

Burlington Planning Commission

149 Church Street
Burlington, VT 05401
Telephone: (802) 865-7188
(802) 865-7195 (FAX)
(802) 865-7142 (TTY)

www.burlingtonvt.gov/pz

*Yves Bradley, Chair
Bruce Baker, Vice-Chair
Lee Buffinton
Emily Lee
Andy Montroll
Harris Roen
Jennifer Wallace-Brodeur
Vacant, Youth Member*



Burlington Planning Commission Long Range Planning Committee

Meeting Notice

Thursday, January 28, 2016 @ 12 pm

City of Burlington's Dept. of Public Works, Front Conference Room, 645 Pine Street

AGENDA

1. Agenda

2. planBTV: South End Plan

The Committee will continue its review and discussion of edits to draft Plan elements, including the economic development, arts and affordability and/or mobility elements based on the Planning Commission's recent discussions. The Committee will also review an outline of anticipated activities for the release of the Planning Commission draft of planBTV South End.

3. Adjourn – 1:00 pm

This agenda is available in alternative media forms for people with disabilities. Individuals with disabilities who require assistance or special arrangements to participate in programs and activities of the Dept. of Planning and Zoning are encouraged to contact the Department at least 72 hours in advance so that proper accommodations can be arranged.

planBTV: South End
Planning Staff Edits to Economic Development & Arts and Affordability elements

*Prepared for LRPC review
January 12, 2016*

Staff Note: The following revised text is suggested to replace the text that was located on pages 38-39 of the draft document. See the attached pages from the draft planBTV: South End for corresponding notes regarding placement of this text and for other layout notes.

then let it rise

STRATEGIES for a CREATIVE & VIBRANT ECONOMY

Second only to Burlington's downtown, the South End has long been an economic engine for the City and the region. It's a place where businesses grow from fledgling start-ups to national success stories. A place where artists and creatives 'make and break' things. And a place where hundreds of people come to work. With only 4% of the city's land area, the South End's Enterprise District is home to 20% of the city's jobs and over 90% of its industrial space.

As the economy has changed, the types of work spaces within the South End have changed, too. A hundred years ago, South End buildings bustled with heavy-duty industrial activities—coal was transformed into gas, structural steel and iron castings were fabricated, and the Lumiere Brothers manufactured plates for development of color photographs. By the 1980s, many of these buildings, and a new generation of one-story industrial and commercial structures, stood vacant. In today's economy, these spaces are being adapted to support a rich and eclectic mix of small artists and entrepreneurs, small-scale manufacturing, food processors, and a variety of offices and services.

The *Burlington South End Market Study*, prepared by HR&A, identified some of the important trends and issues that shape the South End today, and will continue to drive this important economic district. These trends include:

- **Growth in the “New Economy” sector.** Industries focused on technology, traditional and industrial arts and design, research and development, and small-scale artisanal and food manufacturing have been fueling the economic evolution of Burlington's South End. These creative industries are making their home among the industries that currently exist, and are likely to continue to be important sectors of the South End's economy. Growth in this “New Economy” should be planned carefully, as the South End is already witnessing the impacts of its evolution, including:
 - **Demand for spaces that combine industrial AND retail operations** is strong and growing. These include businesses like breweries with tap rooms, prototype facilities that welcome shoppers and offer tours, commercial kitchens with restaurants, and artists' studios with retail space. As a result, industrial rents are \$2.20/SF higher in the

South End than in Chittenden County as a whole, reflecting the appeal of the South End for blended industrial/retail operations.

