



CAMBRIDGE CITY COUNCIL

Alanna Mallon
City Councillor

TO: Donna Lopez, City Clerk
FROM: Councillor Alanna Mallon
DATE: February 28th, 2019
SUBJECT: Submission - Arts Task Force Meeting Notes

Please place the attached notes from the fifth meeting of the Mayor's Arts Task Force on the City Council Agenda as "Communications and Reports from Other City Officials" for the February 7th meeting. I am also attaching supplemental materials which were used by the Arts Task Force members and made available to the public.

Thank you,

A handwritten signature in black ink, appearing to read "Alanna Mallon".

Councillor Alanna Mallon

Fifth Meeting of the Mayor's Arts Task Force

Date: February 7th, 2019

Location: Multicultural Arts Center

Subject: Artist Studio and Live/Work Space, Affordability, Zoning

Start: 5:39pm

Adjourned: 7:27pm

In attendance as members of the Arts Task Force were: Alanna Mallon, Chair; Liana Ascolese, Executive Assistant to the Task Force and Aide to Councillor Mallon; Christopher Hope, The Loop Lab; James Pierre, visual artist; Jason Weeks, Executive Director of the Arts Council; Jero Nesson, Founder of ArtSpace; Eryn Johnson, Executive Director of the Community Art Center; Geeta Pradhan, President and CEO of the Cambridge Community Foundation; Ben Simon, musician and Cambridge Arts Coalition; David De Celis, architect and Public Arts Commission; Peter DiMuro, Executive Director of the Dance Complex; Ellen Shakespear, Spaceus; Kristina Latino, Cornerscape; Olivia D'Ambrosio, Director of the Bridge Repertory Theater; Kelly Sherman, visual artist; Afiyah Harrigan, Mayor's Office Liaison.

Councillor Mallon thanked everyone for coming and stated that tonight's meeting would be about affordable studio space and housing for artists. A couple housekeeping announcements: The Loop Lab is here, and students from their workforce development meeting will be taping and recording the work of the Task Force. She also thanked member Olivia D'Ambrosio for hosting at the Multicultural Arts Center and thanked her for donating tickets to a performance of "Who is Eartha Mae?" directly after the task force meeting.

Councillor Mallon welcomed Jeff Roberts from the Community Development Department, who is the Zoning and Development Director.

Councillor Mallon reminded the group of the discussion last month and advised that a Policy Order that came out of last month's discussion asking for an inventory of all arts organizations as well as the foundations that support them financially passed at the Council and will help promote community and access among local artists, as well as give us good data to use about support needed going forward. She will keep the Task Force posted.

Councillor Mallon stated that there will be two presentations tonight. Mr. Roberts from CDD will be giving us a "Zoning 101" presentation, regarding how zoning is related to arts, a possible update to the Ordinance, and strategies to include arts in our zoning to make sure artists exist and are represented. Mr. Roberts will speak about how zoning is a tool to incentivize but not guarantee arts-related uses, as well as about the possibility to amend the table of uses, ease permitting, and speak about the potential for an Arts Overlay District in

Central Square. Mr. Roberts will walk us through the CDD response to Councillor Mallon's policy order asking for this zoning overlay.

Task Force member, Jero Nesson who founded ArtSpace will also be presenting about creating affordable artist space and cooperatives and give us tools on how artists can come together to create spaces if the City or an arts-related foundation was gifted land or space.

Councillor Mallon also described a report by the City of Portland, OR. She said that it was a comprehensive overview of actions that could be taken to increase arts spaces. Part of the reason for the Task Force was around the closing of the EMF building, where 200 musicians were displaced. Musicians are examples of artists that need specific space. They cannot work from home and need a place where they're renting a space to perform a craft. If an artist is living in an unaffordable City as far as housing, and unaffordable as well as artist space, it's a "double whammy", and can cause artist displacement. She cited that task force member Ms. Olivia D'Ambrosio traveled from Worcester every day to practice her art and this is not sustainable. We need to be in a much stronger space.

Councillor Mallon introduced Mr. Roberts.

Mr. Roberts stated that he had been with the City for 15 years working on zoning, which he described as both an art and a science. He stated that it's about being able to think creatively about the City's plans and how they can integrate into a document that serves as a regulatory path for the future. Zoning is very technical, and everyone is at different levels. He will try to talk about the underlying principles and how it works, how it is a foundational tool, and the planning challenges the City deals with and how zoning can help.

Mr. Roberts stated that he wants to hear from the people around the table, because he often relies on Jason and Lillian (from the Arts Council) when he needs help or advice on the arts but doesn't always get the opportunity to speak directly with the arts community. Mr. Roberts stated that he brought some zoning maps, because zoning is very geographic and based on an understanding of the City and how we break it down into different parts. He stated that there are different requirements in each of our districts, and the document gives a sense of how we chart patterns of development in the City.

Mr. Roberts explained that zoning regulates land use, and it's the way in which we regulate what people are allowed to do with their land, whether it's homes, offices, junkyards, retail stores, or arts studios. These uses are embedded into the Zoning Ordinance, which breaks the City apart into districts and zones. He stated that in each one there's a set of regulations applied uniformly such as: what kind of use, how big, how tall, the floor area, and the

intensity of uses which varies from different districts, which he defined as density. He also stated that zoning gives a basic sense of what the scale and use of a project can be, and also imposes development standards such as setback, open space, parking, bicycle parking, sustainability, and inclusionary zoning provisions. The important thing about zoning is that it doesn't regulate people, who owns a property, who space is leased to, commerce, type of business activities, and doesn't infringe on other laws or codes.

Mr. Roberts stated that you can use zoning to set up a framework, but property owners are the ones who choose what they want to do. A good question to ask is "are your zoning incentives encouraging property owners to make the choices that you want?"

Mr. Roberts stated that in the context of arts uses, CDD prepared a report. He educated the group about zoning impediments, such as things that may intentionally or unintentionally create roadblocks for all kinds of uses that we're interested in promoting. He stated that he was interested in hearing more about arts-related uses and asked the group to be more specific about what they were talking about. He asked if the group wanted these uses to be broadly or narrowly defined. He stated that Somerville created a designation of arts-related uses that include lots of different things like graphic design and are almost tech-based. He asked the group what they needed in Cambridge.

He explained that there are many impediments to zoning. When you look at our Zoning Ordinance, it's fairly permissive when it comes to artist studios, and it's one of the few non-residential uses that can be found in some residential districts. The Ordinance is permissive of live/work space, and you can have a customary home occupation as long as you're meeting the requirements of home occupation, you can establish one easily.

Mr. Roberts stated that sometimes there are unintended consequences of zoning, and he would like feedback on this. He asked the group if anyone has tried to do something where Inspectional Services put up a roadblock, or if they had zoning issues they had run into. He restated that unintended consequences are common, and that you have to be careful creating new definitions or categories of use, because once you define something you might be over-regulating it. If things are working fairly well and you're not careful, you might get into trouble creating new things.

Mr. Roberts spoke about zoning incentives in relation to the CDD memo. He explained that there was a little ju-jitsu to it because all zoning does is regulate space, and incentives are the negative space, creating requirements that don't apply. Only doing this doesn't work, because if economic incentives aren't there, property owners still won't do what you want, and will lean toward the more economically advantageous option. He gave an example of the limitations on floor area (FAR) on a particular lot – by exempting certain uses such as

retail or affordable housing, it can provide an economic incentive to say that this space “doesn’t count”, and a property owner can have more floor area for other things that generate more value.

Mr. Roberts stated that in Central Square, the City has a zoning overlay which is two-tiered. There’s base zoning, which says what you can do “as of right”, or without special permission, such as a height limit of 55 feet. He explained that a special permit can raise the height limit to 80 feet, and in exchange for that, the planning board reviews different criteria to see if a developer meets it. These criteria are important and what they are will influence what we want in exchange for extra height or other development bonuses. The review process allows a chance for residents to weigh in, and stakeholders can say what they want or what they are concerned about.

Councillor Mallon asked if we could revisit the two-tiered process, and if there was a way to revisit the way it’s currently worded to explicitly value arts and culture to tell developers that we’re trying to move that forward and make it stronger in the language. She stated that the concern right now is that Central Square is changing, and it may change in a negative way unless we are intentional. She wondered if there’s a way to express this vision or a tool that we can use.

