 85% of the BCA's annual revenue is comprised of government grants, which can be unpredictable.<sup>136</sup> The BCA Development Corp. now manages three functions: the aforementioned Artisans Initiative, the Art Handlers Training Program, and the Fine Arts and Technical Services Bureau. These latter two programs will be explained further in the following section.

### **The Art Handlers Training Program**

The Art Handlers Training Program originally began in 1998 in response to a need that arose from the arts industry for a class of workers called art handlers. After conducting two surveys and consulting with its member organizations and other museums and galleries, as well as shipping companies throughout New York City, it became “glaringly apparent” that the arts industry was lacking a standardized program for training new art handlers.<sup>137</sup>

Art Handling is a profession that has traditionally been passed on through networks. People became art handlers through personal connections to other art handlers or galleries and museums. The required skills are specialized, but there has never been a formal training program for this occupation until the BCA began its certification program. In the past, skills were acquired on the job over time in apprenticeships.

The average person may not realize that the process of how an art piece actually gets hung or installed is fairly complex. It is more than just manual labor, although the physical aspect is a large part of the job. Depending on the surface of the wall, whether plaster, wood, brick or other material, there are different methods for putting up an artwork. The art piece itself might also be complicated because of its size, material or shape, and some installations may even require electrical wiring for sound and video. Art handling is more than just installing, however. One of the brochures for the program describes the full job duties as follows: the art handler is “responsible for the maintenance of fine art works and artifacts: intake and preparation, packing and shipping, and exhibition installation and dismantling.”<sup>138</sup>

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<sup>135</sup> Ellen Pollan.

<sup>136</sup> The Bronx Council on the Arts, “Financial Data,” <http://www.bronxarts.org/financials.asp> (accessed April 9, 2007).

<sup>137</sup> Hamilton-Shakir.

<sup>138</sup> The BCA Development Corporation, *Fine Art & Technical Services Bureau Artisan's Institute Fact Sheet*, 2007.

As can be expected, minorities are underrepresented in the art handling profession; however, the BCA is striving to change this by targeting residents of the Bronx, many of whom are African-American and Hispanic. In the past, this particular training program has been geared towards artists and others already in the arts industry because a sponsor institution is required.

Art handlers can find employment in museums, galleries, corporations and auction houses, and can also work for individual artists. They are generally paid between \$15 and \$35 per hour, or \$20,000 to \$60,000 annually. With higher levels of skill and specialization, art handlers have the potential to earn a good wage. However, a drawback is that many art handlers do not have full-time jobs since many of their employers prefer to hire independent contractors, which Hamilton-Shakir pointed out is a growing phenomenon for many different occupations. Therefore, there is less job security than in a full-time position, and becoming an art handler requires a high level of entrepreneurship and hard work since several jobs must be juggled at once. The physical labor also can be straining over time; Hamilton-Shakir commented that this is “not a field you want to grow [old] in.”<sup>139</sup>

The program is free and is funded through grants from foundations such as the Deutsche Bank Americas Foundation and J.P. Morgan Chase as well as the New York City Department of Cultural Affairs. After students complete the 12-week program, they are certified as art handlers. They are then free to find work on their own or through the BCA’s job placement service called the Fine Arts and Technical Services Bureau. The Bureau collects information on job openings and solicits commissions from individual, corporate and institutional clients that need art handlers. Both the Bureau and Training Program have now become a revenue-generating source for the BCA. The approximately 150 art handlers that have been trained since 1998 are now part of the Bureau and are a “cache of laborers” that can be tapped for special projects. For example, one of the most interesting commissions that the BCA has received is the African Burial Ground project in 2000. Fifteen of the BCA’s art handlers were chosen to work with the U.S. Army Corp of Engineers to move the remains of African-Americans from the 17<sup>th</sup> and 18<sup>th</sup> centuries from where they were being studied at Howard University in Washington, DC to their permanent resting place in Lower Manhattan, where they originated.<sup>140</sup> In a few years, the revenue from similar commissions is expected to generate about \$20,000 a year, which is almost 10% of the BCA’s administration expense. However, Aguado pointed out that these types of commissions are hard to come by.<sup>141</sup>

The Art Handlers Training Program meets several objectives: it generates revenue for the BCA, supplements the Bronx artists’ incomes, meets the labor needs of cultural institutions and galleries, and provides job training for the residents of the Bronx, particularly minorities. Among those who participate in the program, about 70% are African-American and Hispanic and 30% are Caucasian. This program is not a typical job training program since it is geared towards artists, some of whom may already have other employment; however the BCA has recently started an initiative for young adults who are not employed and have a greater need for job training.

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<sup>139</sup> Kim Hamilton-Shakir.

<sup>140</sup> Clarice Taylor, “The African Burial Ground,” *The African Burial Ground Project*, 2001.

<sup>141</sup> William Aguado.

## **Handle It!**

After years of working only with adults, in 2005, the BCA Development Corporation began a youth training program called “Handle It!” with the Riverdale Mental Health Association (RMHA). RMHA is a well-respected comprehensive mental health agency that has been assisting the Bronx residents from almost 50 years. Among its many services, RMHA also provides supported employment and job training programs for adults and youth.

In 2005, a Request for Proposals was announced under the NYCWorks program by the New York City Council, the City of New York’s legislative and representative body.<sup>142</sup> To address the cuts in federal spending on workforce development programs, the City Council pledged \$14 million to community-based organizations serving low-wage New Yorkers through educational or job readiness training programs.<sup>143</sup> To respond to the RFP, RMHA had been looking for a unique job training opportunity for youth and discovered the BCA Development Corp.’s Art Handlers Training Program. The organization first proposed the partnership opportunity for a young adult art handlers training program to the BCA, which had also determined that the demand for art handlers, particularly young art handlers, was still greater than the supply. Thus, for mutually beneficial reasons, RMHA and the BCA Development Corp. have teamed up to offer a program called “Handle It!”

### *The Youth*

Handle It! is a workforce development program for 17 to 21-year-olds who are considered to be “at-risk for developing more serious troubles down the road,” according to Rita Liegner, RMHA’s program director. The majority of the students in the program are the Bronx residents, unemployed and without high school degrees. Many also have “family difficulties, emotional issues or other obstacles to success.”<sup>144</sup> Interestingly, the program has also attracted youth who already have a strong interest in the arts. For example, a news article reported on a young woman named Jamena Swift, who dropped out of Fashion Industries High School in Manhattan because she “got lost in the system,” but later came to enroll and complete the Handle It! program.

RMHA handles most of the outreach and students are recruited through an application process that is advertised in local newspapers, TV, and radio, and other channels. The BCA Development Corp. has also spoken about the program at schools and community board meetings.

### *The Training Program*

Handle It! is a 12-week program and each cycle has a class of about 35-40 students. Classes are on an intense schedule, running Monday through Friday from nine to five to prepare the youth

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<sup>142</sup> Rita Liegner, Project Manager of Handle It!, Riverdale Mental Health Association, phone interview by the author (April 9, 2007).

<sup>143</sup> United Way of New York City, “Our Programs & Initiatives,” <http://www.unitedwaynyc.org> (accessed April 9, 2007).

<sup>144</sup> *Riverdale Press*, “Learning to Handle It,” June 29, 2006.

for a real work environment. Students learn both hard skills such as the mechanics of art handling as well as soft skills such as job readiness and career management.

The BCA Development Corp. is in charge of teaching the hard skills and increasing students' knowledge base in various subjects such as math and art history. The participants receive hands-on training from seasoned "academics" of art handling, and are also taught how to use tools safely. When they graduate from the program, the participants will know and have had experience in art handling techniques. Students also spend several weeks acquiring measuring and mathematical skills, which are important for packing and moving artwork, preparing canvases to be framed, and for installations. For their third cycle, the BCA Development Corp. has decided to add art history lessons to encourage students to learn about the art that they are handling. The new syllabus includes topics such as "Contemporary African American Art" and "Graffiti Art, Expressionism, Installation and Video Art." The class also takes frequent field trips to museums in New York City like the Metropolitan Museum of Art, the Neuberger Museum, and El Museo Del Barrio.<sup>145</sup>

Teaching job readiness and offering career counseling is another large part of the program. The youth are taught the work ethics that art handlers must have such as honesty, reliability and punctuality, cleanliness, and respect for the work of others. Teamwork experience is emphasized because art handling often requires working in a group. Commenting on what she learned in the program, Ms. Swift was quoted as saying "It takes four people to do that job [of hanging a painting]. Any different personalities [didn't matter]. You need to get the job done."<sup>146</sup> Learning communication and customer service skills are also part of the learning experience. The BCA Development Corp. aims to prepare students for a wide array of job functions since becoming an art handler can lead to other jobs in the arts industry. And finally, students learn how to assess their personal goals and plan their career. Guest speakers from various backgrounds come to give career advice and motivate the youth. Previous cycles have had a banker and a theater worker as well as a yoga instructor. In addition, part of the 12 weeks is spent visiting museums, galleries, and art shipping companies to expose students to real work situations in advance.<sup>147</sup>

### *Outcomes*

The BCA Development Corp. and RMHA have successfully completed two cycles of the Handle It! program, graduating approximately 35 young adults. The graduation rate has thus far been roughly 50%. According to Liegner, "Many were not given certificates by [the BCA Development Corp.] because their attendance and skills were not adequate". Some of the students struggled in the program because they were facing "home problems, lack of housing, lack of parental support, poor academic skills, no money, [and] some criminal issues, to name a few." Although RMHA provides "supportive counseling by a social worker," many of the difficulties that the youth face are beyond to scope of what the Handle It! program can do.<sup>148</sup>

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<sup>145</sup> The BCA Development Corporation, *Handle It! Syllabus*, 2007.