- **Office rents that are comparable to downtown** are a result of the desirability of the South End to businesses in search of office space who want to be part of the emerging and eclectic vibe of the district, and want to take advantage of its resources, like availability of parking.
- **Increasing difficulty in finding affordable and available space** for businesses that are looking for traditional warehouse/manufacturing space, and for artist and small startups that are looking for inexpensive spaces in which to launch and grow.
- **An evolving economy and workforce that supports mixed uses.** The “New Economy” is no longer about large spaces with few workers. Many former manufacturing spaces have evolved into workspaces that look and function like offices, bringing with them far more workers and types of activities than the traditional uses. These redefined spaces are simultaneously driving the increased diversity of jobs in the South End, and contributing to its gentrification by creating a demand for:
 - **Opportunities for collaboration**, both within companies themselves and among businesses and industries. The adaptive reuse of some buildings has allowed for a variety of businesses to share resources, space and ideas and to work together on innovative solutions for their industries and the community.
 - **Retail, entertainment and service uses** which are being introduced into the South End in response to a strong demand from workers who are looking for places to eat, shop, exercise and socialize during and after work.
- **A demand for housing in the South End to accommodate a growing workforce.** As there is throughout the City, there is a strong demand for housing in the South End to support the workforce’s ability to live near their jobs and in an area with a high quality of life.
 - **Housing scarcity and affordability issues** confronting both the City and the region are well-documented. But development economics and land use regulations present significant barriers to creating new, and a more diverse, housing supply.
 - **Employees of South End businesses**, many of whom are commuting from housing outside of the City, are forced to drive and park, adding to traffic congestion and spill-over parking in residential neighborhoods.
 - However, the **demand for new housing** has the potential to further threaten the availability and affordability of space for new and growing South End businesses. As a result, for more than two decades, City policy and regulations have prevented any new housing from being created within the Enterprise District.

Cities around the world have experienced similar trends, witnessing the transformation of former industrial districts into places where the “New Economy” is flourishing. These places have been defined and carefully planned for as “Innovation Districts.” These districts are compact, mixed use, sociable places. They utilize an array of economic, physical and networking resources to drive more sustainable,

collaborative economic development. And, they are living laboratories, building and testing solutions to help evolve businesses and strengthening communities.

Indeed, the South End is home to many of the resources and activities that define innovation districts. These trends, however, point to the reality that the demand for space in the South End exceeds the current supply. Finding creative solutions to increase the supply must be a central focus of this plan in order for the district to thrive. There are a finite number of potentially developable parcels within the South End. In order to meet the needs of new and expanding businesses, policies are needed that unlock the potential of underutilized land through higher-density, more compact development. One key step to achieving this potential is to explore finer-grained land use policies that balance the preservation and continued evolution of the South End's economic landscape.

A ctd.

As we look toward the future, we must be sure to **preserve what makes the South End** great- its character and authenticity- while also working to **enable and facilitate its continued evolution as the City's innovation district**. In order to do so, planBTV South End outlines a strategy to:

- preserve and support the character of the South End by redefining the one-size fits all approach to land use regulation;
- recruit additional investment, jobs, and people to ensure its sustained vitality by increasing space and rebuilding important infrastructure; and
- continue to provide a platform for innovation and enterprise to take root and grow through creativity and collaboration.

Editorial Note: Add call outs with definitions of "innovation district" and "new economy".

Strategies

Advance land use policy changes to preserve and expand the value of the South End to the City.

Land use policy and regulation must evolve from a one-size-fits-all approach to one that recognizes the unique and varied character of the South End. This strategy should support the protection and expansion of creative enterprise, manufacturing and business, while also addressing potential conflicts with nearby residential uses.

B

Evaluate possible changes to the Enterprise Zone to reflect the sub-districts that comprise its varying character. *planBTV South End* identifies four sub-districts, which are described in the second half of this plan and include:

- an arts hub featuring a variety of storefronts and workspaces that are home to a wealth of creative disciplines (Maple to Locust Streets)
- a maker district churning out a range of high-tech and hand-made products (Locust Street to Sears Lane)

- an eclectic ecosystem of parks and natural features alongside a mix of industrial and institutional uses (Sears Lane to Home Avenue)
- a collection of larger-footprint R&D and industrial businesses (Home Avenue to Queen City Park Road)

And all of this activity is bordered by the City's most significant natural resource—Lake Champlain— and desirable residential neighborhoods. A more fine-grain land use policy within the Enterprise Zone will result in more predictable infill and development outcomes, support growth and expansion of existing businesses while accommodating creative enterprises and innovation, and help to mitigate potential impacts on natural resources and neighboring residences. The second half of this plan more fully describes the character and future opportunities for each of these sub-districts, and identifies locations in which the plan's strategies can be applied.