Mr. Roberts responded absolutely. He stated that Central Square is already an area of special planning concern, which means that at some point in the past we have identified this area as special, and we are going to establish real goals and objectives. The two-tiered approach is a mechanism resulting from a process that took place in 1987 that was put into place. The values of historic preservation, active uses, and pedestrian friendliness all got incorporated into the Zoning Ordinance. There are specific provisions, but if you want to build to a full potential, you have to come to the Planning Board and demonstrate that you meet the aforementioned goals. There was another planning study completed in 2013, which was both interesting and contentious. The recommendations were controversial at the time and still are today. The zoning emerged from the Central Square Business Association members to try and amend some zoning, and was adopted in 2017, but it wasn’t comprehensive in its goals and objectives. Identifying arts and culture as a key driving force in Central was part of the process, and it’s not unreasonable to ask how this can be built into the Central Square overlay.

Councillor Mallon said that this would give the Planning Board more grounds to really address the uses we want.

Mr. Weeks asked if incentives have teeth or if they are just desires.

Mr. Roberts answered that you have to be creative with zoning, and that incentives actually need to be incentives. On the other hand, you can be too heavy handed and discourage redevelopment entirely. He stated that he wanted to remind himself to say this because in Cambridge it's the primary thing. He explained that one of the principles of zoning is the idea of "nonconformity." This means that when a building was put in place, it may have been within the rules at the time and can continue to be maintained in perpetuity even if zoning changes at some point in the future. Zoning only kicks in when there's a significant change to the use of a building, or something is rebuilt, and property owners always have a choice to maintain what they have as existing. This is important because our Ordinance was adopted in 1924 and is close to 100 years old. Mr. Roberts explained that in 1924, most of the land in Cambridge was already developed, and aside from bits and pieces, everything was done even though a lot had been changed and redeveloped. Many of the buildings and uses in Cambridge are still nonconforming, because there was no zoning when they were built, so that's a key issue with zoning in Cambridge: you're never starting from scratch. Mr. Roberts asked everyone to think about what the current use of something is and if zoning is encouraging or discouraging change. He stated that economic forces are always playing into these complications as well, and you can always try to put incentives in place, but they don't always work the way we want.

Mr. Weeks asked if we had an arts-aware or arts-friendly Planning Board.

Mr. Roberts said it was hard to say, but we had a thoughtful Planning Board that takes their role very seriously. He explained that part of their role is to understand the Ordinance. If a guideline says arts need to be considered they will, the Ordinance may just need to be specific and clear, and the Planning Board will take that seriously.

Mr. Weeks replied that if the work of this committee can better inform the Planning Board that would be great.

Mr. Roberts said that it depended on what level you're talking about. Studio spaces or spaces where you're making a building into a usable arts space aren't the types of projects that come to the Planning Board. Their job is to read zoning petitions and get involved when there is a significant redevelopment. He explained that the Planning Board had been positive about the arts center at Lesley and were talking about the space last Tuesday and how open and engaging it is. He explained that they are most interested in arts-related and institutional uses and how they engage with the general public. They are very supportive of arts to the extent that they've been reviewing arts-related proposals.

Councillor Mallon stated that the Planning Board seemed to be agnostic in one direction or another. If they're looking at zoning incentives, something needs to be included in the Ordinance to encourage them to ensure arts related uses are involved in the project.

Ms. Johnson asked how zoning is influenced by diversity, equity, inclusion, and related overarching goals. She asked what the values are. She also asked Mr. Roberts to talk about how the arts overlay could support us in our diversity goals, or how it could work against that. She stated that it's common knowledge that gentrification and arts are mixed, and even if it's unintentional there could be possible pitfalls with the arts overlay.

Mr. Roberts replied that stepping way back, zoning has a very troubled history when it comes to inclusion, because the nature of zoning is dividing and regulating, which intentionally or unintentionally – and there are persuasive arguments for intentionally – can promote inequity. For example, zoning that restricts areas to single family homes on one acre lots is a recent example of restrictive zoning resulting in outcomes that are inequitable. In Cambridge, we try to do zoning in a way that's positive, but you always have to be mindful that when you're restricting, you're going to constrain a resource in a City and let the economy do the rest, which often lets the wealthy and those with access have more access to scarce resources.

Mr. Roberts stated that zoning doesn't make more land – we have the land that we have and the building stock that we have. If there's growth, you can see how growth is driven by strong economic forces, but if you don't have any growth than the space that's available becomes even more precious and in-demand that results in rising prices and more difficulty of access. This is the big picture of how zoning affects inclusion. He stated that Cambridge has policies like inclusionary zoning, which is something more communities have been embracing, but it's a little bit of a specialized use of zoning with questions about how and where it is appropriate for Cities to use this type of regulatory power to say you can do X, but the City has to receive Y benefit. He stated this is a touchy area but something we're always thinking about and working on. We need to be careful that we get the result that we want and need to do things in a way that's legal.

Mr. Roberts made a final point about the arts overlay, which is that he is personally averse to using the word overlay. Overlay means that you are modifying your base zoning but talking about an "overlay" only is too abstract. You should be talking about what you want to do, whether it's being more restrictive or more permissive, or offering incentives. When you figure out what you want to see, you can figure out if they are economically and legally feasible and ask what the right zoning tool is to try to accomplish that. Sometimes an overlay isn't the best approach.

Ms. Johnson asked if there was arts or equity-oriented zoning in other cities.

Mr. Roberts replied that in the memo related to arts, CDD focused on Massachusetts because different states have different zoning laws. Lowell has an artist overlay district and it was hard to figure out how theirs was more permissive than Cambridge's, because it actually says that some projects require a special permit whereas in Cambridge we don't. One of the benefits of Lowell is that they created an arts overlay to produce more arts-related housing, which may not have as much to do with zoning as it does the City's values. Lowell invested in the community and people were attracted to making this investment as well, and they can partner with the city to do that. Somerville was the other example used because of their zoning in Union Square, which is basically the equivalent of Kendall in that it's a major redevelopment. Somerville incorporated a 5% allocation of overall development to the arts as part of their zoning master plan. They grabbed different categories of arts-related use and said that this board set of uses all qualifies.

Mr. Weeks as if this kicks in for mixed use redevelopment.

Mr. Roberts replied yes, this plan is a large-scale master redevelopment.

Mr. De Celis highlighted the examples from Portland and Seattle in that they have implications for people up and down the economic scale. We want to expand the definition of the arts and be more inclusive to make sure that they stay with us. He wanted to unpack the fact that zoning doesn't regulate commerce because he thought it did. He stated that not everyone has the budget for a 2 million square foot development, and that substantial alteration triggers can stop a lot of small nonprofits from developing into galleries. Second, incentives can only do so much. Mr. De Celis agreed with this statement but the readings that were provided tonight really thought outside the box and beyond traditional textbook zoning. We also need to not underestimate the altruism and philanthropy in Cambridge, and be open to things such as certifying buildings, people, and places as creative spaces, which is a really great example of being expansive and blurring boundaries.

Mr. DiMuro stated that he was thinking about what an overlay is, like fondant on a cake. He asked if this is more of a lens that we're getting people to see through. He stated that it's not just about arts but artists who need to be included in the conversation. Zoning is one thing, licensing and permitting is another. He gave the example of the Dance Complex paying \$1 for their entertainment license because they're an "exhibition hall" not a "theater" because of some rule in 1928. This is an example of how one thing like the historical nature of a building affects another, and how if the City isn't handholding and making the connections, they aren't being made.

Mr. Roberts stated that licensing is a separate issue because of different laws and regulations, and that we operate in a constellation of laws and systems, and what Mr. DiMuro said was important, that we can't just look at one thing, we need to look at how everything works together from our end. From a property owner's perspective, it's about how it all comes together on a particular site. Mr. Roberts stated that he is interested to see if there have been zoning issues in relation to licensing because in order to get licensed, you need to establish that your use is allowed by zoning.

Mr. DiMuro stated that the Dance Complex is fine as they are now, but they want to be more of an artist-citizen organization, so things may grow and change. Artists shouldn't be behind closed doors and need to find ways to work together.

Mr. Roberts stated that this is a key issue more presently and is what happens when you have uses and activities in buildings that evolve to incorporate different types of functions and activities. Economic development and retailers are concerned about this too, because we need to look at the table of uses, which lays out how we categorize all these different uses. There are things we need to make clear and resolve issues such as retailers that want to hold classes – are they a school or a retailer? He stated that every situation is unique, but zoning is a uniform thing that you have to apply, and we try to work where we can to help people.