<sup>146</sup> *Riverdale Press*, "Learning to Handle It," June 29, 2006.

<sup>147</sup> Kim Hamilton-Shakir.

<sup>148</sup> Rita Liegner, Project Manager of Handle It!, Riverdale Mental Health Association, email correspondence with the author (April 18, 2007).

The participants who do make it through the program become certified art handlers. Upon graduation, many move on to internships or part-time and full-time work. But the BCA Development Corp. is doing more than just teaching job-specific skills and connecting the youth to employment in the art handling field. Another critical outcome of the Handle It! program is the sense of accomplishment that the youth gain just by finishing the program and receiving certificates. At the end of the cycle, their achievements are celebrated with a graduation ceremony in which family members, friends and a guest speaker, usually a local elected official, are invited.

In an interview, Aguado admitted that the youth program has smaller returns than the adult course, but it has worked out “better than [he] expected.” Although not everyone graduated, “some [of the students] were absolute smashes.” For many of the young adults, it is probably the “first time they ever completed something.” The program aims to teach skills that will help participants find an immediate job, but most likely, “some will use this [program] to springboard to something else.” After they have been certified, Aguado observed: “And now it’s up to [the youth].”<sup>149</sup>

### *Community Partnerships*

As already mentioned, the BCA works with RMHA and funding partners such as the New York City Council, the United Way, and private foundations to carry out its job training programs. The funding from the City has helped the BCA and RMHA through two cycles of youth training, but they are waiting on the NYCWorks program, which they are “entirely dependent on,” for the next cycle.<sup>150</sup> One of the frustrating aspects of running this program, Aguado admitted, is that money for workforce development is hard to come by and is not released when needed.<sup>151</sup>

In addition, in an interview with Hamilton-Shakir, the project manager of Handle It! for the BCA Development Corp., it became apparent that workforce development, like many community economic development initiatives, requires working with a larger network of partners that includes community-based organizations, the private sector and government. In the case of the BCA’s adult art handling program, the organization relies on federal workforce training centers in the Bronx to conduct preliminary screening of participants and to teach the basic skills before they begin the art handling program. However, according to Hamilton-Shakir, these centers have recently become privatized and are not properly managed, thereby negatively impacting her work. She mentioned that the relationships that the organization had with employees in the Department of Labor were important to the program, but no longer exist now that a private nonprofit organization has taken over the federal workforce training centers.<sup>152</sup>

On the South Bronx Cultural Corridor, the organization has not yet begun forming partnerships, but has plans to work with members of the Bronx arts community, local businesses as well as the Bronx Borough President’s Office, the Bronx Tourism Council, the Bronx Overall Economic

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<sup>149</sup> William Aguado.

<sup>150</sup> Rita Liegner, Project Manager of Handle It!, Riverdale Mental Health Association, phone interview by the author (April 9, 2007).

<sup>151</sup> William Aguado.

<sup>152</sup> Kim Hamilton-Shakir.

Development Corporation and the NYC Department of Small Business Services. Building strategic alliances is one of the BCA's main strategies for bringing the cultural corridor into fruition. However, this list of partners does not include the many community-based organizations in the Bronx such as community development corporations.<sup>153</sup> The BCA's ventures into community economic development has led to tensions with other community-based organizations including the South Bronx Overall Economic Development Corporation, the nonprofit organization that focuses on business development and job creation in the South Bronx. It is unclear as to the exact reasons, but competition for funding has been an issue as well as a distrust of motivations.<sup>154</sup> Aguado admitted to believing that some of the community-based organizations in the Bronx are "not necessarily [working] for the well-being of the community."<sup>155</sup>

## Summary

Of the three case studies, the Bronx Council on the Arts has the strongest focus on public welfare in its mission. Unlike the others, the BCA is an arts council and a quasi-public organization. And over the years, the BCA has evolved from working for just the arts community to serving the needs of the broader the Bronx community. Hence, the nonprofit has begun to tackle some of the most pressing needs that the Bronx has such as the lack of employment and economic opportunities.

The BCA and its sister organization, the BCA Development Corp. are engaging in two types of community economic development projects. The first is job training for under- or unemployed individuals in the Bronx, especially minorities, to become art handlers in museums, galleries and shipping companies. Through its connections to the arts industry, the BCA has set up two programs that equip adults and youth with job-specific skills, and connects them directly to employers. Overall, these job training programs are innovative and can provide another means for meeting the workforce development needs of residents in the Bronx.

The second initiative is the South Bronx Cultural Corridor, which is still in the process of being planned, and is therefore difficult to assess beyond the current draft of the plan. However, based on what is already known about the vision and the goals, the cultural corridor will function similarly to the other two place-based projects that are discussed in this thesis. Like the others, the BCA also envisions that the South Bronx Cultural Corridor will contain a cluster of cultural amenities that will draw synergies between it and local businesses and neighborhoods to create economic development opportunities in the Bronx through the arts and culture. However, the BCA has been careful to say that it does not want another BAM Cultural District; the South Bronx Cultural Corridor will be "for the South Bronx." But while the BCA is very much concerned about the arts community and the Bronx residents, it has an unsteady or non-existent relationship with some of the community-based organizations in the borough. This deficiency

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<sup>153</sup> The Bronx Council on the Arts, *Bronx Council on the Arts South Bronx Cultural Corridor Organizational Development Plan – Draft*, January 26, 2007.

<sup>154</sup> Ellen Pollan.

<sup>155</sup> William Aguado.

has the potential to limit the inclusiveness as well as success of the project that the BCA envisions given that its achievement is dependent on community alliances.

<b>The Bronx Council on the Arts</b>	
<i>Project Choice</i>	Job training and creating a cultural corridor: Human capital and Place-based development
<b>About the Parent Organization</b>	
<i>Organization Type</i>	Arts council
<i>Year Established</i>	1962
<i>Constituents</i>	The Bronx artists, cultural institutions, and arts organizations
<i>Missions, Goals, Ambitions</i>	Serving its constituents through financial and technical assistance; Helping constituents overcome the Manhattan-complex
<b>Historical and Neighborhood Context</b>	
<i>Community</i>	The Bronx; The cultural corridor is in the South Bronx
<i>Neighborhood History</i>	City center decline during mid-20 <sup>th</sup> century; Gentrifying in recent years
<i>Neighborhood Demographics</i> <sup>156</sup>	45% Hispanic, 32% African American, 20% Caucasian; Median Household Income = \$27,500 / Poverty Rate = 28%
<i>Responses to Neighborhood Changes</i>	Added more multi-cultural programs; Began BCA Trolley as part of marketing initiative and to transport visitors
<i>Prior Community Involvement</i>	History of serving “artists and people”
<b>About the Development Corporation</b>	
<i>Entity Name</i>	BCA Development Corporation
<i>Year Formed</i>	Late 1990s
<i>Leadership Background</i>	Arts management and education
<i>Board of Directors Composition (starting with strongest emphasis to least)</i>	Arts and culture, government, business, health care, law
<b>Project Planning and Implementation</b>	
<i>The Spark</i>	Arts community expressed a need for art handlers; Trolley program
<i>Consultants Used</i>	None
<i>Planning Process</i>	For the South Bronx Cultural Corridor, a public process is yet to be seen; BCA has stated that it does not want another BAM Cultural District
<i>Community Involvement</i>	Yet to be seen
<i>Funding</i>	Initial project funding by foundations; Grants from City government and New York City Council
<i>Working with City Government</i>	New York City Council’s NYCWorks Program; NYC Department of Small Business Services’ Avenue NYC Program for the South Bronx Cultural Corridor
<i>Other Partners</i>	Riverdale Mental Health Association
<i>Relationship with Community-based Organizations</i>	Competition with another development corporation; Distrust of local CDCs

<sup>156</sup> Data from the Furman Center for Real Estate and Urban Policy and the New York City Department of City Planning.





## Chapter 6: Putting it All Together

### Introduction

The case study chapters give a detailed account of the arts and cultural organizations, their neighborhoods and their community economic development projects. This chapter unpacks the narratives from the previous three chapters and provides a broad synthesis, pulling together the common threads and highlighting the points of differences among the case studies. Based on the evidence, this section presents lessons learned and answers to the questions originally posed in Chapter 1:

- **Motivation:** Why are the arts and cultural organizations engaging in community economic development?
- **Practice:** How are these organizations engaging in community economic development?

This section also takes a look at the implications that arise from the research:

- **Effectiveness:** Are arts and cultural organizations effective? What are their strengths and weaknesses?
- **Winners and Losers:** Who are the potential winners and losers as a result of the organizations' projects?
- **Big Picture:** How do the organizations fit in the context of community economic development? Are they community partners?

### Findings

Before moving forward, a snapshot of the data and findings is shown in the table below for the benefit of the reader. More detail is also provided in the sections that follow.

