

REAL ESTATE

CULTURAL DEVELOPMENT: WHICH WAY TO GO?

IN THE SUMMER of 1937, 34-year-old John Houseman and 22-year-old Orson Welles, fresh from staging productions around New York for the WPA's Federal Theatre, decided to start their own company, the Mercury. With just \$100 in the bank, the pair searched for performance space in Manhattan and quickly found a vacant theater called the Comedy, on Broadway at 41st Street. They signed what David Thomson, in his biography of Welles, describes as a "magnificent three-year lease."

Granted, it was the middle of the Great Depression. But to any theater professional working in the same city 65 years later, the anecdote must seem like science fiction—especially the combination of "magnificent" and "lease" in the same sentence. The issue of how to find or hold on to affordable space—for administration, rehearsal or performance—looms large for theater companies in New York, a city with a singularly complex and pressurized real estate market. "For better or worse," said Julia Levy, executive director for external affairs at the Roundabout Theatre, "real estate defines our industry."

Alas, the precise definition is ever in flux. No longer can the performing arts expect purely public initiatives on the scale of Lincoln Center, where construction began in 1959 just as government arts support was entering its heyday. (The National Endowment for the Arts was created in 1965.) The \$165 million project was practically Augustan in its broad scope and strong-handed execution. But it would have been impossible without a unique and timely confluence of forces, including the trend toward wholesale razing of city blocks in the name of urban renewal and the insistent visions of two very powerful governmental officials, Governor Nelson Rockefeller and city redevelopment czar Robert Moses.

These days, there's a new calculus, a new kind of deal-making, when it comes to real

estate and theater. During the late-'90s revival of Times Square, it was perhaps best exemplified by New 42nd Street Inc., a consortium of city, state and theater-industry groups created in 1990 by the 42nd Street Redevelopment Project, itself a state agency. The deals New 42nd Street struck were complex, but at their heart was a public concession to the importance of a healthy theater industry in New York: The restoration of crumbling theaters was tied directly to the construction of new skyscrapers in Times Square. The consortium leased seven theaters from the city on 42nd Street between Seventh and Eighth avenues at very generous terms (\$10 per year), and developers of new towers were asked to finance their renovation. This wasn't a pro-bono project for the developers: They received about \$1 billion in city tax abatements. By the end of 2000, six of the seven leased buildings had been renovated—three of them as theaters, generating about 5,000 new seats. In addition, Disney began rebuilding the block's New Amsterdam Theatre in 1995, a pivotal moment because the economy, whose woes had stalled redevelopment plans in the early '90s, was beginning to heat up.

Other area deals fell through, and still more—such as the nonprofit Manhattan Theatre Club's plan to move into a renovated Biltmore Theatre—have been jeopardized by the economic repercussions of the World Trade Center disaster. One of the serious performing-arts-world ripple effects from the September attack will surely be felt at Lincoln Center, where a planned renovation for the complex, originally budgeted at \$1.5 billion, has been scaled back. (It remains one of the largest arts-related real estate initiatives in American history, and will be paid for with a mix of public and private funds.)

Despite persistent complaints that the revival of Times Square traded the area's endearingly seedy vitality for a clean-scrubbed, ersatz urbanism, the new theaters on 42nd Street offered a glimpse of what might be achieved in the post-Rockefeller era. June

2000 saw the opening of the New 42nd Street Studios building, which includes rehearsal space, offices for several nonprofit companies and a small theater. The \$31 million building was funded by a mix typical of the new arts-development math: developers of new properties in the area (\$12 million); city capital funds (\$4 million); the Doris Duke Foundation (\$3.5 million); and the Mertz Charitable Trust (\$1 million), among others.