Ms. Pradhan stated that we need to lead with vision and see what it will take to make that vision possible. She asked what zoning changes we would need to make. She stated that we have one cultural district and need to make sure everyone is behind it, such as the Planning Board, Council, City administration, and residents. She is worried that we get caught up in technicalities like zoning and permitting, and we need to remind ourselves that vision is front and center. When we look at incentives, it's a small portion of big development that will go towards our vision, and we need to make it bigger and more prominent.

Mr. Roberts stated that he couldn't agree more, and that we need to ask what outcome we want, what we're trying to achieve, and what problem we're trying to solve. We need to answer this question before we know if zoning will be a tool to use.

Mr. Monestime stated that he wanted to piggyback and that it sounds like there's something missing from the Central Square zoning, such as an art piece component. He asked whether there were other priorities and pointed to what Somerville was trying to include. He asked if we could modify some of the current zoning to include arts.

Mr. Roberts stated that there is a lot to modify in the original Central Square overlay. He stated that the petition was a community-led initiative focused mostly on housing and promoting more housing growth to add activity and to the number of people in the square. Arts and culture are not included in the petition but could've been and could still be.

Councillor Mallon stated that housing brings people into the Square, but we need to ask who the people are. In thinking about Mass and Main, a massive number of units are market rate – they are not artists or people who can afford to live there. We need to have intention around these units and see them through a diversity and equity lens, which should be explored here as this conversation moves forward.

Ms. Sherman stated that she found the Somerville descriptions are confusing, and if there was a need for all of them. She asked if they did something that's different than what's already allowed.

Mr. Roberts replied that as far as retail, this is a project we are thinking about. The question is how we identify what counts as a different use, and this is a delicate balance, because it can be really specific and individual line items can add up to hundreds of uses. Other communities are broader, and a whole range of different uses or activities can fit all into one category. He stated that Cambridge is in a funny place because our use table is dated and originates from 1961 and has only changed a little bit. If you define things more narrowly it means that you have to make more decisions when you're trying to regulate what's allowed and what's not, or what's incentivized and what's not. No matter how you classify, you'll always have something that you're not sure where it goes.

Ms. Sherman asked how we can bridge uses that fall on a line.

Mr. Roberts replied that what she's asking is why Somerville created so many things under their "arts and creative enterprise" category. He advised of the want to be broad because you don't know what kind of activity is in a certain space, and you need to leave room to be inclusive of things you haven't thought of before. The upside is that a creative use is still allowed. The unintended consequence is having a use you don't like. He stated that you do need to have some specificity in advance based on land use and can't just make arbitrary judgements uses you like or don't.

Councillor Mallon thanked Mr. Roberts for his presentation and for the robust conversation about zoning, which can be difficult to understand.

Councillor Mallon stated that in the Lowell example, one thing that jumped out was that maybe it was just the municipality saying that arts and culture is a focus and a value which was powerful. It's something that we as a City can do in a more formalized way in talking about leading with vision. She stated that in terms of Central Square, it is an area of special planning concern, and it's a place to be bold and do innovative things. She suggested that we write our vision into the overlay around arts and culture so that developers, the Planning Board, and planners know what we want to see in Central Square.

Councillor Mallon stated that Mr. Nesson will now be giving a presentation about his long history of creating cooperative arts spaces in repurposed buildings in Massachusetts.

(Note: the slides were photos shown on a slide projector, not a powerpoint presentation and are unable to be included in this report)

Mr. Nesson began his presentation by stating that studio space is the number one issue facing visual artists in almost every urban area, and it is a major issue for performing artists as well. He stated that providing affordable studio and live/work space is an economic issue, and that it helps to have a friendly zoning and building code, but nothing can happen without developers doing something significant. He stated that the slides he's showing reflect several projects where the developers were the artists themselves or an arts or nonprofit organization. There were no fees or public funding, and projects were financed through private banks because the projects were looked at as conventional real estate deals that made sense. He stated that all projects were fully occupied and committed before a project was ever undertaken and that in the 20-30 years that they have existed, there has never been a vacancy.

Mr. Nesson asked how we can take this vision and bring it to Cambridge. We cannot possibly buy buildings, and for-profit developers do not provide these spaces. He stated that the City of Cambridge could rehab old buildings on City-owned property where there are no land costs. He stated that the process is cookie-cutter, but individual stories are fascinating.

Mr. Nesson asked if everyone was familiar with the Fort Point neighborhood, where there are millions of square feet of mill space. This particular building was originally a wool storage area, and that he was working with the Fort Point board to maintain a community of 370 artists after they were repeatedly displaced from other areas. Unfortunately, all of the buildings in Fort Point were owned by Boston Wharf Company, and even years of negotiations left them unwilling to sell. This one particular building was not owned by them, and a notice was put out to artists of Fort Point after an architectural and financial analysis showed that the building was viable for live/work space. Each artist put down \$500 for a nonrefundable deposit, and even though the building was risky, it was marketable. The

project grew into a limited equity artist live/work co-op where if you wanted to resell your unit, you're limited to the consumer price index of 1-2% per year and could only sell to another artist.

Mr. Nesson described the building as open mill space, decent windows, and somewhat functioning steam heating, sprinklers, and elevators.

Mr. Nesson stated that artist participants met every week to make decisions about the project and went to various banks in the Boston area before finding a bank that would finance the project. He described their special permit process and that they needed one for residential use in an industrial area. They lost their initial appeal but won again a short time later. The math worked out to \$20 per square foot and \$5 per square foot for equity and worked out to a total rent of \$5 per square foot per year. He stated that the artists who took part in the project were courageous and risk takers but pulled it off. He stated that the renovation of the space was bare bones and minimal, with minimal outlets and kitchen amenities. The average studio was large, however, at 1,500 square feet.

Mr. Nesson showed slides of Brickbottom Gallery, which was an old A&P warehouse on McGrath Highway in Somerville. It was abandoned and seemed to work from a financial and architectural standpoint. Within a few weeks, 100 artists put down a \$500 deposit and became the developers. He stated that the Mayor of Somerville was fully supportive and facilitated the zoning change, which allowed residential use in an industrial area. The same bank that financed Fort Point financed this project as well, and the idea was to create an artist cooperative. In this project the top floor was sold as market rate condos and the proceeds were used to finance the co-op.

Mr. Nesson showed a photo of an "extravagant studio of a large-scale sculptor." He stated that the condition of the studio was bare bones: a cheap, simple kitchen with unfinished walls. Artists could leave it that way or spend money over time. The rent was \$45-\$50 per square foot. He stated that the architect peeled back the roof of half of a one-story connector to provide outdoor space.

Mr. Nesson showed a surplus school in Newton that a group of artists proposed to develop as artist live/work space in a residential neighborhood. They were competing with market developers and the neighbors supported their proposal.

Mr. Nesson showed the group a two-story studio in the space. A husband and wife artist team had spaces on two separate levels. He also showed the group a picture of an old gym

and explained that the artist who occupied that space did all the interior construction by herself.

Mr. Nesson described Harry the Greek's building in the South End at the corner of Washington & East Berkley, a building owned by Boston Redevelopment. The artists were competing for the building against the Harry the Greek store owner who was very politically connected. The BRA designated both Harry and the artists as developers and reached an agreement in which the artists got the top two floors, a storefront on the first floor, and an arts co-op existed within the condominium.

Mr. Nesson also described spaces that were for studios only, such as the Lawrence School in Wellesley. Artists were contacted by the abutters when the building became surplus because they didn't want the use to be a community college. The building ended up providing studio space for 35-40 artists, and very little building was involved because the building was so usable as-is. He explained that the artists had a 10-year lease until the town took the building back. He stated that the artists wanted to stay together but Newton and Wellesley were unaffordable but ended up finding a space in Framingham.

Mr. Nesson showed pictures of the Old Concord High School, where a group of artists petitioned the town to occupy on an interim basis, but subsequently worked out a long-term arrangement. There were about 45 artists in this space and they had small studios, large teaching facilities, a clay area, a large theater, and a dance studio. He explained that after some years, Carlisle asked if they wanted an additional surplus school, which they converted to studio space as well.

Mr. Nesson described the Artspace in Maynard, which was made up of an old middle school of 3 interconnected buildings. The school moved to a new facility and artists took over the next day. The space was 55,000 square feet and not as large as Brickbottom or the space at Fort Point. There was a large gallery downstairs.

Mr. Nesson showed one last photo of an installation in the 1980s reflecting all of the artist buildings and spaces in Boston that no longer housed artists. He explained that these spaces could be applicable in Cambridge, because we have publicly owned spaces and parcels with large and small spaces, spaces over publicly owned garages, or spaces on vacant lots.