	<b><u>BAM</u></b>	<b><u>HOB</u></b>	<b><u>BCA</u></b>
<i>Project Choice</i>	Creating a cultural district: Place-based development	Revitalizing commercial corridors: Place-based development	Job training and creating a cultural corridor: Human capital and Place-based development
<b><i>About the Parent Organization</i></b>			
<i>Organization Type</i>	Performance arts center	Consortium of cultural institutions	Arts council
<i>Year Established</i>	1861	In the late 19 <sup>th</sup> century	1962
<i>Constituents</i>	Manhattan audience	Brooklyn audience	The Bronx artists, cultural institutions, and arts organizations

	<b><u>BAM</u></b>	<b><u>HOB</u></b>	<b><u>BCA</u></b>
<i>Missions, Goals, Ambitions</i>	Become/retain status as nationally-acclaimed, avant-garde and multicultural performance arts center; Overcoming the Manhattan-complex	Become “world-class institutions” rooted in Brooklyn; Overcoming the Manhattan-complex	Serving its constituents through financial and technical assistance; Helping constituents overcome the Manhattan-complex
<b><i>Historical and Neighborhood Context</i></b>			
<i>Community</i>	Fort Greene, Brooklyn	Crown Heights, Brooklyn	The Bronx; The cultural corridor is in the South Bronx
<i>Neighborhood History</i>	City center decline during mid-20 <sup>th</sup> century; Gentrifying in recent years	City center decline during mid-20 <sup>th</sup> century; Gentrifying in recent years	City center decline during mid-20 <sup>th</sup> century; Gentrifying in recent years
<i>Neighborhood Demographics</i> <sup>157</sup>	41% African American, 34% Caucasian, 17% Hispanic; Median Household Income = \$42,500 / Poverty Rate = 18%	80% African American, 12% Caucasian; Median Household Income = \$31,556 / Poverty Rate = 24%	45% Hispanic, 32% African American, 20% Caucasian; Median Household Income = \$27,500 / Poverty Rate = 28%
<i>Responses to Neighborhood Changes</i>	Added more multi-cultural programs; Began BAMbus as part of marketing initiative and to transport visitors	Added more multi-cultural programs; Began HOB Trolley as part of marketing initiative and to transport visitors	Added more multi-cultural programs; Began BCA Trolley as part of marketing initiative and to transport visitors
<i>Prior Community Involvement</i>	Little to none	Varies among the institutions	History of serving “artists and people”
<b><i>About the Development Corporation</i></b>			
<i>Entity Name</i>	BAM Local Development Corporation	Heart of Brooklyn	BCA Development Corporation
<i>Year Formed</i>	1981	2001	Late 1990s
<i>Leadership Background</i>	Dance, Arts management	Arts management	Arts management and education
<i>Board of Directors Composition (starting with strongest emphasis to least)</i>	Real estate development, business, government, architecture & design, education	Executive directors of the six cultural institutions of HOB	Arts and culture, government, business, health care, law
<b><i>Project Planning and Implementation</i></b>			
<i>The Spark</i>	Artist’s vision	Trolley program	Arts community expressed a need for art handlers; Trolley program
<i>Consultants Used</i>	Architecture and urban design, real estate consulting, and public relations firms	Economic development and community development consultants	None

<sup>157</sup> Data from the Furman Center for Real Estate and Urban Policy, the New York City Department of City Planning, and the 2000 U.S. Census.

	<b><u>BAM</u></b>	<b><u>HOB</u></b>	<b><u>BCA</u></b>
<i>Planning Process</i>	Master plan for the BAM Cultural District was created internally by LDC and released to the public after completion; Held controlled public meetings that limited community input	Crown Heights Renaissance plan was written internally and held confidential, justified by saying it was a “work in progress”; Conducted surveys and focus groups with merchants and residents	For the South Bronx Cultural Corridor, a public process is yet to be seen; Has stated that it does not want another BAM Cultural District
<i>Community Involvement</i>	Little to none; Bitter relationship with community groups	Consultant-client relationship	Yet to be seen
<i>Funding</i>	Initial project funding by foundations; \$80 million capital investment from City government	Initial project funding by foundations; Grants from City Government	Initial project funding by foundations; Grants from City government and New York City Council
<i>Working with City Government</i>	Joint partnership with City government; Subsumed in later years by City-created agency	NYC Department of Small Business Services’ Avenue NYC Program	New York City Council’s NYCWorks Program; NYC Department of Small Business Services’ Avenue NYC Program for the South Bronx Cultural Corridor
<i>Other Partners</i>	Developers	Medgar Evers College	Riverdale Mental Health Association
<i>Relationship with Community-based Organizations</i>	Competition with local CDC; Ignored Brooklyn arts and cultural organizations	Little interaction with local community-based organizations	Competition with another development corporation; Distrust of local CDCs

## **Motivation**

Since community economic development is not within the traditional realm of work for arts and cultural organizations, it was important in the beginning of this research to ask the question: Why are these nonprofits engaging in community economic development? To understand the motivations behind the projects required learning about the organizations themselves, their missions and goals, as well as the history of their neighborhoods and prior responses/interactions with their respective communities. These findings will now be discussed.

### Project Choice

First, as already mentioned, all three arts and cultural organizations are carrying out very different types of community economic development projects in their neighborhoods. The BAM LDC is engaging in physical development, using underutilized and vacant parcels to create a cultural district in Fort Greene. The HOB is working with merchants and property owners to create Business Improvement Districts in two commercial corridors in Crown Heights. Finally, BCA Development Corp. is training adults and youth from the Bronx to become art handlers and is also currently planning the South Bronx Cultural Corridor.

### Organization Type

The types of arts and cultural organizations covered in the case studies include a performance arts center, a consortium of cultural institutions and an arts council. The case studies demonstrate

the different types of organizations that exist in the arts community; the differences among them also contribute a level of complexity to the analysis. One of the key distinctions is that BAM and the HOB's member institutions are private organizations that are solely responsible to themselves. The BCA, on the other hand, is a quasi-public organization with a broad charge of serving the arts community that naturally extends to serving the larger Bronx community.

### Mission, Goals and Ambitions

As expected, the three organizations in this thesis are first and foremost dedicated to their arts and cultural missions. Their goals and ambitions are also worthy to note and naturally depend on the constituents they serve: the Brooklyn Academy of Music has positioned itself as a nationally acclaimed, avant-garde and multicultural performance arts center and caters mainly to a Manhattan audience. The cultural institutions in central Brooklyn are playing a balancing act, striving to be "world-class institutions" that are rooted in their home borough.<sup>158</sup> As an arts service organization, the Bronx Council on the Arts has a different mission altogether: to serve the arts community in the Bronx and grow new audiences for the arts.

A theme that came up in all three cases is that the organizations face being under the "shadow of Manhattan," the center for the arts in New York City. Their locations in the outer boroughs have been in a way, a handicap, creating a need for the organizations to distinguish themselves and take extra marketing measures to draw audiences. Overcoming this "Manhattan-complex" is one of the main challenges or goals of all three entities.

### Neighborhood History

In general, the nonprofits have been in their respective neighborhoods for a long period of time, ranging from nearly 50 years to over a century. All three of the organizations were first established in their neighborhoods when these areas were stable communities and populated by middle and upper income residents.

All of the neighborhoods -- Fort Greene, Crown Heights and the Bronx -- went through a period of decline in the second half of the 20th century caused by trends that were affecting many urban areas across the U.S. The mass movement of white middle and upper income residents to the suburbs as well as a staggering loss of jobs in central cities caused these areas to become some of the poorest and most troubled and neglected communities in New York City and the country.

To some extent, all three places are still struggling: they have a high concentration of low-income minorities and public housing residents. However, these neighborhoods are now in a period of limbo, and have been experiencing an influx of new and more affluent residents in recent years. Those who are getting priced out of the Manhattan real estate market are looking first to the parts of Brooklyn that are still affordable such as Fort Greene and Crown Heights, and then to the other outer boroughs like the Bronx. Fort Greene has already become unaffordable to many low-income residents and Crown Heights and the Bronx may follow in time.

### Responses to Neighborhood Changes

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<sup>158</sup> Carol Enseki, president of the Brooklyn Children's Museum, interview by the author (Brooklyn, NY, March 14, 2007).

The arts and cultural organizations in this thesis persevered through hard times when their neighborhoods went through a period of decline and their audiences abandoned them. Internally, they made many efforts to draw new visitors. All three case studies adapted to the changing demographics of their neighborhoods by showcasing arts and culture from multi-ethnic backgrounds. They also made efforts to directly transport people from other areas by providing shuttle and trolley services. More recently, the organizations have begun to look externally, thinking outside of their business-as-usual practices to create change in their neighborhoods rather than just responding to the world around them.

All three case studies acknowledged the gentrification that is occurring in their neighborhoods and are positioning themselves and their projects accordingly. For example, the recent capital improvements that several of the institutions in the Heart of Brooklyn have made are related to this expectation of a changing demographic. Also, some of the HOB's community economic development strategies in the Crown Heights Renaissance Plan are based on the observation that middle and high-income households are moving into the neighborhood.<sup>159</sup> Similarly, the BAM Cultural District caters more to the new residents of Fort Greene rather than long-term residents. The Bronx Council on the Arts is also trying to help artists and arts organizations take advantage of the improving economic conditions in the Bronx, particularly by focusing its efforts on the South Bronx Cultural Corridor.