- Continue community conversation and advance specific proposals for desired zoning changes.
- Department of Planning & Zoning, Community and Economic Development Office

Increase space and rebuild critical infrastructure in order to sustain and recruit investment, jobs and people to the South End. Throughout the planning process, it has been clear that one of the major challenges impacting the South End is the ability to keep up with the demand for space for a broad range of business and creative enterprises.

Encourage the redevelopment of under-developed sites to create new opportunities for growing businesses.

- Work with property owners to identify barriers to and discuss potential strategies for redevelopment of key sites.
- Department of Planning & Zoning, Community and Economic Development Office, property owners

Facilitate the adaptive reuse of existing buildings in ways that keep them available to potential businesses, artists and fledgling entrepreneurs. Reuse of these facilities can help maintain the character of the South End while also allowing for its continued evolution.

- This will require ongoing collaboration among land owners and tenants to find opportunities for adaptive reuse of structures that will ensure long-term viability and affordability.
- Property owners, tenants

Re-build critical infrastructure to facilitate the continued evolution and expansion of businesses, set a high standard for environmental protection, and increase safety for pedestrians and cyclists

- Implement plans for expanded street connectivity, improved pedestrian and bicycle infrastructure, and stormwater management within the public right-of-way and in public parks.

B ctd.

- Department of Planning & Zoning, Community and Economic Development Office, Department of Public Works, Department of Parks, Recreation & Waterfront, Chittenden County Regional Planning Commission, property owners

Create new and diverse housing opportunities outside of the Enterprise District to address the demand from the South End's workforce, and create places where employees can live in close proximity to where they work.

- See housing recommendations

Consider the future role of the Shelburne Road corridor in accommodating the City's ongoing needs for transportation, housing, and economic development.

- Advance a Shelburne Road corridor study and implement recommendations of the Housing Action Plan; ensure the study is broad in its evaluation of transportation and land use needs and opportunities.
- Department of Public Works, Department of Planning & Zoning, Community and Economic Development Office

Preserve the South End as a place where innovation and enterprise can take root and grow. The South End has long been an economic driver for the City. Strategies should focus on preserving what makes the South End great, while allowing for its continued evolution.

Identify the role of and opportunities for the South End within a city-wide economic development plan/strategy.

- Prepare an economic development strategy; identify specific opportunities for the South End.
- Community and Economic Development, Department of Planning & Zoning, elected officials

Expand the economic development toolbox available to support growth. There are many barriers, but relatively few tools available to assist the City, property owners, and businesses in advancing economic development objectives in the South End. Using an economic development strategy as a guide, the City can look for ways to expand upon its existing economic development tools. Some opportunities could include:

- **Expand the financial tools available from state and regional resources to support development of new facilities,** including grants, new economic development programs, or state designations that can enhance allocation of public resources. Work cooperatively with state government and regional development entities.
- **Continue to provide technical assistance to businesses,** including new enterprises and existing operations, who are seeking space in the South End. Help identify potential space, provide succession planning assistance to existing businesses and property owners, and assist businesses with navigating the permitting process.

- **Provide workforce training support** by working with schools and other institutions to ensure educational programs are preparing the workforce for the jobs of the future

CEDO has a legacy of providing a range of support and assistance to businesses in Burlington, and in particular, those in the South End. This strategy is about expanding the resources available to support South End employers, which are critical to the economy and provide important jobs and services to our region.

B ctd.

- Work cooperatively with state government, regional development entities, and local businesses to expand financial and strategic economic development tools; ensure sufficient resources are available to support these activities
- Community and Economic Development Office, elected leadership

Communicate the South End's unique character and advantages to potential future companies and enterprises that could locate in the district.