Ms. Sherman stated that she was amazed at Mr. Nesson's involvement with these projects, and that they stand out because they're private studio spaces not for public engagement or studios, except for select classrooms.

Mr. Nesson replied that the key to the project is keeping it simple and leaving it to just artist studio space. Many projects want to be all things to all people, and they get complicated and slow down. He stated that this is an important rule to live by.

Ms. Sherman asked if there was pushback from cities who came to the artists arguing that there wasn't a community engagement component of these projects. She expressed her surprise that cities were ok with private spaces.

Mr. Nesson replied that in most places, the artists were the best choice for development. In Wellesley, neighbors didn't want a community college next to them. In Carlisle, the School Committee didn't want strangers and traffic. Both cities saw artists as a low density and low impact use.

Ms. Latino asked which of these projects was the most recent.

Mr. Nesson replied that the last project completed was in 2001.

Ms. Latino asked if there were others in the area since then.

Mr. Nesson replied no, but referenced Lowell, and said that Western Avenue studios had a lot of support from the City to convert mill space to artist use. Large open mill space was converted to semi-private space. He explained that the walls only go up 8 feet, so sound is an issue. The developer started marketing live/work space in these projects.

Ms. Latino stated that she grew up in Worcester and thought the old courthouse was being developed into live/work space.

Mr. Nesson replied that every building owner in Worcester had inflated their value during that time, and projects there didn't seem to work back then.

Ms. Johnson asked what strategies Mr. Nesson would recommend to account for the race and cultural diversity of artists who were using these spaces.

Mr. Nesson replied that there were very few minority participants in these projects, and that when these projects were being done, most commitments were for local artists. He explained that there was an attempted project in Mission Hill and Roxbury on City-owned land, which would have been a diverse project, but it wasn't feasible architecturally.

Ms. Pradhan stated that she was curious that most of the projects were financed as regular real estate deals, but the equity was minimal. She asked where the equity came from.

Mr. Nesson replied through a bank loan.

Mr. De Celis asked if there was a partnership through the abandoned buildings that were public.

Ms. Pradhan stated that in her experience, banks were pretty tough on making sure that deals were financially solid, and that artist incomes are not predictable. She stated that she was impressed that these deals were able to be financed and asked if there were particular banks that were friendly, because conventional financing is tough.

Mr. Nesson stated that 60% of the artists at Brickbottom were low-income and that some needed co-signers for their spaces, or to bring in tax returns to see how much space they could afford. He stated that it's easier to organize artists around a real project and not an idea, and that finding artists to fill these spaces was easy.

Ms. Sherman asked if there was a template or key ingredients to make this work well. She highlighted the bare bones and simple design, the properties that were gifted to artists from municipalities, hiring architects who were understanding and could work with groups, and finding friendly banks. She asked about Mr. Nesson's role in connecting these dots.

Mr. Nesson replied that the artists were the developers and that he focused on zoning and finance. He clarified that others oversaw the construction.

Ms. Sherman stated that she was trying to recreate this effort and asked what it really took as far as leadership and organization.

Mr. Nesson replied that it takes moving forward even when things don't go the way they were planned when opportunities come up.

Mr. Weeks stated that he was interested in the requirement of only being able to sell to artists and used the example of 75 Richdale. He asked how to control for that.

Ms. Pradhan responded with a deed restriction, like in affordable housing.

Mr. Nesson responded that if you're involved with buying City-owned property, the City ensures that it's restricted.

Mr. DiMuro commented that most artist lofts are for visual artists, but he was thinking of performing artists. He stated that in Philadelphia there was an old garage they wanted to make into a European hostel-type space, where dance companies could come visit and they wouldn't have to pay high prices for hotels. He explained there were other kinds of models where space is low maintenance but accessible, and that local artists could stay long-term, but visiting artists could access it.

Councillor Mallon asked Mr. Nesson if he was in charge of working with municipalities to coordinate spot-zoning through regulatory requirements.

Mr. Nesson replied that he was involved with working with the Mayor to change zoning from industrial to residential as part of a special permit, so that would be spot zoning.

Mr. Roberts said that in 2001 the Citywide rezoning took into account the conversion of nonresidential buildings into residential and takes all variances and put them into a Planning Board Special Permit to make it simpler. Those cases can be controversial. He gave examples like conversions of church buildings in neighborhoods and stated that some neighbors are nervous about bringing in new residents.

Mr. Nesson stated that Boston didn't mind changing zoning, but it didn't want to restrict it to residences. He stated that at Fort Point they were opposed to a blanket allowance of residential use because artists that were living and working would be displaced by condos.

Councillor Mallon asked if the residences were owned.

Mr. Nesson responded that live/work space was owned whereas studio space was rented.

Councillor Mallon stated that she was thinking of the School Department building on Thorndike Street because it's about to be empty. The Archdiocese is interested in renting the space but not selling because they need the revenue. She stated that the building is ancient but a good spot and wanted to make sure that we could talk about a rental situation.

Mr. Weeks stated that he also wondered about the former Graham and Parks school and the Longfellow School across from the annex, because they are perfectly positioned to do the type of thing that Jero is saying.

Mr. Nesson responded that he is interested in new construction because it's just as hard to do a big project as it is a small one, so the struggle should be for something significant, and that owning means you're there forever.

Councillor Mallon thanked everyone for their time tonight and adjourned the meeting at 7:27pm.

A Plan for Preserving and Expanding

Affordable Arts Space in Portland



**Mayor Ted Wheeler
Commissioner Nick Fish
Commissioner Chloe Eudaly**

JANUARY 2018



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Acknowledgements

The policy recommendations in this document would not be possible without the contributions of many community stakeholders and City bureau staff. In addition to specific stakeholder meetings, City Council offices have held individual meetings with artists, property owners, developers, non-profit organizations, advocates, community groups, neighborhood groups, and coalition leaders.

To each of you who helped contribute to our final product, thank you.

Portland City Council

- Ted Wheeler – Mayor
- Nick Fish – Commissioner
- Chloe Eudaly – Commissioner
- Amanda Fritz – Commissioner
- Dan Saltzman – Commissioner

External Stakeholders

- Stan Penkin – Oregon Children's Theater, Arts Oversight Committee
- Kelley Roy – ADX
- Toni Tabora-Roberts – Esper House, Arts Workers for Equity
- Bruce Fife – Musicians Union Local 99
- Pippa Arend – p:ear
- Ken Unkeles – North Coast Seed Building
- Subashini Ganesan– New Expressive Works
- Andre Middleton – Friends of Noise, Arts Workers for Equity, Open Signal
- Suzanne Vara – Retired, Bureau of Development Services
- Matthew Jacobson – Relapse Records, Sizzle Pie
- Cary Clarke – Young Audiences of Oregon & SW Washington
- Erin Graham – WESTAF, OMSI

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- Rebekah Krell – San Francisco Arts Commission
- Randy Engstrom – Seattle Office of Arts and Culture
- Leslie Bain – Framework Cultural Placemaking
- The authors of the City of Seattle's CAP report

Internal Stakeholders

- Jamie Dunphy – Office of Commissioner Nick Fish
- Amira Streeter – Office of Commissioner Nick Fish
- Pollyanne Faith Birge – Office of Commissioner Chloe Eudaly
- Lisa Taylor – Office of Mayor Ted Wheeler
- Jennifer Arguinzoni – Office of Mayor Ted Wheeler
- Jeff Hawthorne – Regional Arts and Culture Council
- Kristin Calhoun – Regional Arts and Culture Council
- Mark Moffett – Bureau of Development Services
- Terry Whitehill – Bureau of Development Services
- Debbie Bischoff – Bureau of Planning and Sustainability
- Soo Pak – Portland Parks and Recreation
- Alison Wicks – Prosper Portland
- Lisa Abuaf – Prosper Portland
- Kyra Straussman – Prosper Portland
- Nate Takara – Portland Fire and Rescue
- Heather Hoell – Venture Portland
- Thomas Lannom – Revenue Bureau
- Betsy Ames – Office of Management and Finance

Partners

- Oregon Cultural Trust
- Oregon Arts Commission
- Multnomah County Cultural Coalition

Introduction

The cost of living in Portland is rising rapidly. This has created a housing crisis. Displacement, gentrification, aggressive development, and real estate market dynamics are making it impossible for artists to afford to live here. We stand at a moment where we risk losing many of the things that make Portland a desirable place to live, work, and play.