#### Prior Community Involvement

There is a range in the extent of community services and outreach prior to the main projects that are discussed in this thesis. The Bronx Council on the Arts always had a much more explicit focus of working for the economic well-being of the community (albeit the arts community) in its mission statement and programming compared to the other two case studies. The Brooklyn Academy of Music had less interaction with the community and very little history of getting involved in community issues before embarking on the cultural district project. In fact, residents observed that BAM always reached out more to a Manhattan audience rather than to Brooklynites. The local arts community in Fort Greene also resented the fact that BAM never fully acknowledged their presence. The cultural institutions in the Heart of Brooklyn ranged in their involvement with the Crown Heights community, from the Brooklyn Children's Museum, which runs after-school programs for neighborhood youth, to the Brooklyn Museum of Art, which has traditionally been more focused on its arts mission.

The extent to which the communities acknowledge the arts and cultural organizations is less certain, but there is some evidence that the residents have had little interaction with these organizations prior to their community economic development projects. There appears to be barriers related to race and income that prevent certain members of the community from taking advantage of and enjoying the amenities provided by the nonprofits. For example, some of the merchants on Washington Avenue have called the member institutions of the HOB, "the white folks on the hill," indicating that there is a separation between the minorities in Crown Heights and the cultural institutions.<sup>160</sup> BAM was also criticized by the public for ignoring the local flavor of the arts community which was predominantly Afrocentric, and instead showcasing

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<sup>159</sup> The Heart of Brooklyn, *Crown Heights Renaissance: Strategic Community Economic Development Plan for Crown Heights, Brooklyn*, revised April 2005.

<sup>160</sup> Mollita Mohammed, Community Outreach Manager of the HOB, interview with the author (March 14, 2007).

mainly Eurocentric arts performances. Perhaps more obviously, the struggle that all of the case studies are going through in growing an audience indicate the difficulty of engaging their immediate communities, whether it is due to income or race.

### *Lessons Learned*

The crux of this thesis is that all three of the arts and cultural organizations studied have engaged in community economic development activities that are departures from their business-as-usual practices. Since most of the organizations also had little direct interaction with their surrounding communities prior to the projects, this role expansion is significant. Getting below the surface of the entities reveals that they are first and foremost dedicated to their arts and cultural missions. Thus, community economic development objectives are secondary to these primary goals, and are essentially tools to support their organizational missions.

Like many arts and cultural nonprofits in New York City, the organizations in this thesis are facing budgetary problems due to funding cuts from government agencies that have many other needs to serve. This has especially been true after 9/11. Thus, these organizations are becoming more reliant on their own revenue sources and as a consequence, are focusing their attention on growing their audiences. However, the entities face two main difficulties in attracting visitors: the Manhattan-complex and neighborhood conditions that are not conducive to attracting middle and upper income patrons. All three organizations are located in the outer boroughs, the Bronx and Brooklyn, and therefore, have more difficulty drawing visitors and funding support than arts and cultural organizations within the Borough of Manhattan. In addition, their neighborhoods, while gentrifying, are less popular places than some of the more well-known areas of New York City. These findings help to explain why all three organizations are undertaking significant marketing initiatives and are interested in clustering cultural and other related amenities to create destination locations.

Analyzing the three case studies together reveals that arts and cultural organizations are more prone to take on place-based rather than individual-based development projects, although the BCA is an exception. The organizations in this thesis are involved in place-making activities such as creating cultural districts and corridors, and improving neighborhood business districts. The nonprofits' main motivations for engaging in place-based projects are to draw audiences by upgrading their surrounding neighborhoods. Nearby vacant parcels, as in the case of the Brooklyn Academy of Music, and non-vibrant business districts, as in the case of the Heart of Brooklyn, do not help in attracting visitors to the institutions and may even inhibit them. These organizations are also interested in place-based initiatives to cluster cultural and related amenities. For example, the BAM Cultural District is an effort to concentrate cultural organizations. The formation of the Heart of Brooklyn and planning for the South Bronx Cultural Corridor are both attempts to take advantage of the existing clustering of organizations and to position themselves to collectively attract audiences. There is also the recognition that there are synergies between arts and cultural groups and certain types of commercial activity, particularly restaurants. Not only do these organizations benefit from being near other arts and cultural organizations but from amenities such as dining options that help to create destination places.

An alternative to place-based development is to focus on creating opportunities and building the social and economic capacities of individuals. For arts and cultural organizations, it is more likely, however, that human capital development activities will be the exception rather than the rule. Consequently, the Bronx Council on the Arts is the only organization among the three case studies that is also engaging in individual-based development through job training programs for adults and youth. Although the adult job training program is mainly geared towards artists, the Handle It! Program targets the population of at-risk young adults in the Bronx who are unemployed, do not have high school diplomas, and are dealing with family, emotional, and other issues. By partnering with the Riverdale Mental Health Association, the BCA has created a comprehensive program that teaches both hard and soft job skills, and provides emotional and career counseling to the youth. The BCA is providing training for a particular job niche that it claims to be undersupplied. The organization is also teaching the youth skills that are transferable to other careers, and more importantly, the program is meant to offer participants a sense of accomplishment that will assist them in having the confidence to pursue other life goals.

The BCA's motivation for offering this service stems from its unique organizational mission of serving the needs of the broader the Bronx community. Unlike the other two case studies, the Bronx Council on the Arts' community economic development projects are a central part of its mission. The organization has a long history of helping individual artists and has decided to expand its mission to assist "artists and people," especially women and minorities. Its job skills and readiness training programs were created to expand opportunities for artists and anyone who is interested in working in the arts industry. The executive director of the BCA, William Aguado, also has a holistic view of the function of the arts in communities, believing that "the arts are not just limited to the arts," and that "creative development plays a large role in the economic development [of the Bronx]."<sup>161</sup> As a quasi-public organization that also has an expansive view of the impact of the arts, the BCA has a service-oriented mission, which naturally extends from assisting the arts community to the Bronx community at large.

## **Practice**

Since the arts and cultural organizations in this thesis have embarked on projects that are outside of their traditional line of work, this section will now deal with the question of practice: How are these organizations engaging in community economic development? Background information on the leadership and boards of directors of the development corporations were gathered to understand who is driving the projects. Funding mechanisms, planning processes and partnerships/working relationships, or lack thereof, with the various stakeholders in the neighborhoods were also looked at to explore the approaches that these nonprofits are taking to carry out their community projects. The text will now turn to these findings.

### Development Corporations

In each of the case studies, a separate entity was created specifically to carry out the parent organizations' community economic development goals and initiatives. The Brooklyn Academy of Music created the BAM Local Development Corporation, the cultural institutions in central

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<sup>161</sup> William Aguado, Executive Director, The Bronx Council on the Arts, phone interview by the author (April 23, 2007).

Brooklyn formed a nonprofit organization called the Heart of Brooklyn, and the Bronx Council on the Arts established the BCA Development Corporation. The creation of these separate entities allows the nonprofits to engage in community economic development with a separate, focused staff. The new organizations also limit liabilities to the parent organizations and allow them to participate in these new activities without legally changing their missions.

### Leadership and Board Background

All of the organizations have very few staff members, ranging from a one-woman organization at the BCA Development Corp. to a seven-member team at the HOB. However, the executive directors of all three are dynamic and dedicated individuals, are well connected in both the arts community and the political arena, and are known for getting things done. The leaders of the nonprofits have had long tenures and have played a large role in shaping the organizations and their projects through their personal styles. For example, the BCA's executive director, William Aguado, has been with the arts council for over three decades, and his personal interest in finding ways to work in the nexus of the arts and community development has very much shaped his organization. Harvey Lichtenstein, the former president of the BAM LDC, was the head of the Brooklyn Academy of Music for over three decades before moving over to the LDC. His vision of a bold and innovative cultural community has greatly influenced the BAM Cultural District. In general, the leaders have strong arts and managerial backgrounds, but they have limited experience in working with the community and in implementing community economic development projects. For example, Jeanne Lutfy and Harvey Lichtenstein from the BAM LDC had backgrounds in marketing and dance, respectively. The leaders compensated for their lack of experience by hiring outside consultants and working with more knowledgeable sources.

The composition of the boards of the development corporations can say a lot about the work of the organizations because the management teams must ultimately answer to these bodies. The BAM LDC's board of directors has the greatest number of developers and business people, the BCA's board has the broadest representation of community members, and the HOB's board consists solely of the executive directors of its six member institutions.<sup>162,163,164</sup>

### The Spark

The missions and neighborhood contexts created a reason for each of the organizations to play a community economic development role; however, the actual spark that set the projects in motion varies. Some of the impetuses were idiosyncratic: the BAM Cultural District began with an artist's vision. The Bronx Council on the Arts started their job training programs after the executive director learned about the dearth of art handlers in the industry. They also began their youth training program after being approached with a partnership opportunity by the Riverdale Mental Health Association. Alternatively, the cultural institutions of the HOB and the BCA both began their place-based initiatives because of their marketing and trolley programs. These initiatives led them to think more critically about their neighborhoods, and opened up partnership opportunities; for example, the six cultural institutions in central Brooklyn realized the potential

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<sup>162</sup> North Jersey Media Group, "Your Views." April 12, 2007. <http://www.northjersey.com> (accessed May 7, 2007).

