



RON NYREN

in

Development



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Art in Development

by Ron Nyren

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The reasons developers and building owners incorporate public art as part of a building's interior or exterior image vary widely. "Sometimes new owners want to use art to announce a change in ownership; sometimes they want to spruce up a tired building; sometimes the building manager or the broker wants a new image for the building," explains Barbara Koz Paley, CEO of New York City-based art consulting firm Art Assets. However, integration of art in real estate developments tends to be most successful when a developer takes a genuine interest in the art form, with an awareness of the challenges, a sensitivity to the aesthetics, and a sense of flexibility in working with artists.

A number of cities have ordinances that require developers to set aside a percentage of their construction budgets for public art. In San Francisco, for example, the planning code requires that developers of new buildings or additions of more than 25,000 square feet in the central business district pay at least 1 percent of the construction cost for a work of art visible from public areas.

Though programs such as this have greatly increased the presence of art in daily public life, they have sometimes become the center of controversy. In California, both San Mateo and Palo Alto proposed percent for art programs in 2004 only to find strong opposition from some local developers who argued that the programs unfairly diminished already tight construction budgets; the ordinances are currently on hold. In 2002, the city council of Menlo Park, California, passed an ordinance requiring developers of new or remodeled projects costing at least \$250,000 to spend 1 percent of construction costs on the property for public art. Two years later, after opposition from business owners, the city council asked the planning commission to reconsider the law; this past September, the commission recommended repealing the law on the grounds that it placed an undue burden on small businesses.

Other developers, however, have shown support of art as an essential part of the aesthetics and atmosphere of workspaces and public spaces; a number of them have noted its tangible benefits.

"Bringing in art may result in more successful building tours with prospective tenants," says Joe Nootbaar, principal of San Francisco real estate investment and development company JMA Ventures. "We find that when we have art in and around our real estate projects, tenants and customers like coming to our projects and remember them," concurs Jordan Schnitzer, president of Harsch Investment Properties in Portland, Oregon. "It's amazing what a small percentage of a project's budget spent on art can do to raise the aesthetic level of the project, which translates into character, ambience, stable tenants, and higher rents.

Heritage plays a role in Schnitzer's approach to art and real estate; his father founded Harsch in 1950, and his mother opened an art gallery in Portland in 1962 showing local Northwest artists.

"There was art in our offices," Schnitzer recalls, "and she convinced local banks and offices of the benefits of showing art." Today the company owns 130 properties throughout the western United States. "We've always made it a point to have significant public art on most of these properties," he adds.

"For us, art has an educational function for the public, among many other functions," says Jerry Speyer, president and CEO of Tishman Speyer Properties in New York. "I've been collecting contemporary art for more than 40 years, and I wanted to make it available to the public." Speyer makes his own private collection available to the firm for its buildings, as well as commissioning site-specific works. When the firm commissions art, it is usually owned by the partnership that owns the building. Both Schnitzer and Speyer are active supporters of the arts in other ways, lending works to art institutions, serving on the boards of cultural institutions, and contributing philanthropically. And both companies display art from their collections extensively throughout their offices.

Successfully integrating art into buildings and public spaces requires sensitivity and a high awareness of the physical and aesthetic challenges of installation. "You don't want the result to look like a hodgepodge of art," Speyer says. While he chooses the art for Tishman Speyer's buildings himself, he does rely on consultants for hanging and installation advice. The company has called on the dean of Columbia University's School of Art for consultation on some projects. And as one of the owners of Rockefeller Center, Tishman Speyer has drawn on the Public Art Fund, a nonprofit group that presents exhibitions of contemporary art throughout New York City, to organize large-scale art installations for the center. These have included Jeff Koons's enormous puppy made of flowering plants in 2000, a giant bronze spider by Louise Bourgeois in 2001, and Jonathan Borofsky's sculpture of life-sized human figures walking up a pole in 2004. (See "Life Integrates Art," page 50, September 2004, *Urban Land*.)

Placing multiple works of art in the same space requires a thoughtful approach to the way pieces relate to each other. Art Assets is selling nearly 1,000 works of art to PricewaterhouseCoopers for its new headquarters in New York City—PricewaterhouseCoopers Center.

The firm is subleasing 25 floors for its headquarters, which will display purchased or commissioned works from 14 artists, both emerging and midcareer. Each floor will serve as an exhibition space that extends even to the bathrooms, staircases, and elevators. Every floor will have its own flavor, but the works also relate vertically to those directly above and below—either by artist, shape, color, or other referential cues.