FOR SMALLER COMPANIES, LESS TO CHEER ABOUT

Notwithstanding the successes of 42nd Street's redevelopment, it left out small and mid-sized theater companies, which were unable to turn the strong economy of the late 1990s to their advantage. While larger companies, particularly on Broadway, were able to broker deals to buy new homes, smaller companies—which almost always rent their spaces—were left with few options. In arts neighborhoods such as Chelsea and the area west of Union Square, today's "magnificent leases" are those whose rent hasn't just doubled. "Small and medium-sized groups really lost out over the last ten years as the market skyrocketed," said public-policy researcher Suri Duitch. "We saw [rent] increases of 200 percent, 300 percent, not just in Manhattan but also in Long Island City and Brooklyn." [For more, see "Small Companies Squeezed by High Rents."]

An encouraging lesson to emerge from 42nd Street's rejuvenation was that theater itself could spur economic rehabilitation. Initially, it was assumed that corporations would lead the redevelopment, and that the theater industry would play a secondary role, picking up scraps where it could. "In fact," Carl Weisbrod, former president of the 42nd Street Development Project, told *The New York Times*, the theaters "were the catalyst."

This point has key implications in a city where public agencies remain wary of contributing directly to real estate ventures that involve arts groups. Though the city has pro-

cedures for coordinating incentives with for-profit corporations, it has no established, comprehensive guidelines to suggest when to get involved with the capital projects of arts organizations, said Susan Chin, assistant commissioner for capital projects in the New York City Department of Cultural Affairs. "In a dream situation, we'd be dealing closely with all of our sister agencies [in city government] to assess all of the real estate needs of all of our arts organizations. We'd coordinate on zoning, and we'd tie into all the bids for available properties, and deal together with real estate agencies." Such coordination hardly existed before Sept. 11, and whatever coalesces in the short-term is bound to address—fittingly—the needs of arts groups forced to relocate from Lower Manhattan.

Even before the attacks, theater companies had little cause to hope that the city would take the lead in arts-related real estate initiatives. "I don't think the city should be in the business of building theaters," argued Fran Reiter, former executive director of the Joseph Papp Public Theater and former deputy mayor for economic development. Despite the successes on 42nd Street, according to Reiter, it's important to realize that "the city is never going to be the majority player. The funds just aren't there to do it."

What can happen is that if other pieces are in place, a small push from the city, applied at just the right moment in negotiations, can boost a deal over the top. "At the very least," Chin observed, "the city has figured out a way to pay for these things, a way to structure these deals," enabling it to be involved in a multi-partisan effort to provide space for theaters.

Others claim it was the strong economy and market forces—not the city or the theater industry—that drove the projects. "42nd Street was less a planning story than a demonstration of the power of the market," said Jed Marcus, a developer active in the arts in Brooklyn. "When the market is ready to move, the market moves." Charles Bagli, who covers Manhattan real estate for *The New York Times*,

Small and mid-sized theater companies were unable to turn the strong economy of the late 1990s to their advantage.

INSIGHTS FROM THE CONFERENCE

“Two months ago [before Sept. 11], the idea of finding a space for performance for theater with the appropriate height ceiling, with the appropriate column spacing, in a reasonable neighborhood, close to public transportation, at anything near a reasonable rent, was the Holy Grail. Two months later, it still is.” - *Paul Wolf, principal of Denham Wolf Real Estate Services*

agreed that the market helped but added that “it couldn’t have happened unless there was already a public plan to make it happen.”

There is further evidence that public officials are beginning to think more creatively about the future of arts groups. The City Council in 2001 proposed funding for what it calls “cultural zones” in each of the five boroughs. The proposal, which called for a \$2 million contribution from the city in 2002 that could grow to \$6 million in 2005, would essentially build on the model of the Empire Zones that were instituted in 1986 to revitalize economically weak sections of the city. Each cultural zone would require a large arts group to anchor new development; the city would then provide grants to help other groups relocate and prod the state for tax credits.

In this effort, New York is, somewhat belatedly, following the lead of smaller cities around the country, where local governments have used arts districts as engines for economic development and neighborhood revitalization. Those cities, which include Philadelphia, Santa Rosa, Calif., and Minneapolis, have sometimes faced a problem unlikely to surface in Manhattan: They build expensive, remarkable new performing arts centers, then have trouble drawing programming and audiences to fill them. In New York, the difficulty has always been precisely the opposite.