<sup>163</sup> The Bronx Council on the Arts, "Board Members." [http://www.bronxarts.org/board\\_members.asp](http://www.bronxarts.org/board_members.asp) (accessed May 7, 2007).

<sup>164</sup> The Heart of Brooklyn, "Board and Staff Members." [http://www.heartofbrooklyn.org/about/board\\_and\\_staff\\_members.html](http://www.heartofbrooklyn.org/about/board_and_staff_members.html) (accessed May 7, 2007).



of working together and with local businesses. Similarly, the BCA's trolley program was successful in bringing together cultural organizations and local business establishments on the Grand Concourse.

### Planning Process

All three organizations conducted studies and planning processes that eventually guided their community economic development projects. The HOB and the BAM LDC both hired consultants to complete feasibility studies and to develop their plans. The HOB's economic and community development consultants collected and analyzed data from various sources, and conducted surveys and focus groups to understand the needs of residents, merchants and the cultural institutions' visitors and employees. The HOB's lead economic development consultant then made recommendations and wrote the majority of the plan that is now guiding the HOB's operations over a multiyear period. The BAM LDC hired an architecture/urban design firm to create a master plan for the cultural district. They also hired a real estate development consulting firm to assist in the drafting of the plan, and a public-relations company to manage the BAM LDC's interactions with the community. The BCA conducted a less involved process: after the executive director learned about the need for art handlers through industry contacts, the organization conducted two surveys to confirm with museums, galleries and shipping companies.

### Community Involvement

A common theme across all of the three planning processes is that they were completed internally and without the active involvement of citizens or community-based organizations. The BAM LDC drafted its master plan before unveiling it to the public. Although the HOB held several meetings with members of the community, the recommendations of the plan were made by an economic development consultant, and the plan was written in private and labeled as "Confidential." The BCA has also taken on planning for the South Bronx Cultural Corridor on its own; however, the project is only at the beginning stages.

When the communities were engaged in a public process, participation was guided and limited by the rules set by the arts and cultural organizations. In the case of the HOB, the organization approached the Crown Heights community like a marketing firm, surveying and conducting focus groups, but not allowing the participants to take part in the decision-making and forming of solutions. The BAM LDC followed the City of New York's ULURP guidelines, but held public meetings that were set up to have participants agree on the agenda set before them, which precluded their ability to voice and address their real concerns.<sup>165</sup>

There is evidence of hesitation and some awareness of the fact that the projects might not be approved by certain members of the community. The BAM LDC conducted an internal master planning process and then brought its plans to the public. The HOB created a revitalization plan for Crown Heights and labeled it as "Confidential." The BCA seems to be most aware of being accountable to the community and showed a concern for hearing what the community has to say, but has not begun such a process.

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<sup>165</sup> ULURP, which stands for the Uniform Land Use Review Procedure, is a public review process for land use regulation changes and development projects that are on city-owned land or carried out by the City of New York.

The BAM Cultural District is the most controversial project of the three case studies and is the only case that has shown the repercussions of what can happen when key stakeholders are not included in the planning process for the future development of a community. The BAM project brought out a strong response from an ad-hoc association, the Concerned Citizens' Coalition. The interaction between the two parties was like a bitter confrontation between a developer and a neighborhood group. However, even within the Fort Greene neighborhood, the overall community response was mixed; there were those who opposed and those who favored the new development.

### Funding

All three case studies demonstrated a fair amount of success in applying for grants to fund their community projects, particularly from private foundations. For both the BAM LDC and the HOB, the foundations helped these organizations in the beginning phases of their projects to get them off the ground. The J.P. Morgan Foundation (for the BCA), Deutsche Bank Americas Foundation (for the BCA and HOB) and the Independence Community Foundation (for all three organizations) were the grantors for the projects.<sup>166,167,168</sup>

### Working with City Government

Apart from resources received from foundations, all three nonprofits sought funding from government agencies, mainly from the City of New York, such as the Department of Cultural Affairs and the Department of Small Business Services. The New York City Council, the legislative and representative body for New Yorkers, also provided financial support for the BCA's youth workforce development initiative. In general, funding from the City for organizational and programmatic needs is in short supply. For example, the continuation of the BCA's Handle It! program is dependent on the City Council's small annual allocations. The HOB's economic development consultant also lamented the impact of lack of funding on the organization's work. However, in the case of the BAM LDC, the City of New York seemed to be willing to see the project through no matter what the cost.

The level of financial support and attention from the City government was dependent on the projects' fit with larger City agendas. The BAM Cultural District, as a purely physical development project, is the most costly of the three. It also received the most funding, about \$80 million. The City's generous pledge was largely due to the cultural district's role in the Downtown Brooklyn Plan; it is expected to help draw new residents and private investment to the area. Hence, the cultural district has received a lot of attention from multiple city agencies and the mayor in addition to financial support, and was essentially a joint project between the BAM LDC and the City of New York. Recently, the City has taken over the BAM Cultural District project, and the BAM LDC has folded.

Although the HOB and the BCA have not worked as extensively and closely with City government as the BAM LDC, they do work with individual city agencies. Both have received

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<sup>166</sup> Kim Hamilton-Shakir, Director of the BCA Development Corporation, interview by the author (Bronx, NY, March 13, 2007).

<sup>167</sup> Michael Hickey, Vice President of the Deutsche Bank Americas Foundation, phone interview by the author (March 8, 2007).

<sup>168</sup> Stuart Post, Program Officer of the Independence Community Foundation, phone interview by the author (May 2, 2007).

grants from the Department of Small Business Services' NYC Avenue program which funds community-based organizations that are seeking to revitalize commercial corridors and form Business Improvement Districts. Aside from funding requests, it was not always clear to the HOB and the BCA that they should seek help and work collaboratively with the City. Interviews with both organizations showed that they have a sense that their work is separate from what the City is doing or that the City does not concern itself with small and low-profile projects.

It is also important to note that all of the parent organizations in the case studies are dependent on the New York City government for funding of both operational expenses and capital projects. For example, the HOB itself has not received large financial commitments from the City, but the majority of its parent institutions have gotten substantial support for their capital improvement projects in recent years. Overall, the BCA received the least amount of help from City government, but the Bronx in general has a history of being under funded compared to the other boroughs in New York City.

Apart from working with City government, all the entities are plugged into the political arena. They also made special efforts to garner the support of elected officials for their projects. The HOB presented their economic revitalization plan for Crown Heights to various officials on the city and state level, and the BCA has also been reaching out to its local congressman and city council members.<sup>169,170</sup> The leaders of the organizations also take part in various public service committees. For example, the BCA's executive director, Bill Aguado was appointed to Governor Elliot Spitzer's transition committee for the Arts, Culture and Revitalization. The former head of the BAM LDC was a member of the Brooklyn Borough President's committees on cultural tourism and economic development, and the HOB's executive director is also a current member of these work groups.<sup>171</sup>

### Other Partners

All of the three organizations were selective and strategic in whom they chose for partners for their community economic development projects. The BAM LDC chose strictly to work with City government agencies and officials, while the other two organizations formed partnerships with a few nonprofits, often to compensate for lack of resources or knowledge. The BCA collaborates with the Riverdale Mental Health Association in training at-risk young adults to become art handlers. Each organization brings its own expertise: the BCA Development Corp. teaches the hard skills of art handling while RMHA provides counseling and soft skills training. In the case of the HOB, the organization created a partnership with Medgar Evers College in which HOB manages the day-to-day operation of the Crown Heights Renaissance Project, and the school provides technical assistance and free manpower to the merchants through its business students.

Among the case studies, there was also some interest in collaborating with developers and other members of the business community. The BAM LDC had a strong relationship with Bruce

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<sup>169</sup> Mollita Mohammed.

<sup>170</sup> Ellen Pollan, Director of Special Initiatives, The Bronx Council on the Arts, interview by the author (Bronx, NY, March 13, 2007).

<sup>171</sup> Initiative for a Competitive Brooklyn, "Action Team." [http://www.bedc.org/ICB/ICB\\_actionteam.htm](http://www.bedc.org/ICB/ICB_actionteam.htm) (accessed March 3, 2007).

Ratner, the head of one of the largest development companies in New York City. As a member of the board of the BAM LDC and owner of one of the parcels in the cultural district, Ratner played an initial role in shaping the project. The HOB was to explore the possibility of working with developers as part of its plan, but the organization decided that for now, it would rather stay away from such partnerships. The executive director did, however, mention wanting more members of the business community such as bankers on its board.<sup>172</sup>

### Relationship with Community-based Organizations

Two of the case studies demonstrated that competition can occur between arts and cultural organizations that are undertaking community economic development and the community-based organizations that already exist in the neighborhoods. The reasons are because of turf quarrels, personalities, race, and limited funding to go around, among others. In general, all three of the arts and cultural organizations demonstrated an unwillingness or lack of follow-through in working with other community-based organizations. The BAM LDC, in planning for the cultural district, did not involve local community-based organizations (CBOs) such as CDCs and churches. This faux pas led to the formation of the Concerned Citizens Coalition, which was spearheaded by the area's CBOs, to retaliate against the BAM LDC's plans. In an interview, the head of the Pratt Area Community Council admitted to her dislike for the leaders of the BAM LDC, and also recounted a time when the two organizations competed for funds from the New York City Department of Small Business Services.<sup>173</sup> The BCA also owned up to its current unsteady relationship with the South Bronx Overall Economic Development Corporation, particularly as a result of competing for the same resources.<sup>174</sup> In an interview with the BCA's executive director, Aguado also expressed his doubts about the effectiveness and motivations of the CDCs in the Bronx.<sup>175</sup> Finally, the HOB's economic development consultant admitted that collaboration with a local CDC was attempted, but never fully realized.<sup>176</sup>

### *Lessons Learned*

A critical issue that has emerged from the cases is the fact that all of the organizations in this thesis are carrying out community economic development projects on their *own* without the input, assistance and engagement of the community, whether citizens or community-based organizations. In some ways, then, all three projects are not truly "community economic development" projects if they are missing the "community" component. These projects may contain the guise of supporting community-based economic development, but all three lack the active involvement of all of the critical stakeholders, particularly those who live and work in the neighborhoods.