Purchasing or commissioning art is not the only route. Other options include leasing art or hosting rotating exhibitions. The costs of leasing art are tax deductible and can be passed through to tenants on a pro-rata basis, Paley notes. Works generally are owned either by galleries or artists. Leases range from one to five years, offering the potential to change the art over time. "A very small percentage of our clients decide to buy the art after the lease is up," Paley says. "Most either continue to lease the work or ask for something new." If a collector asks to buy a work of art currently under lease, the artist can substitute a work of equal quality. In some cases, the collector is willing to wait until the lease is up.

Exhibitions offer the possibility of art displays for shorter periods, which can be even more cost effective and flexible. In the 1990s, the Tides Foundation, a resource for progressive nonprofits, and nonprofit development and property management company Equity Community Builders, joined to adapt the San Francisco Presidio's Letterman Hospital buildings into the Thoreau Center for Sustainability. The space provides offices for nonprofit organizations that address social justice and environmental issues. "Tides was hanging art in its space when Equity thought of expanding that idea into the corridors of the Thoreau Center," explains Thoreau Center programs coordinator Bruce DeMartini.

Equity brought the first artist to the Thoreau Center in January 2003. DeMartini has since formalized an arts program, with a yearly calendar of receptions for art openings. The arts committee consists of tenants as well as Tom Sargent, principal of Equity. Involving the tenants in reviewing proposals ensures they are involved and committed. According to DeMartini, the main purpose of the arts program is to act as public relations for the center, which is located in the city's northwestern edge in the Golden Gate Recreational Area. "It brings people into the Presidio who otherwise wouldn't know we are here," he says.

The exhibitions are intended to highlight arts organizations and individuals who focus on

sustainability, broadly defined to include cultural sustainability, ecology, education, and health. The exhibition space consists of the building's long corridors and a central space called the Gallery at Thoreau. "Everyone has to pass through corridors to get to the café, so it encourages people from different organizations to communicate," DeMartini says. "The art encourages synergy and community."

Placing art in public plazas requires flexibility from the developer. At Foundry Square in San Francisco, an office complex south of the financial district, the developer, Wilson/Equity Office, has incorporated two sculptures. The project was master planned for four office buildings (two have been built) placed at the intersection of First and Howard streets, with a public plaza at each of the four street corners. The developer worked with art consultant Leah Levy to identify potential artists and locations. Though San Francisco required the use of public art, the company's then-chairman, William Wilson, also had a strong interest in art (Wilson/Equity has since ended its partnership, and Wilson now is managing principal at Wilson Meany Sullivan). "William Wilson is active in the art community and has always included a lot of art in his projects," says Nootbaar, who was senior project manager at Wilson/Equity for the Foundry Square project at the time.

The original idea was to place one sculpture in each of the four plazas, inside a grid of trees and close to the corner in order for it to be visible and as public as possible, and to provide a cohesive experience. However, it was decided that such a placement would limit the size, shape, and visibility of the artwork, and that locating each artwork on an individual basis made more sense. An untitled cast bronze sculpture by Joel Shapiro was selected for one building. Placing it was a collaborative process, Nootbaar says: "The artist built a scale model of it, which we put into the 3-D architectural models and moved around to see how it worked with the landscaping and architecture. We sent photographs of these to Shapiro and had him comment on the possible locations and orientations. After a two-week process we settled on the final location," close to the building but still near the edge of the street.

For the other building that had already been constructed, the developer commissioned a new work by Richard Deacon specifically for the space. "The artist made multiple site visits," Nootbaar says. "Initially, when we showed him the location we had in mind, he said he was the wrong artist for this particular plaza. We liked him and let him scout around. He proposed his own location, tucked into a tight corner near the entrance, behind the building's columns." In this case, the artist designed the piece, entitled *Not Out of the Woods Yet*, in response to the building's context. The ridged horizontal lines of its aluminum beams contrast with the smooth vertical lines of the colonnade. "Artists like to have freedom to create," Nootbaar comments. "If you handcuff them too much, they'll paint you a pair of handcuffs."

For both sculptures, the developer worked with the contractors, the art consultant, and the installer to make sure that the concept was not lost in the physical process of installation. Minimizing details of how the artwork is attached keeps viewers from being distracted by hardware, and makes the pieces appear simply to have been set on top of the plaza.

"We make our decisions based on a discussion with the architect," points out Speyer. "We don't give the artist any particular direction as to what we want." Instead, Tishman Speyer chooses artists based on knowledge of their work, and matches their work to the particular sites. "We will direct the artist to a particular location and talk about it. Integrating the artwork into its context is a function of the artist's ability to use the building as a framework for the art."

Although the economic benefits of combining art and real estate may be impossible to quantify, the two worlds do have at least one thing in common. "When you're a developer, you're leaving a legacy behind," Schnitzer says. "When you renovate or design new projects, it affects the land in the community for generations."

Developers have an opportunity to enrich this legacy with art.

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