THE BENEFITS OF A PERFORMING ARTS CLUSTER

Some of the cultural districts now emerging around New York City could not be more different in scope and feel from Lincoln Center.

They proceed haltingly or step-by-step rather than by fiat; they tend to move from the bottom up rather than from the top down. As Times Square–area redevelopment plans proceeded in the late 1990s, arts districts were popping up elsewhere.

The Union Square area in the last several years has developed more or less organically into a performing arts hub. At the street level, the neighborhood now feels like a center for theater in a way that it hadn’t three or four years ago: It’s now the kind of place where, on your way to a show at one theater, you might notice the marquee on another and be reminded of a show you’d been meaning to see or thought had closed. In the summer of 2001, theatergoers could choose from among a rich variety of offerings in and around Union Square, including the musicals “Bat Boy” and “Urinetown,” Edward Albee’s “The Play About the Baby,” Donald Margulies’ “Dinner with Friends” and the dance/theater hybrid “De La Guarda.”

The benefits of proximity for commercial theaters in and around Times Square are well established. But some in the industry argue that districts for off-Broadway nonprofits—more organized versions of what’s happening around Union Square—could revitalize smaller theaters, too. A pedestrian-friendly area where patrons could choose from a variety of reasonably priced productions might return theater to its former role in the city as a provider of modestly priced entertainment that can be enjoyed on a whim. “I know so many people who say that they’d go to the theater if they could go the way they go to a movie,” said Robert Marx,

vice president of the Fan Fox and Leslie R. Samuels Foundation. “The way they used to. You walk in, you put down money, it’s totally informal. The show doesn’t have to be the greatest thing you ever saw, but there might be an actor you’re interested in, or a playwright who’s emerging.”

Lower Manhattan, particularly Battery Park City, could benefit from a new group of cultural venues as it recovers from the 2001 attack. In the 1990s, Battery Park City evolved into a mixed-use neighborhood, with housing and restaurants and a burgeoning collection of museums. Ensuring that theaters are included in the new development could accelerate that shift and revitalize the blighted area. “There’s a growing recognition that it’s not going to be 10 million square feet of office space again,” said Bagli of *The New York Times*. “What does have to go there is something that reflects the new reality of downtown. I think that’s a combination of things: It is an office building, it is residential, it is cultural institutions.”

Building the arts into downtown renewal is one way to achieve another “Rockefeller era,” said Virginia Loulouides, executive director of the Alliance of Resident Theatres/New York. “In Battery Park City, if every [new] building had a theater or a studio, or affordable office spaces built into it for the arts, you would have this infrastructure, you would add to the museums that are already moving down there, and you would really create another cultural district.”

THE “ANTI-LINCOLN CENTER”

Big plans are afoot for a new cultural district around the Brooklyn Academy of Music (BAM). The proposal—which involves building a new mixed-use development in Brooklyn’s Fort Greene neighborhood, with BAM as anchor—is ambitious, with an estimated total cost of \$650 million. Harvey Lichtenstein, the retired founder of BAM who is working on this project as a kind of swan song to his remarkable career, revamped an

existing BAM Local Development Corporation to develop the district, for which the City of New York, under Mayor Giuliani, contributed \$85 million.

Lichtenstein hired two of the most prominent firms in contemporary architecture, Rem Koolhaas’ OMA in Rotterdam and New York-based Diller & Scofidio, to map out a master plan for a district slated to include new performance and administrative space, housing (700 units, some of which will be subsidized for low-income renters or earmarked specifically for artists) and retail space. In that choice, he’s wisely taken a cue from the museum world, which has capitalized on the public’s revived interest in architecture and design to draw huge crowds to showcase museums in cities from Bilbao, Spain to Bellevue, Wash. Already, the Mark Morris Dance Company has opened a gleaming new headquarters just blocks from BAM. Lichtenstein is negotiating with other theater and dance companies to move from Manhattan to help fill out the district. It’s not always an easy sell. “A lot of groups I talk to about coming to Brooklyn are really pressured by real estate, have real problems trying to exist in Manhattan, but are scared of making the jump to Brooklyn,” Lichtenstein observed.