Portland has long been known for its vibrant, diverse creative economy – from fine art to arts and crafts, art galleries to craft fairs, ballet to flamenco, jazz to classical, and everything in between.

Public support of the arts has never wavered. In 1992, 73% of individuals surveyed by local arts leaders said that Portland is a better place to live because of the arts. By 2009, that number had increased to 77%. And in 2012, Portland voters overwhelmingly approved the Arts Education and Access Fund, commonly known as the Arts Tax. So, the question of supporting the arts is not whether, but how.

Our creativity drives innovation, inspires the founding of new companies, draws new employers and residents to our city, provides good jobs, and helps burnish our quality of life. Every aspect of our community would suffer without our creative culture.

But creative organizations, as well as the people who practice their crafts here, are increasingly being priced out of the Portland market. The need for affordable performance space, rehearsal space, studio space, gallery space, and office space must be addressed by the City of Portland, the Regional Arts and Culture Council (RACC), and the greater arts community. This can only be done by fortifying partnerships and expanding on efforts by private, public, and non-profit parties. Portland's reputation as a creative hub is not inevitable. If we aren't intentional in our actions, we risk losing the soul of our city.

The value of art in our city is undeniable. It's core to the fabric our identity.

Introduction

Art is a powerful instrument for equity. We must be explicit in recognizing the different ways our creative economy works in all our individual communities, and we must strive to ensure that everyone sees the benefits. Through all our work, the City and our partners will approach solutions with an equity lens, seeking broad representation from communities throughout the city. This will include working directly with culturally specific organizations such as Latino Network, the Muslim Educational Trust, Milagro Theater, New Expressive Works, Disability Arts and Culture Project, PHAME, and Arts Workers for Equity. We will also work with our trusted partners at the Oregon Arts Commission, Oregon Cultural Trust, the Multnomah County Cultural Coalition, and the RACC.

Art is a powerful economic tool. From the vibrant array of booths at Saturday Market to the powerhouses of Nike, Adidas, Under Armor, and the many design and apparel companies that call Portland home, the creative economy supports thousands of jobs and generates millions of dollars in economic activity annually. This creative sector gives Portland a unique appeal, and drives nearly every sector of our economy.

According to the 1989 Arts Plan, Portland's creative economy directly created \$84 million in economic activity every year. By 2009, that number had increased to \$330 million annually. That's nearly double what can be accounted for by inflation!

We must also remember that the creation of art provides an end in and of itself. The creative process is a deeply personal one that adds to the general well-being of individuals everywhere, usually without any intention of creating art professionally. Every successful society in human history has encouraged creativity.

In recent years, we have seen the displacement of hundreds of artists and dozens of creative spaces, including Towne Storage, Troy Laundry, Artichoke Music, Crossroads Music, Theater! Theater!, Jimmy Mak's, Conduit Dance, The Fremont Theater, the PSU Dance Department, and the Ash Street Saloon.

Cities have been facing these same problems for decades, and community leaders have worked to find new solutions to old problems. This means that there is a wealth of information from trusted partners about what works, and what doesn't.

In short, we don't need to reinvent the wheel.

Over the past two years, Commissioner Nick Fish and his staff have been researching national best practices, studying local trends, and meeting with artists, non-profit leaders, developers, property owners, and colleagues in different cities to craft a set of recommendations for discussion.

When they took office in January of 2017, Mayor Ted Wheeler and Commissioner Chloe Eudaly joined this effort. After many meetings with stakeholders, both internal and external to City government, these three City Council offices have developed these recommendations for a “Portland-sized” approach to help deliver real results in the short-, medium-, and long-term.

We began with an agreed set of values for how to approach this problem: Any proposal for a sustained effort to preserve our creative economy should not be limited to existing and new funding by the City of Portland. Instead, the City should consider policies that provide incentives for new development; encourage preservation, active reuse and direct investment; and harness private and philanthropic investment to create long-term shared prosperity in our creative economy.

This must never be an “either/or” conversation. The City must continue to focus on affordable housing, homelessness, livability, job creation, and public safety while also finding ways to preserve, support, and expand our creative economy. The recommendations in this report, if properly implemented, will not cause conflict between our goals, but will instead work in harmony to better accomplish our objectives.

These recommendations are designed to stimulate further conversations and inform future policy making. We recognize that not all of the recommendations in this document can be or will be implemented. We encourage City Council to work with bureau staff to find appropriate and timely ways to evaluate each of these recommendations.

Our goal is to make Portland accessible and affordable to the artists who choose to live and work here.

We recognize that Portland continues to thrive thanks to our creative economy.

We are driven by a sense of urgency, because neither success nor failure are inevitable.

Thank you to all the community members, colleagues, and stakeholders who helped participate in developing this set of recommendations.



Nick Fish
Portland City Commissioner
Arts Commissioner



Chloe Eudaly
Portland City Commissioner



Ted Wheeler
Portland Mayor

Executive Summary

24 IDEAS FOR PRESERVING AND EXPANDING AFFORDABLE ARTS SPACE IN PORTLAND

- I. Re-establish, expand, and empower the position of Arts Concierge in the Bureau of Development Services.
- II. Create an inventory and map of creative spaces in Portland.
- III. Certify creative spaces.
- IV. Expand opportunities for rooftop creative spaces.
- V. Explore and minimize obstacles to the creation of new gallery spaces.
- VI. Explore options to incentivize creative space landlords.
- VII. Refine requirements for new “live-work” spaces.
- VIII. Establish a “Creative Space” definition in the Mixed-Use Zoning Code.
- IX. Exempt creative space from FAR and height limits in certain projects.
- X. Tailor the 2% For Art program.
- XI. Incorporate creative space into the commercial spaces of affordable housing developments.
- XII. Require creative space in public buildings of a certain size.
- XIII. Create an Artist-in-Residence program in certain public buildings.
- XIV. Create a system of “art pods” in public spaces.
- XV. Explore the creation of an arts-specific real estate investment model.
- XVI. Priority access in the City Disposition process.

Executive Summary

- XVII. Provide short-term affordable leases for interim uses ahead of future development.
- XVIII. Work with community-based organizations to explore opportunities and develop a strategy for culturally-specific creative spaces.
- XIX. Invest in retrofitting existing underused City property for creative space.
- XX. Work with Neighborhood Associations and Business Districts to establish Creative Districts.
- XXI. Build affordable creative space into district plans.
- XXII. Encourage colleges and hospitals to increase gallery spaces on campus.
- XXIII. Coordinate with other governmental partners on regional solutions.
- XXIV. Find ways to expand and organize Portland's philanthropic community.



Recommendations

I. Arts Concierge Service

The Bureau of Development Services (BDS), under the leadership of Commissioner Eudaly, will reestablish a position that is dedicated to working with anyone who calls themselves an artist, or is working on a project directly related to the creative economy. Recognizing that artists and arts-related organizations are not necessarily well-versed in leasing, acquisition, or development of commercial space, this position will be explicitly tasked with finding ways to see that projects can happen.

This is not a new idea. This position was held by Ms. Suzanne Vara for many years, until she retired. In developing these recommendations, we worked directly with Ms. Vara to identify duties that need to be recreated, expanded, and empowered.

This position will be both internally- and externally-facing – developing processes, project management, predevelopment guidance, and potentially helping with real estate searches, financial incentive programs, or matchmaking. The Concierge will be empowered within the bureau, and will be able to offer flexibility for individual projects and to propose changes where appropriate.

Recommendations

This position will be asked to:

- **Streamline permitting and processes for creative space projects**

On an ongoing basis, this position will be tasked with examining the permitting process through the lens of developers creating creative space, and finding ways to streamline it.

Additionally, this position will explore electronic resources, such as YouTube videos, permitting checklists, FAQs, and other accessible forms of communication that can be available to the broader public.

- **Streamline communication and connection between City bureaus**

The Arts Concierge will act as a single point of contact for the arts community, helping constituents work with the City's decentralized permitting structure. This position will ensure that no one ever hears, "I can't help you with that."

This position should also consider the benefits of creating complementary positions in other bureaus or City entities, such as the Mayor's office or Prosper Portland, in order to have a more robust approach to the navigation function.

- **Streamline opportunities for reuse of older buildings for creative uses**

The Arts Concierge will have an on-going responsibility to help identify opportunities for system improvements. This includes options such as reducing fees or providing additional “hand-holding” for property owners who would like to change their spaces into live-work or other creative space.