- Continue and expand marketing efforts, such as the "They Chose Burlington" campaign, as a tool to tell the story about the South End when working to recruit, retain and grow the diverse mix of businesses that call this district home
- Community and Economic Development Office, SEABA

Staff Note: The following revised text is suggested to replace the text that was located on pages 40-43 of the draft document. See the attached pages from the draft planBTV: South End for corresponding notes regarding placement of this text and for other layout notes.

spice it up

PRESERVING ARTS + AFFORDABILITY IN THE SOUTH END

While the South End is home to an evolving landscape of businesses and jobs, it is also the City's arts district. Thriving arts and maker districts contain varied uses and are in a constant state of motion—and the South End is no different.

As “urban pioneers,” artists benefit from setting up shop in areas with low rents or high vacancy. Over time, as neighborhoods gentrify, rising rents leave artists reacting to the forces around them instead of having the ability to control where they work and what they pay. The Arts & Affordability Toolkit is an important resource and companion to this plan. The Toolkit, (Appendix X) outlines a number of potential strategies that could be explored to help artists take the reins in determining the future of arts space in the South End. Many of the strategies in the Toolkit discuss models for artists' ownership of, or a partnership in the management of, space. While it's certainly not the only strategy for preserving arts and affordability in the South End, it is an important one.

C Ownership can be one of the most successful ways to ensure affordability, but being in control requires much more than simply owning space. The capacity to lead and manage the acquisition, development, programming, maintenance, and operations of a building is a must for any organization or individual interested in providing space. In a city of Burlington's size, the capacity to provide these spaces will depend on pooling a variety of resources and actors within and outside of the South End. And it's good business to pull in a variety of people and organizations—many of the skills and resources needed to acquire and manage affordable space go well beyond what most artists have the capacity to provide. Taking on responsibilities of real estate development or property management can be a big distraction from the making. On the flip side, owners and managers of commercial space may not have a thorough understanding the current and future space and programming needs of an arts district.

The City of Burlington is out in front and is committed to ensuring affordable artist and maker spaces are sustained and grown as the city and South End change. What can be done to keep things moving forward? planBTV South End outlines strategies to support and grow:

- collaboration and continued support for organizations that can strengthen the arts district
- models of ownership/property development to address the affordability and availability of artist's space in the South End
- visibility and density of the district that brings customers and vibrancy

D is: Enhance collaboration and set up for success. There are opportunities to strengthen the South End as an arts district through partnerships that combine a variety of arts, business and property management expertise.

Form a Collaborative Working Group representing a broad array of skills and perspectives, to support each other. Think of it as the “South End Maker Space Water Cooler”—a melting pot of ideas and relationships where conversations happen, ideas are born, and people are connected. What should it do? The Arts & Affordability Toolkit outlines some of the key players that should be involved in this working group and some of the critical first steps in expanding space available for an arts district. A quick snapshot includes:

- **Gather South End artists & makers** in a discussion about their goals and needs for an arts district.
- **Gather South End property owners** to discuss their goals, worries, needs.
- **Create a Technical Assistance team of experts** in brownfields, finance, and property management and arts district programming to advise developers and arts entrepreneurs.
- **Engage landlords of artist space in honest (and difficult) conversations** about generational transitions and future plans.
- **Get the Burlington City Arts (BCA) market studies out there!** Developers and property owners need solid numbers to help them provide appropriate spaces.
- **Maintain a data base of artists/makers with space needs** as a supplement to the market studies.
- **Publish the affordability tool kit (an appendix to this plan) online and educate!**
- **Think about capacity and leadership.** What needs to happen? Who can lead?
- **Don’t get overwhelmed! Pick one project, even if small, and focus on getting the system and capacity in place to succeed!** Word on the street indicates a cooperative arts/maker retail space would be a great first goal.
- Create a South End Working Group, write a mission, and set goals and a timeline for results.
- South End Arts and Business Association (SEABA), with support from Burlington City Arts, Community and Economic Development Office, state-wide agencies and organizations, developers, and property owners.

Continue to support Burlington City Arts (BCA), South End Arts and Business Association (SEABA), and other arts organizations. BCA can play an instrumental role in ensuring South End artists continue to thrive and grow by offering mentorship and technical assistance. SEABA can lead the way locally, by engaging in collaborative relationships and participating in the recommended South End Working Group. BCA and SEABA will need to work closely together to achieve goals.