He’s helped in his effort to lure those groups by Brooklyn’s growing reputation as the home borough for artists and culturally active urban professionals. “There’s been an extraordinary migration of artists to Brooklyn,” Lichtenstein said. “Artists are living in Williamsburg, Greenpoint, DUMBO, Park Slope, Fort Greene.” There has been a corresponding increase in activity among the arts organizations in Brooklyn. Between 1995 and 1999, income for 44 of the borough’s arts groups increased by nearly half, more than twice the increase seen in any other single borough.¹

For all their ambition, the plans for the BAM Cultural District are also checked by caution. Its leaders have clearly learned lessons from developments elsewhere in the city.

The Union Square area in the last several years has developed more or less organically into a performing arts hub.

Cultural districts in architecturally distinguished neighborhoods have had an advantage in attracting performing arts groups as well as audiences.

Jeanne Lutfy, whom Lichtenstein hired in December 1999 to run the BAM LDC, declared flatly that the project is an “anti-Lincoln Center.”

“We want to make sure that it’s transparent and porous,” Lutfy said. “It won’t be a campus like Lincoln Center, but instead it will take advantage of the strength and structure of the existing neighborhood. We want the new development to mirror the existing balance there, and the existing scale. We’re thinking more horizontally than vertically.”

At the start, that means moving modestly, renovating existing properties, including one at 80 Hanson Place for which the city has pledged \$1 million, and the Strand Theatre on Fulton Street. And it means promoting development that is only loosely connected to BAM proper, such as the new A.R.T./New York building on South Oxford Street. Bought by A.R.T./New York in 1999, this former Nurses’ Benevolent Association building offers low-cost administrative and rehearsal space and is now filled by 19 theater companies that share lobby space and office equipment.

The city, so far, has taken a typically secondary role as plans for the district develop. “The city has been led by what BAM is doing, rather than the other way around,” Jed Marcus said. Susan Chin of the DCA admits as much, citing the strong-willed Lichtenstein as the driving force.

Despite the BAM LDC’s efforts to tread lightly at the beginning of the project, resentment has flared up in Fort Greene. Young, white Manhattan transplants had already been gentrifying the neighborhood, which has block after block of handsome brownstones in addition to a significant African-American cultural tradition. (It has been home to novelist Richard Wright, singer Betty Carter and Spike Lee’s 40 Acres and a Mule production company.) By early 2001, flyers printed by a group called Fort Greene Together began appearing on neighborhood telephone poles calling for residents to organize against the project. Lichtenstein admits BAM could have

communicated with neighborhood residents and merchants more openly and effectively. “We’ve met community opposition because, in fact, the communication with the residents has been bad, for the most part. We’re in the process of rectifying that,” he said.

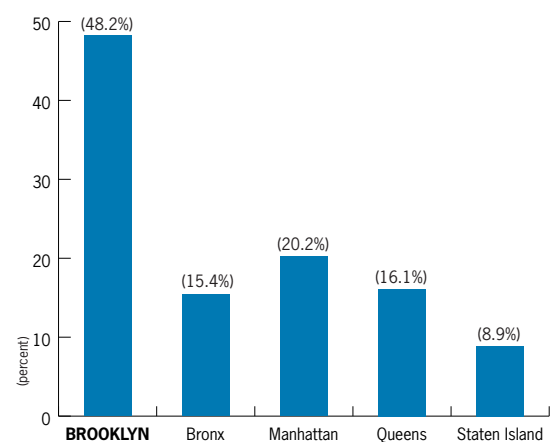
The leaders of the BAM LDC have to be especially careful, because, as Louloudes said, “Fort Greene is a community in a way that Times Square is not. The challenge will be to develop it as a cultural district without imposing a new identity on the neighborhood.” Susan Chin is confident that the right lessons have been absorbed. “I think we all learned from urban renewal that you can’t just come in and knock things down, and that there’s something to be gained from building on a neighborhood’s native strengths,” she said. Susan Chin added that around the country, cultural districts in architecturally distinguished neighborhoods have had an advantage in attracting performing arts groups as well as audiences.