This position will be empowered to work across bureaus to make recommendations for improvements, and will be able to present the Commissioner-in-Charge with suggestions.

- **Explore options for scaling permit fees for certified non-profit creative projects**

As part of on-going improvements to our permitting process, the Arts Concierge will look for opportunities to assist creative organizations, or developers who have partnered with creative organizations, by waiving or reducing City fees, SDC's, or other costs on a case-by-case basis.

This must closely align with existing scalable permit waivers that are offered to other sectors.

- **Examine the Special Event permitting process for improvements**

Build on the success of programs like PBOT's Livable Streets and look at national best practices to make recommendations to Council and bureau leadership on ways to improve the system for permitting special events, from street fairs and block parties to large events like the Rose Festival and The Bite of Oregon.

II. Create an inventory of creative spaces within the city and display on a map on PortlandOregon.gov

A common best practice in other major cities, including Seattle and San Francisco, is to map creative spaces, and make that information publicly available.

The Regional Arts and Culture Council (RACC), the Bureau of Planning and Sustainability (BPS), and the Bureau of Technology Services ArcGIS staff will create an interactive map that is displayed on PortlandOregon.gov or perhaps an arts webpage hosted by RACC, akin to the maps for the Central City 2035 and the Cannabis Program. This is guided by the principle that unless we know exactly what we are working to save, we will never save it.

Recommendations

RACC and BPS will coordinate on an agreed definition of “creative space,” recognizing that not every art studio, music rehearsal space, and basement woodshop can or should be included.

The screenshot shows the Seattle Spacefinder website interface. At the top, there's a search bar labeled "Spacefinder", a "Search spaces" button, and a "Browse Spaces" button. To the right are "Log In" and "List a Space" buttons. Below the header, it says "383 Listings Ordered by recently updated" with a "Filters" dropdown. A navigation bar shows pages 1, 2, 3, and "Page 1 of 16".

The main content area displays four listing cards:

- North Park Studios (The Oye Building)**
Studio/Shop space in North Park Studios
Studio Art | Storage | Raw Space
\$335/month
10219 Aurora Ave. N, Seattle 98133
Last updated 12/19/17 • Added 12/12/17
- FLUTTER Studios**
FLUTTER Studios - Seattle Photo Rental Studio & Event Venue
Rehearsal | Exhibition | Studio Art | Meetings | Workshops / Classes | Events | Screenings | Readings | Retail | Raw Space | Film Location
\$35-\$125/hour \$350-\$1500/day
114 Alaskan Way S, Seattle 98104
Last updated 12/18/17 • Added 02/20/15
- Kin On Community Health Care**
Community Center
Performance | Rehearsal | Exhibition | Studio Art | Meetings | Workshops / Classes | Events | Screenings | Readings
\$50-\$100/hour \$1/day
4416 S. Brandon St, Seattle 98118
Last updated 12/11/17 • Added 07/11/17
- All Pilgrims Christian Church**
Weld Room
HIGH AVAILABILITY

To the right of the listings is a map of Seattle showing various neighborhoods, parks, and landmarks. Purple dots mark the locations of the listed spaces. The map includes labels for Magnolia, Interbay, Queen Anne, Fremont, Gas Works Park, University of Washington, Montlake, Madrona, Leschi, Capitol Hill, Volunteer Park, Seattle Japanese Garden, Mt. Baker, Rainier Valley, and Seward Park. Major roads like I-5, I-90, and I-99 are also visible.

Courtesy Seattle Spacefinder

III. Creative Space Certification

RACC, in coordination with the City, will create a certification process tied to the information collected in the map database. This RACC designation will:

- **Certify buildings**

This designation is for existing spaces as well as new ones in development. This certification provides the benefits described in this document, as well as restrictions and protections.

- **Certify people**

This designation is for arts leaders, developers, property owners, financiers, and neighborhood leaders. This would be required for access to any of the benefits described in this document.

- **Brand creative space**

There is already precedent for this in Portland, including the Alberta Arts District, the Makers District in the CEID, the Old Town Nightlife District. This could be a proactive opportunity for the City to incentivize creative development in areas that are affordable but unlikely to gentrify in the short- to medium-term, such as Gateway, Midway, or Rockwood.

IV. Expand opportunities for rooftop creative spaces

The City of Portland allows many different rooftop uses. However, these often come with stormwater management and other requirements. The Arts Concierge will work with BDS, the Bureau of Environmental Services (BES), the Fire Bureau, and other permitting bureaus to align priorities and find ways to create opportunities while ensuring that other City Council priorities, such as health-life-and-fire safety requirements and ecoroof standards, are met.

V. Explore and minimize potential obstacles to the creation of new gallery spaces

The Arts Concierge will work with gallery owners, as well as City bureaus, to look at and address potential occupancy requirements, or other regulatory obstacles that could limit the development of new gallery space.

VI. Explore options to incentivize creative space landlords

The Revenue Bureau will explore financial incentives to offer to landlords of existing commercial buildings that offer creative space at below-market lease rates. These could include offering non-refundable credits toward a business license tax, SDC waivers, or other benefits as appropriate. The ideal option will recognize the public benefit that landlords provide by offering space below market rate for creative uses. The Revenue Bureau will consider enforcement, scale, financial impact, and competing City goals.

The intention is not to offer a financial incentive great enough to offset the difference between the market value and the rent collected, but instead to recognize the public benefit of these spaces.

This credit would only apply to properties or property owners certified as significant by RACC.

VII. Refine requirements for new “live-work” spaces

BDS, and the Fire Bureau will coordinate to address building code and other issues for intentionally built spaces where artists can live and work in the same building. This will include having examples for developers on how to design these spaces using the best available practices. These requirements must be explicit and clear, and allow additional flexibility where it is allowed by our code, while ensuring that the tragedy that happened in Oakland cannot happen in Portland.

VIII. Establish a “Creative Space” definition within the Mixed-Use Zoning Code

BPS will develop a new category of allowable use within the commercial space of a mixed-use development. The “creative space” designation would be finished to building standards that meet fire and life safety requirements within the commercial spaces of a mixed-use project.

By allowing the commercial space to be finished to the level of “four walls, a drain in the floor, and a plug in the wall,” while ensuring that all fire and life

safety requirements are met, these spaces could have lower development costs, and therefore could be rented for an amount lower than the standard commercial market rate.

Any development that uses this standard must be permanently affordable. BPS and BDS will create a set of rules to prevent future owners from abusing the system and raising the rent after saving money in the development stage.

IX. Exempt creative space in developments from Floor-Area-Ratio and height considerations in certain projects

BPS and BDS will examine ways to exempt space dedicated to the arts from certain developments' FAR and height limits. This exemption would not apply to all developments, and all other restrictions on design and development would continue to apply. Successful implementation of this rule would require that the space dedicated to the arts be used for creative purposes in perpetuity.

If this is not feasible, BPS will explore a bonus structure for both FAR and height specific to the creative economy.

X. Tailor the 2% for Art program

RACC and City bureaus will prioritize placing art in underserved neighborhoods as part of the 2% for Art requirement. This option already exists under the program, but bureaus and RACC will prioritize opportunities to place art in neighborhoods that have historically lacked public art.

The City will also consider changes to the 2% for Art program that would include the option to develop space, rather than add discrete art installations.

XI. Incorporate “creative spaces” into the commercial spaces of affordable housing developments

Historically, commercial spaces in affordable housing developments have been difficult to lease. The Housing Bureau and Prosper Portland will institutionalize the newly-created “Creative Space” building code, and consider artists and creative businesses for unrented, newly-developed spaces. Possible uses include gallery space, studios, or performance space, where appropriate.

This is intended to be complementary to the affordable commercial space initiative being pursued by Prosper Portland.

XII. Require creative space in certain public buildings of a certain size

When new public buildings are constructed, part of those developments will include dedicated creative space. This could be commercial space for a designated non-profit, dedicated gallery space, public performance space, or studio space, as appropriate.

This would not be appropriate for all public buildings. A specific set of criteria must be defined. The Office of Management and Finance (OMF) and City Council will work to explore the best options.

XIII. Artist-in-Residence Program

The City has an opportunity to integrate artists and art-making into City government and civic life by leveraging under-used spaces and properties owned by the City. Where applicable, all property-owning bureaus, including Parks & Recreation, PBOT, OMF, and the City Archives, will look for opportunities to create or expand Artist-in-Residence programming. This program would allow artists to use space in City facilities for office, studio, or performance space at deeply-affordable rates. In exchange, artists and organizations would commit to offering a public good, such as free activities for the public.