The evidence reveals that both the HOB and the BAM LDC were far off from candidly engaging their communities. The style of the public meetings that the BAM LDC held bordered on manipulation: the community was only allowed to participate in specific discussion groups defined by the organization. The HOB handled their public process like a marketing firm, acting

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<sup>172</sup> Ellen Salpeter, Executive Director of the HOB, phone interview with the author (February 16, 2007).

<sup>173</sup> Deborah Howard, Executive Director of the Pratt Area Community Council, interview by the author (Brooklyn, NY, March 28, 2007).

<sup>174</sup> Ellen Pollan.

<sup>175</sup> William Aguado.

<sup>176</sup> Sydney Wayman, economic development consultant, phone interview by the author (April 26, 2007).

as a consultant to the Crown Heights community. Neither of these two groups allowed their neighborhoods to take an active part in the planning and decision-making phases of the projects. For the BCA, it is yet to be determined whether they will conduct an open participatory process for the South Bronx Cultural Corridor.

Why private planning seems to be occurring in each of the cases is an interesting question. There is evidence that all three organizations believe that their projects are for the good of their communities and may even feel that they conducted an adequate community process. For example, Harvey Lichtenstein's vision of a cultural community in Fort Greene is a utopian vision, although controversial, and the BAM LDC followed the City of New York's ULURP process for project approvals. Although the HOB's consultation of the community is far from the ideal form of citizen participation, the executive director believes that her organization has completed a rigorous planning process that very much takes the community's needs and desires into consideration.<sup>177</sup> There is no question, however, that these organizations knew that not everyone would agree with their projects: the HOB's brief consideration and then disregard for an open forum is one indication, and most likely, the BAM LDC's lack of transparency is another. However, as organizations that have very goal and results-oriented community economic development projects, they are set up to ignore those disagreeing voices in the community.

A separate and interesting question then is: How is it that private planning is occurring? For obvious reasons, it is difficult to determine when private planning occurs because it is done behind closed doors out of the public's view. In the case of the arts and cultural organizations studied, another potential reason is that these entities relied heavily on private funding for the initial planning stages of the projects. Private dollars come without the requirements and scrutiny of public dollars; there are also no triggers in place to set off a community outreach process. An interview with the Independence Community Foundation, a deep-pocketed local grantor that has funded the projects of each of the three case study organizations, revealed that a rigorous governance structure does not exist for how grants are used. Like many foundations, ICF checks in with grantees occasionally while projects are in process but conducts the majority of its assessment at the end when the projects have been completed. As Stuart Post, Program Officer at ICF stated, the foundation is mostly interested in: "Did you do what you said you would do?" Post's organization also does not have requirements regarding community participation and engagement attached to the money that it hands out. However, as a foundation that is heavily community-based, particularly in Brooklyn, it is concerned about community impact. Post admitted that ICF "walked away" from the BAM LDC after it became apparent that the LDC was not in tune with the desires of the neighborhood. The main reason why the foundation initially funded the BAM LDC's cultural district is because it relies heavily on existing relationships with arts and cultural organizations and has long-standing ties with the Brooklyn Academy of Music and Harvey Lichtenstein.<sup>178</sup>

The lack of oversight is troubling then given that many large private foundations are beginning to fund projects similar to those studied in this thesis. Traditionally, foundations have supported arts programs and community-based development programs separately, but are now beginning to

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<sup>177</sup> Ellen Salpeter.

<sup>178</sup> Stuart Post.

fund projects that are at the nexus of the arts and community economic development. When asked why foundations are interested in their project, Hamilton-Shakir of BCA Development Corp., a recipient of the Deutsche Bank Americas Foundation, explained that grantors are always looking for new and creative types of initiatives to invest in.<sup>179</sup> The philanthropic community is enabling the type of work that the three organizations are doing, but Michael Hickey of the Deutsche Bank Americas Foundation, said that arts and cultural organizations are the ones who are initiating and asking foundations to support their community projects. He observed that there is a “hunger” for this type of funding, and that the number of applications has grown over time.<sup>180</sup>

## **Implications**

Finally, this chapter will now turn to the implications that arise from the research: Are arts and cultural organizations community partners? And how might they contribute to the development of urban areas? What are the organizations’ strengths and weaknesses and who are the winners and losers as a result of their projects?

### *Lessons Learned*

The evidence from the cases has shown that arts and cultural organizations do have a role to play in cities as community partners. However, like any community economic developer, these nonprofits have strengths and weaknesses, and their projects benefit certain groups of stakeholders more than others.

### Strengths and Weaknesses

As community partners, the case study organizations in this thesis have demonstrated strengths in achieving visible results. For example, the BAM LDC made small physical improvements to its surroundings, such as the BAM Park, before planning its large-scale real estate project. Another example is the 80 Arts building, which provides office and cultural space for 12 nonprofits, and is a project that is also generally approved by the community.<sup>181</sup> Although with faults, the HOB was able to successfully complete a detailed planning process, which they are now implementing by making streetscape improvements. As recommended in the Plan, the organization is also holding regular meetings with merchants and assisting them with marketing their commercial districts. Finally, the BCA has been able to hold two cycles of its Handle It! program, and has certified 35 youth as trained art handlers.

In addition, the arts and cultural organizations are very well-respected and their names alone lend themselves to the communities they are in. Thus, the case studies also exhibited skill in bringing attention and resources to their communities. These nonprofits recognize that they can provide value by connecting their neighborhoods to outside resources; for example, the HOB stated specifically in its plan that it will strive to link the business community and City government to

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<sup>179</sup> Kim Hamilton-Shakir.

<sup>180</sup> Michael Hickey.

<sup>181</sup> Deborah Howard.

Crown Heights.<sup>182</sup> The organizations were also fairly successful in obtaining funding from a variety of sources, including city agencies and private foundations. Their knack for receiving financial support is most likely due to previous successes with small ventures, existing relationships with funding sources such as foundations, and the unique nature of their project proposals which appeal to grantors. The larger cultural organizations such as cultural institutions also play a significant role in local economies and are able to draw in tourism dollars to communities. Thus, they have the ability to assist nearby neighborhood business districts and help improve the image of the surrounding neighborhood. Finally, the case studies showed that these nonprofits have access to the arts community in a way that other entities do not. The BAM LDC was able to draw more arts organizations to its cultural district because of its name. The BCA was able to find a gap in the labor market for art handlers because of its relationship with museums and galleries.

As community partners, the two biggest weaknesses that the arts and cultural organizations in this thesis have demonstrated are their lack of experience in engaging in community economic development ventures and lack of inclusion of key community stakeholders. These limitations are due to several factors. First, although the leaders of the nonprofits have strong arts and managerial backgrounds, they have less experience working on community issues and managing community politics. Secondly, while the organizations may have strong desires to be good neighbors, they are focused on achieving internal agendas, namely, to support their arts and cultural missions by upgrading their surroundings. These nonprofits, thus, are not likely to hold open and inclusive public meetings, and have insufficient incentive, especially without accountability from their funders, to accommodate the various disagreeing sentiments that may arise as the organizations take on community economic development roles.

Finally, as nonprofits, the case studies are also limited in the resources that they can commit to communities, more so than other private players such as universities. Ellen Salpeter, in comparing her organization to the Pratt Institute, which was involved in the BID formation on Myrtle Avenue, commented on the HOB's financial and human capital constraints.<sup>183</sup> The cases also show that the organizations are dependent on outside sources of funding. The BCA's Handle It! program is currently on a cycle-to-cycle basis until it can acquire a more stable sponsorship.<sup>184</sup> The BAM LDC also demonstrated that fundraising can be difficult for arts and cultural organizations during weak economic periods such as after 9/11 when it was unable to match the City's grants through private donations.

### Winners and Losers

It is not surprising that the arts and cultural organizations themselves will benefit from the work that they are doing in their communities. All of the cases are taking part in placemaking projects that will help to improve their surroundings and images, thereby ultimately attracting more visitors to the organizations' cultural offerings. Even the BCA is engaging in a place-based initiative to assist its constituents, artists and cultural organizations, to lure more patrons to the

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<sup>182</sup> The Heart of Brooklyn, *Crown Heights Renaissance: Strategic Community Economic Development Plan for Crown Heights, Brooklyn*, revised April 2005.

<sup>183</sup> Ellen Salpeter.