LOOMING QUESTIONS AND CREATIVE THINKING

In the aftermath of Sept. 11, any discussion of large-scale real estate plans necessarily includes more questions than certainties. “I wish I had a crystal ball,” Chin said. “In my gut, I think some funds [for disaster relief]

BROOKLYN BLOSSOMS

CHANGE IN INCOME FOR NEW YORK CITY NONPROFIT ARTS GROUPS, BY BOROUGH, 1995-99



Source: Alliance for the Arts

will have to come from the capital budget. And then the question becomes, ‘Who has money taken away?’ ”

Groups involved in major development efforts must understand their plans almost certainly will be scaled back, perhaps radically, in the short term. Just as important, they will have to find ways to press their agendas without seeming insensitive to the new stresses placed on the city’s budget—and on every New Yorker’s emotions.

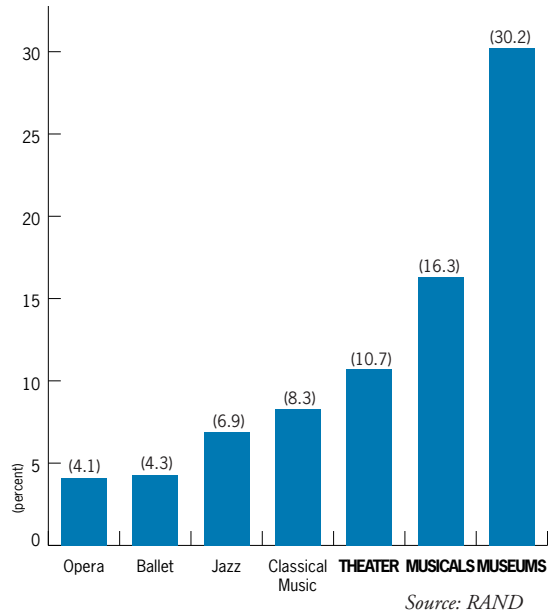
And with more industries jockeying for city assistance than at any time since the 1970s, theater groups will have to provide sharp, concise answers to questions that had loomed even before the attack. These include: Beyond a vaguely defined synergy, what are the benefits for theater companies, for audiences and for the city of putting several theater companies or arts groups in proximity? Do those benefits outweigh the significant costs, stresses and disruptions of getting new spaces built, particularly in a troubled economy? What does it mean now to be “centrally located”? Is it more important to be in an out-of-the-way spot in Manhattan, or at the heart of a new district in another borough?

One way theater professionals can persuade policymakers that the industry deserves increased consideration may be to demonstrate that they are thinking boldly about how real estate relates to audience-building. Some industry leaders are already seeking inspiration from the museum world. Museum attendance jumped more than 40 percent from 1982 to 1997 nationally,² and figures for major New York City museums have been similarly rosy, at least before Sept. 11. One explanation for this boom may be that Americans can tailor a museum excursion to last anywhere from a few minutes to several hours.

Recent trends support the notion that we increasingly prefer to consume culture in a flexible way, with less advance planning. Nationally, single-ticket revenue for nonprofit theater companies surpassed subscription revenue³ for the first time in 2000. In New York