XIV. Art Pods

Emerging artists and organizations with limited resources are currently working around the space crisis by creatively using campers, trucks, trailers, and tents for creative space. The City will explore creating destination "art pods," akin to Portland's signature food cart pods, in centrally located but undeveloped lots or City-owned properties, like parks.

This program will be considered successful if we are able to establish art pods in neighborhoods across the city, especially in communities underserved by the arts. BDS, PBOT, Parks, Fire, and Prosper Portland will collaborate to create a clear, simple permitting process that ensures proper spacing between pods and adequate safety requirements.

Additionally, the Arts Concierge will work with land-owning bureaus to maintain a list of sites where this may be most appropriate, including in parks, near Waterfront Park, or in areas in the right-of-way.

XV. Explore options for a dedicated real estate investment model

Prosper Portland will consider, within its affordable commercial framework, options to assist in the creation of an organization that invests in real estate specifically to create ownership opportunities for arts organizations.

For many arts organizations in this market, ownership is the only long-term solution to affordability.

This would require partnership between a new real estate holding company, arts organizations, foundations, banks, Community Development Financial Institutions (CDFIs), City government, real estate developers, and other private funders.

The examples of the Community Arts Stabilization Trust (CAST) in San Francisco, CulturalDC in Washington DC, and Equinox Development Unlimited in Seattle are all opportunities to model best practices.

In conjunction with the proposal for a dedicated real estate investment model, the City and Prosper Portland will explore opportunities to work with arts organizations directly to make it easier for private individuals or organizations to pool funds and purchase land.

XVI. Priority Access in City's Property Disposition Process

The City has a formal process to dispose of surplus property. When a property is authorized as surplus, City bureaus and government agencies are offered the opportunity to purchase the property before it is made available for public purchase.

Moving forward, once City bureaus and government agencies have declined to purchase surplus property, the City will allow arts organizations, certified developers with a commitment to designating significant creative space in their project, or a future dedicated real estate investment entity priority access to purchase the property.

XVII. Short-Term Leases in future developments

Prosper Portland will explore leasing existing spaces to artists for a fixed term in properties it already owns but is not yet redeveloping.

XVIII. Culturally-specific creative space development

Prosper Portland should look for opportunities to partner with culturally-specific organizations, such as the Portland African-American Leadership Forum (PAALF), to create arts spaces designed for artists of color in neighborhoods of historical significance. This will be focused on City-owned assets, especially in areas of town without community centers, and will prioritize public-private partnerships.

XIX. Invest in Retrofits

Property-owning bureaus will look for opportunities to retrofit existing City-owned spaces that are underused, such as auditoriums, community center gyms, or storage spaces, to allow shared use with other public institutions.

This could range from the installation of professional-grade features like sound and lighting, acoustical paneling, and stages for performances; or more minimal features for studio space.

We must also encourage existing arts organizations to consider active uses for all of their spaces, especially those who own property but have significant amounts of unprogrammed time in their buildings.

XX. Create an Arts District designation available to Neighborhood Coalitions, Neighborhood Associations, and Business Districts

ONI and Venture Portland will coordinate with neighborhood and business groups to create an Arts District designation. This voluntary self-identifying designation would largely be a branding opportunity. But it will also provide a representative of the district a seat at the table when decisions are being made regarding opportunities for street murals or installation in neighborhood parks, performances, possible future design guidelines, as well as a streamlined process for permits for creative events in their district.

XXI. Incorporate affordable creative space in district plans

As major property owners plan for development, such as the long-term plans for OHSU, OMSI, Zidell, South Waterfront, or the Post Office site, the City and Prosper Portland will encourage the intentional inclusion of affordable creative space into these district plans.

XXII. Encourage local higher education institutions and medical campuses to create or increase dedicated gallery space within their campuses

The City will work with local universities, colleges, and medical campuses to encourage the creation of publicly accessible gallery spaces on their campus.

Our universities and hospitals are already viewed as enormous assets to our city. By adding additional gallery spaces, these institutions will provide opportunities for developing artists to showcase their work and create great connection with their neighborhoods. The Arts Concierge, as part of their outreach and relationship building duties, will explore options to make this effective.

XXIII. Work with regional partners to improve processes, and look for creative solutions to complex problems

The City will work with its partners in neighboring cities, county, and state level to find opportunities where programs can be strengthened to help incentivize the preservation of our creative economy. This could include opportunities for using public land, reconfiguring non-profit tax incentives to include arts organizations that serve artists, and cross-jurisdictional projects.

XXIV. Look for best practices nationwide to increase the amount of philanthropic activity in the arts

Portland has a relatively small philanthropic community compared to cities like Seattle, San Francisco, Los Angeles, and Vancouver BC. In these cities, philanthropic communities provide a significant funding for the arts, and City governments rely heavily on their investments to sustain their creative communities.

But Portland isn't Seattle, or San Francisco, or Los Angeles. We are unique. The City and RACC must continue to encourage, focus, and expand the efforts of generous local donors, and encourage them to reach out to their peers who are like-minded, but haven't yet been asked to do their part. Their generosity could be the determining factor in the long-term vibrancy of Portland's creative economy, and we should look for opportunities to recognize and expand upon local giving.

Recommendations

“Some people have said we have no business spending money on the arts when our city is wracked by crime and drug problems.

But it is neither necessary nor desirable to ignore the positive facets of our city’s life and character while we address these issues.

We must build on the life-giving elements while we do everything we can to check those elements which sap the life-blood of our neighborhoods and our cities.”

- *Former Portland City Commissioner Mike Lindberg 1992*



CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT

IRAM FAROOQ

Assistant City Manager for
Community Development

SANDRA CLARKE

Deputy Director
Chief of Administration

To: Economic Development and University Relations Committee

From: CDD Staff

Date: May 22, 2018

Re: **Arts-Related Uses in Central Square**

Awaiting Report No. 18-85, Amended Policy Order 4 of March 26, 2018, which will be discussed at the Economic Development and University Relations Committee meeting scheduled for May 23, 2018, requests that the City Manager work with CDD, the Cambridge Arts Council and the Law Department "with a view in mind of drafting an Arts Overlay District ordinance that would achieve the goals of creating and preserving spaces for the arts in the Central Square Cultural District." In response, CDD staff has in consultation with the other above referenced City departments prepared some background information on what zoning is already in place regarding arts-related uses in Central Square, what the City is already doing to promote arts-related uses in Central Square, and potential zoning considerations for Central Square, in order to help inform the Committee's discussion. This information covers the following topics:

Zoning Considerations

- Current zoning for arts-related uses in general
- Zoning provisions specific to Central Square
- Examples of arts-related zoning in other communities (Lowell, Somerville)

CDD Programs

- Programs for small businesses, including arts-related uses
- Economic development initiatives specific to Central Square

Potential Zoning Considerations

- Clarify definitions and standards
- Incentives
- Special permit criteria

The Cambridge Arts Council has provided the attached summary of programs that are relevant to the topics being discussed.

Staff will be available to answer questions at the Committee meeting.

Zoning Considerations

Current Zoning Provisions for Arts-Related Uses

The Cambridge Zoning Ordinance (the “Zoning Ordinance”) regulates arts-related uses in various ways, largely because “arts-related” is a broad description that can apply to a wide variety of land uses and activities.