<sup>184</sup> Rita Liegner, Project Manager of Handle It!, Riverdale Mental Health Association, phone interview by the author (April 9, 2007).

South Bronx. Arts and cultural organizations should be aware that there is potential for backlash if their projects are unwanted by other stakeholders as in the case of the BAM Cultural District. The HOB, perhaps from observing what happened with the BAM LDC, expressed a strong desire to avoid tensions with community members. Carol Enseki, executive director of the Brooklyn Children's Museum, stated that the member institutions of the HOB do not want to lose the trust that the community has for the cultural institutions.

The case studies have shown that City government is another key beneficiary of these organizations taking a more active role in the development of their neighborhoods since their projects often fit in with City agendas. In many ways, these organizations are either supporting the City's larger plans or taking the place of City government by improving business districts and job training. From the first case study, it is evident that the City's main interest, however, is in the economic development value of these cultural organizations and their ability to draw the "creative class."

On the losing end are low income communities that may become left out of enjoying the benefits that arts and cultural organizations can offer. Although the nonprofits' 'brick and mortar' initiatives such as streetscape improvements and redevelopment projects are not bad in and of themselves, they tend to assist property owners and middle and upper income classes more than renters and low and moderate income groups. While these projects are welcome in blighted neighborhoods, they can accelerate the displacement of the people who need the most help in neighborhoods that are already improving. In the case of the BAM LDC, the cultural district was accused by the Fort Greene community of further gentrifying the neighborhood and causing both housing and commercial rents to rise in surrounding properties. The other two communities have yet to feel the effects of the arts and cultural organizations' place-based projects as they are still being planned and implemented. However, all three neighborhoods are in flux, and these projects may contribute to the gentrifying forces that already exist. Finally, it is also important to note that the nonprofits benefit from gentrification and therefore, their interests conflict with those of low-income communities.

### Community Partnerships

While arts and cultural organizations have the potential to become community partners in theory, in practice, the results are mixed. In many ways, these arts and cultural organizations are doing some of the work that is more typical of community development corporations and other community-based organizations (CBOs). Thus, in communities that do not have an institutional base of existing CBOs, arts and cultural organizations have the potential to provide certain services and take on certain types of development projects. Most likely, these organizations would not replace CBOs, but can be a new partner. However, in neighborhoods where there is already a CBO network, some competition can occur that may prevent cooperation -- as was demonstrated in two of the case studies due to various reasons such as turf protection, personality clashes and a limited funding pool. However, it is evident that partnerships between the various groups are necessary to fully meet all the various needs that exist in a community.



## Summary

The case studies in this thesis have demonstrated that arts and cultural organizations can contribute to urban communities in ways that have not been discussed in planning literature by actively engaging in community economic development initiatives ranging from physical development to neighborhood and commercial revitalization to job training. While this is good news for communities overall, the research suggests reasons for caution regarding the practices of these organizations.

Like any private entity, these nonprofits are motivated by their own agendas. The organizations in this thesis are facing budgetary shortfalls and are located in the outer boroughs of New York City in neighborhoods that lack the luster of places like Lower Manhattan that can easily draw visitors. Thus, these nonprofits are engaging in ‘brick and mortar’ or placemaking activities to improve their surroundings and create cultural destination locations. The one outlier in the research is the Bronx Council on the Arts, which is also engaging in human capital development through job training. Although a private entity, the BCA is different from the other case studies in that it is a quasi-public organization and has a service-oriented mission. However, the BCA is also planning a place-based project to support the cultural institutions and arts organizations in the South Bronx.

In addition, the arts and cultural organizations in this thesis have shown two main faults: that the entities are inexperienced in community economic development and thus lack the knowledge and tools to manage sensitive community issues such as gentrification and its impacts, especially on low income minorities. The cases have shown that these organizations also lack the incentive to be transparent and undertake planning efforts with all the various stakeholders in their communities as they are driven by their own agendas and desire to remain in control. The nonprofits also lack accountability from government agencies and foundations, both of which fund their projects.

Thus, while the organizations may believe that their work will provide broad benefits to their neighborhoods, the reality is that place-based community economic development projects may accelerate the displacement of residents and small businesses in areas that are already gentrifying. Also, the one-sided nature of the organizations’ planning efforts further decreases the possibility of addressing the needs of those who may be negatively affected by the projects. In conclusion, arts and cultural organizations must be aware of the potential impacts of their actions and should change their practices such that their new roles in community economic development will lead to equitable and sustainable outcomes for urban communities.



## **Chapter 7: Lessons Learned & Recommendations**

### **Overview of the Chapters**

In the previous chapters, this thesis has explored the unfamiliar role of arts and cultural organizations in community economic development. Chapter 2 shed light on why these nonprofits and cities have become partners by looking at the changes that are occurring in the cultural world as well as the macroeconomic shifts that are causing cities to increasingly use the arts as tools for urban development. This chapter also provided an institutional framework in which these organizations fit into: along with community development corporations, universities and other private players, the privatization of community economic development has opened a door for arts and cultural organizations to engage more actively in their communities.

Whereas the existing body of literature on the arts and urban development has looked at the spillover effects of museums and other cultural institutions on their surroundings, this thesis looked at three case studies in which arts and cultural organizations have set up development corporations and are taking on a variety of community economic development projects. Chapter 3 looked at the Brooklyn Academy of Music's neighborhood revitalization project, Chapter 4 studied the Heart of Brooklyn's commercial revitalization initiative, and Chapter 5 examined the Bronx Council on the Arts' job training programs. Chapters 3 through 5 have attempted to give an evenhanded account of the organizations, their projects and the implications of what they are doing in their communities. A particular emphasis has been given to the case studies' interactions with the community and community-based organizations. Chapter 6 took all of the narratives from the case studies and broke down the data by categories to draw comparisons. The chapter concluded with an analysis of the questions that were originally posed in the beginning of this thesis. Finally, the current chapter will now turn to a summary of the findings, recommendations to several stakeholder groups, and some final words.

### **Summary of the Lessons Learned**

The previous chapters have given a detailed account of the case studies and the common threads and differences among them. To avoid rehashing the cases, this section will discuss three significant findings that have emerged from the research.

#### *A New Community Partner*

The evidence suggests that arts and cultural organizations have much to offer to communities and may be the new partner on the block. However, as can be expected, community economic development is secondary to their arts and cultural missions. Like other community partners such as foundations, corporations, universities, and even community development corporations and government agencies, they have their own agendas and interests. However, despite this, arts and cultural organizations can have a role to play in contributing to the positive growth of urban areas.

These organizations can add value to communities in various ways. There is the more traditional view of the role of the arts in encouraging economic development: that it has the ability to attract visitors and tourism dollars to communities, work synergistically with certain commercial activities such as restaurants, and revitalize blighted areas. The research in this thesis suggests a new role for arts and cultural organizations as active agents and partners in community economic development.

The evidence shows that these nonprofits are motivated to initiate and engage in a wide variety of community economic development activities: physical development, neighborhood and commercial revitalization, and job training. This thesis has only attempted to take a broad look at the organizations' effectiveness in each of these types of projects. As most of the projects are incomplete or at the beginning of an on-going process, it is still too early to tell what the results will ultimately be. However, the research shows that the organizations demonstrate skill in achieving visible results and have strong and creative leadership. The nonprofits are able to bring both political and financial resources to their communities, and can leverage their access to the arts community and cultural industries, which are now being recognized by many cities as comprising a significant economic sector.

Despite their strengths, arts and cultural organizations have several weaknesses that diminish their capabilities as partners for communities. While the organizations in this thesis have demonstrated that they are skilled in applying for grants and financial assistance from government agencies and foundations, they are dependent on the availability of funds and funding cycles since as nonprofits, they themselves are limited financially. In addition, while the leaders of the organizations have strong arts and managerial backgrounds, they lack extensive experience working with communities and in community economic development activities. For these reasons, as well as the fact that the organizations are goal-oriented and have self-interested motivations for engaging in community economic development, the case studies in this thesis demonstrated a lack of transparency and candid engagement with the community in their planning efforts.

#### *Place-based Development*

Another important finding that has emerged from the research suggests that arts and cultural organizations are more likely to engage in place-based development since they are increasingly dependent on their own revenue sources and are interested in upgrading their neighborhoods to build audiences. The Brooklyn Academy of Music's Local Development Corporation addressed the problem of vacant land parcels in its vicinity by developing an arts district consisting of cultural uses, mixed-income housing and commercial space. The Heart of Brooklyn began their commercial revitalization of two neighborhood business districts to make streetscape improvements and to diversify the retail offerings of the corridors. Both of these projects demonstrate the desire of arts and cultural organizations to cluster cultural amenities and associated retail activities to create destination locations. The Bronx Council on the Arts is also currently in the planning stages of a cultural corridor that has some of the similar aspirations as the other two projects. Some caution must be exercised, however, since these place-based activities may accelerate the displacement of residents and small businesses, particularly in

neighborhoods such as the ones looked at in this thesis that are already experiencing gentrification, although evidence of this is beyond the scope of this research project.