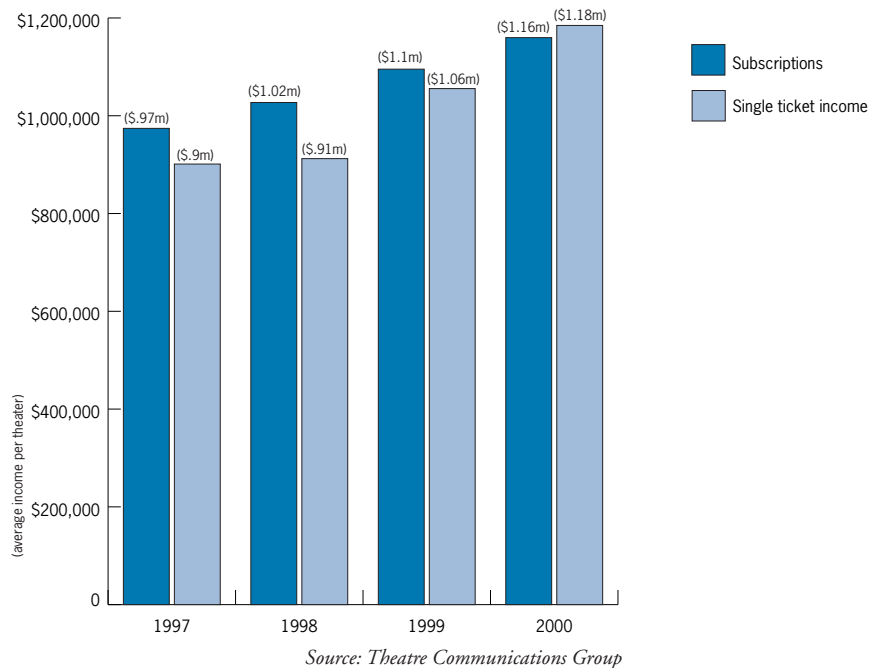
WHERE MUSEUMS LEAD, CAN THEATERS FOLLOW?

NATIONAL GROWTH IN ATTENDANCE BY ARTS DISCIPLINE, 1982-97



AUDIENCES PREFER FLEXIBILITY

SUBSCRIPTIONS VS. SINGLE TICKET SALES, NATIONAL NONPROFIT THEATER, 1997-2000



INSIGHTS FROM THE CONFERENCE

“Every single kid growing up in the American public school system becomes a participant in sports from Day One. To the extent that they become participants in the arts from Day One, they will demand a coverage of those activities that they don’t necessarily get now.” - *Barry Grove, executive producer, Manhattan Theatre Club*

“I have no fear theater will be gone. Little kids when they play don’t talk in narrative: They sit and they create their own little plays.” - *Carolyn Albert, theater critic, theatrereviews.com*

City, the skew toward single-ticket sales is even more pronounced. What applications can theater companies draw from this data?

One answer is that theaters might explore ways to allow theatergoers to enjoy the art-form on a walk-up basis or throughout the day. Such a model has been advanced by David Singer, president of Singer Entertainment, who in collaboration with two other production companies has developed a plan for a Broadway Hall of Fame. Its centerpiece would be an hour-long original musical (rotated every 18 months) that would run six times daily and cost about \$25 a ticket. Singer said the idea has been in development for four years, and they have already raised several million dollars, but not the \$15 million to \$20 million required to mount it.

This need not necessarily threaten theater’s traditional attraction as a bastion of live performance: Any serious company will continue to make the 8 o’clock curtain the anchor of its offerings. But as companies design new performance spaces and innovative survival strategies, they will need to consider changing public tastes.

In Britain, the Royal Shakespeare Company has announced an ambitious renovation for its headquarters in Stratford-upon-Avon. The RSC hopes to create what it calls “a waterfront theater village,” a \$145.4 million project that would offer educational programs, restaurants and shops along with productions. Though in the early stages, it’s a model of how theatrical spaces can be more inviting and accessible to contemporary audiences. “I love the idea that people could arrive in the morning, take part in an education program, have lunch in a fantastic restaurant, visit a costume exhibition, join a fight workshop or a voice workshop, and then in the evening see a show,” Adrian Noble, artistic director of the RSC, has said about the plan. “If we are serious about turning a new generation of people on to theater, then we need to create new ways in to the experience. Making theaters more accessible, more welcoming and more lively throughout the day is a crucial part of the mix.” ■

¹“Who Pays for the Arts,” Alliance for the Arts, 2001.