- *Artist Studios.* The Zoning Ordinance contains a use classification for “Art/Craft Studio,” defined as “[a] room or group of rooms used by artists and craftspeople in the creation of their work, including: painting, photography, sculpture, ceramics and other related arts and crafts.” Art/Craft Studios are categorized under “Retail and Consumer Service Establishments” (Section 4.35 of the Table of Use Regulations), and are allowed as-of-right in all business and industrial districts and by special permit in office and multifamily residential districts, which is more permissive than other retail uses. For Art/Crafts Studios allowed by special permit there are certain requirements that must be satisfied (detailed in Section 4.28), including that the studio must be within a non-residential building and there may be no more than three artists per studio.
- *Artist Live/Work Spaces.* There is no classification for “live/work space” in the Zoning Ordinance. However, a professional workspace may be allowed as an accessory use within a dwelling unit as a “customary home occupation” (see Section 4.21, paragraph d.). The relevant requirements for an accessory use include that there may be no more than three persons employed on the premises at any time, and the accessory use may not occupy more than 25% of the area of the dwelling unit. As a customary home occupation, a live/work studio could be allowed in any permitted housing unit.
- *Arts Education.* Educational uses of all types are categorized as “Institutional Uses,” which are subject to a special set of zoning regulations in the Zoning Ordinance (Section 4.50). Institutional Use regulations are complex and are dependent on various factors, including whether the use is owned by a public, religious, or not-for-profit entity. However, educational uses are generally allowed in non-residential districts (office, business, industry) and higher-intensity residential districts.
- *Art Galleries.* Non-commercial galleries or museums are categorized as an institutional use (Section 4.33, item h-2.), while commercial art galleries are generally considered retail uses. In either case, the uses are generally allowed in business or industry districts, while non-commercial galleries or museums might also be allowed in office or residential districts, with limitations.
- *Other Arts Uses.* Due to the creative and innovative nature of the arts, arts-related uses often do not conform to conventional definitions. For example, arts uses might combine retail and educational functions, or might involve design services or fabrication of products that might be considered business or industrial activities. Performing arts uses, which are not separately defined in the Zoning Ordinance, could be categorized as arts or entertainment, depending on their specific characteristics. CDD is engaged in an effort to modernize the way that retail uses are classified in the zoning ordinance, but zoning cannot anticipate every future manifestation of the creative arts.

Current Zoning Provisions in Central Square

Cambridge has a “Central Square Overlay District” (Section 20.300 of the Zoning Ordinance), which generally includes the Massachusetts Avenue corridor from around Windsor Street to just before City Hall, and some adjacent side streets (see attached map). The core of the overlay district has a “Business B” base zoning designation, which is the most permissive business zoning designation in the City. The edges of the district contain a mix of other business, office, and residential districts.

The overlay district modifies the requirements of the base zoning in specific ways. One of the important provisions of the overlay district is to decrease the as-of-right height limits for new buildings throughout the district, and to allow heights to be increased only by special permit from the Planning Board if the project is in general conformance with established criteria and guidelines. The zoning also establishes a Central Square Advisory Committee to conduct non-binding review on development proposals.

- *Use Regulations.* The arts-related uses described on the previous page are allowed as-of-right in the Business B district, and might be allowed in other base districts, in some cases subject to a special permit and/or other requirements depending on the exact site and the exact nature of the use. However, if a use is categorized as industrial (e.g., in the case of craft production) it would not be allowed. Open-air retail is another type of use that is not allowed in most parts of Central Square.
- *Incentivized Uses.* The Central Square Overlay District was amended in 2017 to exempt retail establishments (which include art/craft studios) of 1,500 square feet or less from FAR limitations where the base zoning is Business B, meaning that such establishments would not count against the maximum gross floor area (GFA) allowed on a lot. The 2017 zoning amendment also incentivized residential uses by increasing the allowed FAR to 4.0, which is the highest allowed base residential density in the City. Live/work units, if they conform to the “customary home occupation” standard described on the previous page, would count as a residential use.

Examples of Arts-Related Zoning in Other Communities

- *Lowell.* In 1998, the City of Lowell established an Artist Overlay District in its zoning code. Within that overlay district, an “Artist Live/Work Space” is allowed by special permit from the Zoning Board of Appeals, existing non-residential buildings may be converted to artist live/work space or other residential uses (converting non-residential buildings to residential uses is also allowed citywide in Cambridge, sometimes subject to a special permit from the Planning Board), and the FAR limitations may be increased to provide penthouse units for artist live/work space or other residential uses. The Lowell zoning code includes definitions for “Artist,” “Artist Live/Work Space,” “Art Use,” and “Art/Craft Studio,” which is defined as an art use that is separate from a residential use and occupied by no more than three individuals at a time. Several former commercial buildings in Lowell have been converted to residential use, including some that partly or entirely contain artist live/work spaces.
- *Somerville.* The City of Somerville recently adopted new zoning requirements for the Union Square area, where a major mixed-use redevelopment of 2 million square feet or more is anticipated. This zoning establishes an “Arts & Creative Enterprise” use category, which includes “artisan

production,” “arts exhibition,” “arts sales & services,” “arts instruction,” “artist live/work space,” “co-working space,” “design services,” and “shared workspaces & arts education.” At full build-out, the redevelopment is required to include at least 5% arts & creative enterprise uses, and ground floor frontage must be devoted to a set of uses that includes retail, civic, and arts & creative enterprise.

Potential Zoning Considerations for Central Square

- *Clarify definitions and standards.* If there is a desire to have more targeted zoning provisions for arts-related uses, it would be helpful to describe and clarify what types of uses are desired. For instance, there could be standards to describe how “live/work space” would be physically distinct from other types of housing units and what range of activities would be allowed. It may also be helpful to clarify how zoning applies to some types of establishments associated with the creative economy, such as craft design and fabrication facilities, hybrid retail/education activities, and performing arts studios. An important caveat is that creating or amending definitions in the Zoning Ordinance can often have unintended consequences.
- *Incentives.* Currently, art/craft studios (along with other retail uses) of up to 1,500 square feet are incentivized by being exempt from FAR limitations in the Business B portion of the Central Square Overlay District. This type of incentive could be broadened by increasing the size limitation for arts-related uses, by exempting other types of arts-related uses, or by expanding the districts where the exemption is allowed. Other possible incentives might include relief from requirements such as parking or signage limitations, or greater densities or heights for mixed-use projects in exchange for including arts-related uses.
- *Special permit criteria.* Because the Central Square Overlay District zoning allows a certain scale of development as-of-right and a greater scale by special permit, the special permit approval criteria could be amended to require consideration of the project’s role in supporting arts and culture. These criteria could include specific standards or could provide different options for meeting the intent, possibly depending on the type and scale of the project, subject to review and approval by the Planning Board. The approach could be similar to the Union Square zoning, which sets a specific target of 5% for arts-related uses; however, this type of standard tends to have the greatest impact in the case of large-scale redevelopment and might not be appropriate for smaller projects.

CDD Programs

Small Business Programs

CDD offers various programs that can serve arts-related businesses in fields such as dance, theater, music, visual arts, specialty retail, and global cuisine. The goals of these programs include supporting local economic development as well as enhancing the vibrancy of retail and cultural districts like Central Square. Programs include:

- *Small Business Enhancement Program:* A grant program that provides funds for equipment, marketing, and other interior improvements.

- *Storefront Improvement Program:* A grant program that provides funds for exterior signage, lighting, façade, and ADA upgrades to the exterior of a business.
- *Interior Retail Accessibility Program:* A grant program that provides funds to make the interior of a business more accessible. Examples include: ADA-compliant bathrooms, hearing aid loops, and braille/large-print menus.
- *Small Business Coaching:* The City provides free one-on-one consulting in the areas of marketing, restaurant operations, interior design, and bookkeeping.
- *Business Development Workshops:* The City provides in-person and online workshops around a variety of topics, including e-commerce, social media, health care, and customer service best practices. All workshops are free to Cambridge residents, artists, and business owners.

In FY2018, 13 Central Square businesses received a grant from CDD through these programs.

Programs Specific to Central Square

- *Support for the Central Square Business Association (CSBA).* CDD staff have participated with the CSBA in activities that play a role in promoting the arts and culture in Central Square, including the following:
 - Assisting and advising on general commercial district initiatives and special events.
 - Conducting in-person small business outreach in fall 2017 with the Executive Director of CSBA.
 - Encouraging the association to apply for the Cambridge Redevelopment Authority Forward Fund, which garnered the CSBA partial funding for the 2018 Mural Project.
 - Providing guidance around the Business Improvement District (BID) effort.

CDD also initiated the Small Business Challenge, which provided one-time grant funding for well-designed projects that bring together neighborhood and business interests around shared goals of improved design, promotion, and business resiliency in a commercial area. The CSBA received grant funds through this program to replace the former Blockbuster Video sign (541-565 Massachusetts Ave) with a new face that says “Central.”

- *Central Square District Assessment.* CDD staff interviewed over 500 customers and business owners of Central Square to better understand the needs and concerns of the business district, and provided demographic, transportation, and retail data for the Square. Results are available online at: <http://www.cambridgema.gov/CDD/econdev/aboutcambridge/centralsq>
- *Food Truck Pilot Program.* As part of CDD’s pilot initiative to support local food vendors and help enliven business areas with pop-up activities, Central Square (in front of City Hall) is a location for two food trucks, bringing new activity to that area of the square during Friday and Saturday nights.

Central Square Overlay District and Base Zoning Districts

City of Cambridge CDD

Central Square
Zoning Overlay District