The one outlier is the Bronx Council on the Arts, which is also undertaking an individual-based development project, focusing on building the assets of people rather than a place. Through its art handling job training programs for under- and unemployed adults and youth in the Bronx, the organization is teaching job-specific skills, connecting participants to employment opportunities in the arts industries, as well as helping them gain the confidence to achieve other life goals. The fact that the Bronx Council on the Arts is the only case study that is taking on individual-based development has to do with its mission. Unlike the other two case study organizations, the Brooklyn Academy of Music, a performance arts center, and the Heart of Brooklyn, a consortium of cultural institutions, the Bronx Council on the Arts is an arts council, a quasi-government entity. It has a broader mission to serve the Bronx arts community, which naturally extends to serving both “artists and people.”

### *Private Planning*

Although in theory, arts and cultural organizations can become community partners, the fact that their community economic development roles support their primary missions, can create a conflict of interest. While all of the three organizations indicated that they believed their projects are for the good of their communities, this thesis has shown that the organizations failed to engage in a transparent and open planning process with the community. The Heart of Brooklyn completed a detailed study of the neighborhood and conducted surveys and focus groups with residents and merchants. These interactions with the community indicate a more consultant-client relationship rather than a true partnership and its plan to revitalize the commercial corridors in Crown Heights reflect a one-sided view. The Brooklyn Academy of Music, on the other hand, had very little interaction with the community during the master planning process and has been accused of ignoring its neighbors altogether. Finally, the Bronx Council on the Arts, although cognizant of the need to include the community and to create partnerships with community-based organizations, lacks a history of doing so.

An unexpected and interesting finding is that the receipt of seed money from private foundations to fund the initial planning stages may be one of the reasons why private planning is taking place. In the past, these funders have supported the arts and community economic development separately, but are now giving money to projects that are at the nexus of these two areas. Although foundations are providing the means to enable arts and cultural nonprofits to engage in community economic development, they are not properly keeping these organizations accountable in how grants are used and do not have requirements for transparency and an inclusive planning process, two key elements for creating equitable and sustainable community partnerships. Foundations can play a role in ensuring that arts and cultural organizations follow through in actively maintaining long-term relationships with their communities. These suggestions and other recommendations are discussed more in the following section.

## **Recommendations**

Given the multiple stakeholders that are involved in community economic development, this chapter will now turn to recommendations for several groups based on the findings and lessons learned from this thesis. Particularly, the following three stakeholders will be addressed: arts and cultural organizations, foundations and the planning community.

### *For Arts and Cultural Organizations*

#### Being Transparent and Planning with the Community

One of the most valuable lessons that arts and cultural organizations should take away from the case studies is the importance of being transparent regarding their intentions and goals, and conducting an inclusive planning process with the community. Problems arise when private groups wrongly assume, especially in low-income neighborhoods, that the community does not care or want to be engaged in planning for its future. Certainly, the Brooklyn Academy of Music's Local Development Corporation underestimated the Fort Greene community: after being kept in the dark about its plans by the BAM LDC, the neighborhood formed the Concerned Citizens Coalition and came out strongly to resist the cultural district project and brought forward a proposal of its own. To avoid similar conflicts, other arts and cultural organizations that are undertaking community economic development projects should create opportunities for having open discussions and a planning process with all the relevant stakeholders that will ultimately lead to shared goals.

#### Building Trust and Long-term Community Relationships

Arts and cultural organizations should also be aware that if they do not have a history of being involved in the community as in the case of the Brooklyn Academy of Music and a few of the cultural institutions in the Heart of Brooklyn, the community may be suspicious of their intentions and even resistant to their projects. Being "involved" in the community relates to both the services and amenities that an organization provides as well as the culture that it exhibits or produces. Symbolic inclusion is important and oftentimes, the arts can appear to be exclusive especially if it is representative of a certain race or socioeconomic status. For example, in the first case study, part of the reason for the clashes between the BAM LDC and the CCC was because the former focuses mainly on Eurocentric performances while the latter community has long celebrated Afrocentric culture. Arts and cultural organizations should be aware of the implications of prior community involvement, or lack thereof, and how the community perceives the organizations.

In order for arts and cultural organizations to build trust with the community, they must have the goal of creating long-term working relationships with the community rather than being merely goal-oriented. However, in all three cases, the organizations and their leadership were very much focused on producing results. The outcomes matter and is often tied to funding, but a strong project focus in which the planning and implementation is mainly spearheaded by a private organization will not lead to the building of trust and long-term relationships with the community, and can oftentimes backfire as in the first case study. Another good example is the history of University-Community partnerships, which shows the consequences of institutions that force their self-interested missions onto communities. Some of these universities have

received much criticism and their reputations have been damaged in the public's view. Over time, however, they have learned to become better neighbors as a result of pressures from residents and political officials. Like universities, arts and cultural organizations, particularly cultural institutions, intend to remain in their neighborhoods indefinitely. As such, they have an imperative to keep up good relations with their communities and will also find it useful to do so when undertaking community economic development projects.

#### Thinking about Gentrification and Low-income Groups

Although not always negative, the impact of gentrification on low-income groups and the potential role of the arts and culture in encouraging gentrification are issues that the organizations should be aware of. Especially since arts and cultural organizations are prone to engage in place-based development, their efforts may further contribute to rising rents and prices for both residential and commercial properties, particularly in already gentrifying neighborhoods. While this issue is not something that these organizations can tackle by themselves, arts and cultural organizations can work with communities towards reducing the negative impacts of gentrification on vulnerable populations.

#### *For Private Foundations*

#### Placing Governance Requirements

All of the case study organizations in this thesis received funding from private foundations for their respective projects, particularly during the planning phases to get the projects off the ground. Since these initial stages of a project are when many of the decisions are made regarding the goals and implementation strategies, the relevant stakeholders must be included from the beginning. However, in most of the case studies, this was not the case, and one of the reasons is that these organizations are held loosely accountable when they are funded using private money. An interview with one of the foundations revealed that projects are not evaluated until the end, leaving recipients with a lot of discretion in the interim. Thus, based on the findings of this thesis, it is recommended that foundations look more closely at their governance requirements and require their grantees to engage communities in a more transparent and open planning process. It is surprising that such requirements do not already exist because of the importance of a robust community process in ensuring equitable and sustainable development.

#### Rewarding Community Relationship-building

One of the challenges of being a community partner is the amount of time and resources that are required to build long-term community relationships. Arts and cultural organizations are limited in resources and have small and underpaid staffs that feel the pressure to produce results for their funders. The foundation community should look at the adverse impacts of rewarding organizations based solely on visible outcomes, and seriously consider ways to combine both sticks and carrots that will force and enable grantees to build lasting relationships with their communities.

In the case of local community foundations, it is both easier and more difficult in a sense, to challenge and encourage arts and cultural organizations to be better neighbors. On the one hand, the foundations already have a level of trust with these organizations and may be blind to some

of motivations and the implications of the projects. But on the other hand, these foundations can easily access on-the-ground information to be more active in the governance of their funding.

### *For the Planning Community*

#### Playing a Mediating Role

The case studies researched in this thesis present examples of how communities may partner with arts and cultural organizations in various initiatives ranging from neighborhood and commercial revitalization to job training. A word of caution for communities is the difficulty of achieving successful partnerships in which all the different parties feel included and the goals of various interests are fulfilled. As such, mechanisms must be in place to ensure that decisions are made fairly and equitably. Some already exist such as government regulations and instituted public processes for project approvals. However, as the cases demonstrated, more accountability is needed and mediators are necessary when discussions are contentious or at a standstill.

Therefore, the role of planners as mediator is confirmed in the results of the research shown in this thesis. Managing conflicts between private interest groups and communities is becoming increasingly important as more community players such as arts and cultural organizations emerge from the woodwork. For example, in the first case study, planners could have intervened and mediated in the discussions between the BAM LDC and the Concerned Citizens Coalition. Especially in situations where there are no precedents, for example, a prescribed method for determining what cultural uses should be included in a cultural district, planners have the opportunity to facilitate negotiations that can lead to a set of shared solutions that different groups can agree on.

#### Questioning and Challenging

One of the themes running through this thesis is the privatization of planning and community economic development. While there are benefits to bringing in private resources to communities, the loss of government's role in these areas should be questioned and challenged. The danger, as shown in some of the cases, is that communities are left out of the planning process and decision-making is in the hands of a few individuals or organizations. Low-income groups are especially at risk of being excluded from both the discussions and enjoyment of benefits. As an increasing phenomenon in the U.S., the privatization of government functions is a hot topic, but the impacts are still unclear, especially at the level of neighborhoods. Of course, privatization is not new in community economic development, as was discussed in Chapter 2; however, the roles of new private groups such as arts and cultural organizations and the implications of their work must be researched further.

### **Final Words**

While the research in this thesis has shown that arts and cultural organizations have the potential to contribute greatly to communities by taking on new roles in community economic development, the results are mixed. The hope is that, as in university-community partnerships, these organizations will also glean lessons from their past mistakes and learn how to work with their communities.



Since all of these case studies are located in New York City, the arts and cultural organizations studied in this research are aware and can observe the results of each other's work. In particular, the Bronx Council on the Arts has an opportunity to do things differently as it continues to plan for the South Bronx Cultural Corridor based on how the other two cases have panned out. This organization need not work alone or within the limits of its circle. As the corridor, which runs along one of the main thoroughfares in the Bronx, impacts more than the arts and cultural organizations that it serves, the Bronx Council on the Arts can and should include community members, community-based organizations and other relevant stakeholders in creating a truly exciting and visionary plan that will benefit a broad constituency.



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