²“The Performing Arts in a New Era,” RAND, 2001.

³“Theatre Facts 2000,” Theatre Communications Group, 2001.

SMALL COMPANIES SQUEEZED BY HIGH RENTS

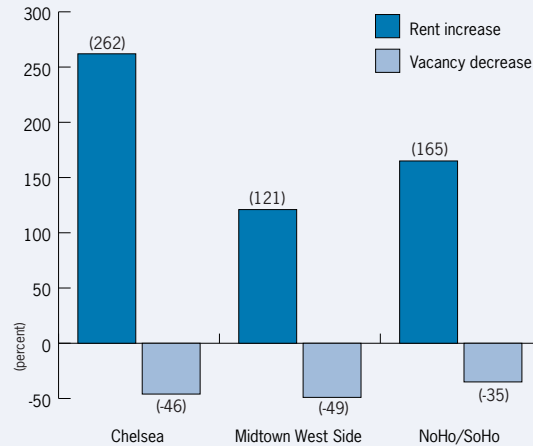
THE SAME WHITE-HOT economy that enabled the renovation and construction of attractive new theater spaces on 42nd Street at the end of the 1990s also squeezed the majority of New York theater companies not lucky enough to own, or hold secure long-term leases on, their own homes. “During the economic boom, major institutions [were] able to tap into that wealth, and their growth escalated exponentially,” said Virginia Louloudes of A.R.T./New York. But smaller groups did not grow correspondingly. Of A.R.T./New York’s 400 member organizations, Louloudes said, “the largest theater’s budget was \$7 million [at the start of the boom], and now it’s \$30 million. The smallest theater’s budget was \$5,000, and it’s still \$5,000. And rents are going up.”

Certainly, rents in the most desirable neighborhoods in Manhattan have always been stratospheric. But since the boom, even moving to what were formerly thought of as remote areas has not offered a haven for theaters. Arts-oriented districts such as Chelsea, Brooklyn’s Fort Greene and Queens’ Long Island City rank among the neighborhoods that have seen significant rent increases. According to a Fall 2001 study published by the Center for an Urban Future under the auspices of the New York Foundation for the Arts, rents climbed more rapidly in the city’s arts hot spots than almost anywhere else in the five boroughs. Near BAM, for example, commercial rents jumped 85 percent (to \$25 a square foot) in one year alone. And between 1996 and 2000, rents shot up three times as fast in Chelsea (262 percent) as in the areas surrounding Grand Central Station and City Hall.¹

A cruel irony for theater companies is that they often help develop marginal neighborhoods in the city, only to be forced out by the rising rents that inevitably follow. According to public policy researcher Suri Duitch, “Time

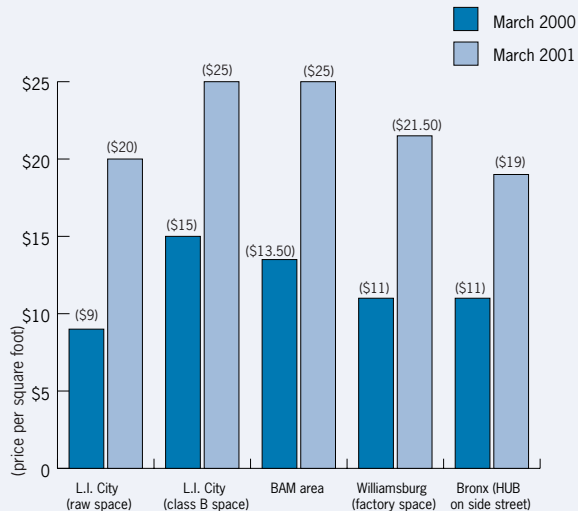
FOR ARTS GROUPS, NO ESCAPE

RENT INCREASES AND VACANCY LEVEL DECREASES IN
MANHATTAN ARTS ZONES, 1996-2000



Source: New York Foundation for the Arts

COMMERCIAL RENTS IN OUTER-BOROUGH ARTS NEIGHBORHOODS, 2000-2001



Source: New York Foundation for the Arts

and again, arts groups pioneer fringe neighborhoods and spark a renaissance. Artists and arts organizations have taken the risks and invested the sweat and capital, only to see the fruits enjoyed by others. The arts scene is quickly driven away by those with deeper pockets.” This means that theaters must try to sign long-term leases whenever possible: What’s out-of-the-way and inexpensive today becomes prohibitively expensive once other arts groups (and then upscale residents) come flocking.

Rents have settled somewhat in recent months, but according to Duitch, “the access to space and the prices of space don’t seem likely to get better in the very short term. They’re certainly not going to go back to where they were.” Other observers are slightly more optimistic. “On the positive side, the market softening that we saw before [Sept.] 11th, I think, will continue,” said Paul Wolf, a principal at Denham Wolf Real Estate Services, which works extensively with non-profit arts groups. “As things sort themselves out, we will see a decrease in asking rents on office space.”

This is true even in Manhattan, Wolf added. “There are spaces now, west of Eighth Avenue, [that] two years ago might have been in the \$30-a-square-foot [range]. Today, you can come in the mid- to high-\$20s. I think you’re seeing that reasonability among some of the landlords, particularly the ones that have been hurt so badly by the dot-com pullout or the ones that are suffering from the manufac-

turing sector’s loss, particularly in the garment sector. That is the only potential silver lining.”

Companies seeking to avoid the “rental trap” by buying or building a new space are not likely to find solace. “I think that shortly we’re going to see that rise again in construction costs,” Wolf predicted. “So when you find your space to build, it will be more expensive than you anticipate.”

Savvy and sober financial planning is a necessity for companies looking to avoid nasty real estate surprises, according to Wolf. “Do the self-analysis, make sure you know what your capabilities are,” he urged. Another must is a willingness to be flexible: Most theater companies will have to give up on the dream, if they haven’t already, of performing in the same building that holds their office or even rehearsal space. (Many have reduced their rehearsal time on their own stages in order to increase the rental income they take in by leasing to other groups.) That separation will continue to be an issue, Wolf said.

Some of New York’s smaller theater companies are exploring inventive initiatives such as the Oxford Street building near BAM, which A.R.T./New York rents out to theater companies who share lobby space and basic office services. The 19 groups who managed to snag space in that building, even if their performance space is miles away, consider themselves lucky; it has a lengthy waiting list. The Center for an Urban Future study terms the strategy “moving the back office to the boroughs.”

INSIGHTS FROM THE CONFERENCE

“There’s a historical reason why that money was in place in the ’60s and ’70s and it isn’t now. You had public policymakers and the major philanthropies—especially the Ford Foundation—building the national arts infrastructure in this country over a period of 20 years. It is now built. It’s arguably overbuilt. And I think even before Sept. 11, we were looking at a Darwinian moment when we were going to start seeing some contraction. If anything, Sept. 11 has merely exacerbated and speeded along that process.” - *Marian Godfrey, culture program director, The Pew Charitable Trusts*

Wolf cautions that many theater companies, even those hardened by years in the Manhattan real-estate trenches, continue to believe that landlords will cut them sweetheart deals. They presume they will be protected by what he calls “the halo effect.” In fact, Wolf and partner Jonathan Denham wrote in the Fall 1999 issue of *Arts & Business Quarterly*, “Many landlords insist on higher rents with burdensome operational restric-

tions, or refuse to lease space to nonprofits at all. We are often forced to tell the nonprofits we work with that what they consider their ‘halo’ is often perceived by prospective landlords as a scarlet letter.” ■

¹ “If You Can Make It Here: The Space Crisis for Arts Groups in New York City,” Center for an Urban Future. Prepared for “Culture Counts: Strategies for a More Vibrant Cultural Life for New York City,” New York Foundation for the Arts, 2001.