- Form South End Working Group, set goals and craft a work plan.
- South End Arts and Business Association (SEABA), with assistance from Burlington City Arts

Explore potential strategies, through development or regulation, for preserving and creating affordable artist space. There are opportunities to proactively preserve/create affordable artist space in the South End through partnerships that combine financial, technical and management expertise.

Evaluate models for preserving/creating affordable artist space. The Arts & Affordability Toolkit outlines a range of models that could be utilized to provide space. Each of these models presents its own benefits and challenges. These models, which are discussed in greater detail in the Toolkit, include:

- **artists/maker owned models:** common artists-as-owners structures include: an individual mission-driven artist as a developer; artist-owned through a cooperative or an LLC; artist or non-profit organization joint venture with a developer; and arts organization who own/lease space
- **non-profit and for-profit developers models:** artist space projects are complicated, and much needed expertise and resources can be gained by working with non-profit developers, for-profit mission-driven developers, or other for-profit developers
- **artist space through City actions models:** this could include a policy for affordable arts components of new development on City-owned land, or as a component of disposition and/or development RFP's for City-owned property

The South End Working Group should play a major role in helping to evaluate opportunities to utilize these models. The Arts & Affordability Toolkit identifies properties that may be good candidates for exploring each of these models.

- Use the Arts & Affordability Toolkit to evaluate underutilized sites and buildings, private and publicly-owned, which may be good candidates for new artist space. Use the new Burlington City Arts market data to create a viable arts/maker space business plan, approach developers about incorporating affordable space into current projects, and/or consider a City policy regarding affordability in development RFP's or disposition.
- South End Working Group, South End Arts and Business Association (SEABA), Community & Economic Development Office, Burlington City Arts, property owners, developers

Create zoning and development regulations to help expand the supply of artist space. Zoning strategies can be used to encourage, or even require, new affordable spaces for production and display. However, a balanced, feasibility-based approach is important. Make the regulations too weak, the South End has lost an opportunity to expand its inventory of artist and maker space. But require projects to provide too much subsidy—either in the amount of artist/maker space or in the limits on rent or sales price—and a project could become financially infeasible. Regulatory strategies to consider are spelled out in more detail in the Arts & Affordability Toolkit, and include:

- **Require new development projects to incorporate a portion of arts space** to ensure that the inventory of arts/maker space grows along with other uses. A typical range is 5-10% of the project square footage. This requirement could identify work space, performance/exhibit space,

or space for public art on the ground floor/exterior. This requirement must carefully consider the City's development economics and the need for these spaces.

- **Establish a process for verifying tenants/occupants**, if providing spaces that are meant to be preserved as affordable or for use specifically by artists. This will help ensure the proper use of subsidized spaces and prevent gentrification/displacement of artists by non-artists within arts-specific projects.
- **Provide incentives for creation/preservation of arts space in existing commercial buildings.** Incentives could include: a code/regulations advocate that helps landlords understand what and how to improve spaces while retaining affordability; providing tax breaks or grants to offset costs of code compliance and upgrades without passing the costs of improvements to artist tenants; or, allowing increased density/infill on sites to help retain affordability.
 - South End Working Group, South End Arts and Business Association (SEABA), Burlington City Arts, Community & Economic Development Office, Dept. of Planning & Zoning

Expand the visibility of the arts district to preserve and enhance its vibrancy.

Continue to incorporate the arts into the physical fabric of the South End. Strengthen visibility of the arts by prioritizing the retention (and expansion where possible) of existing buildings to support small artists and makers, and encourage creative use of building facades and public space.

- Create a Pine Street Arts Corridor and Linear Arts Park (see the second part of this plan)
- Parks, Recreation & Waterfront Department, Department of Planning & Zoning, South End Arts and Business Association (SEABA), Burlington City Arts.

Communicate the South End's unique character and advantages to potential future arts and maker opportunities and visitors.

- Continue and expand upon existing marketing and events, like South End Arts Hop, to increase visibility and create a critical mass of resources and enthusiasts to support the district.
- South End Arts and Business Association, Burlington City Arts, Community & Economic Development Office

LRPC EDITS:

REPLACE TEXT WITH:

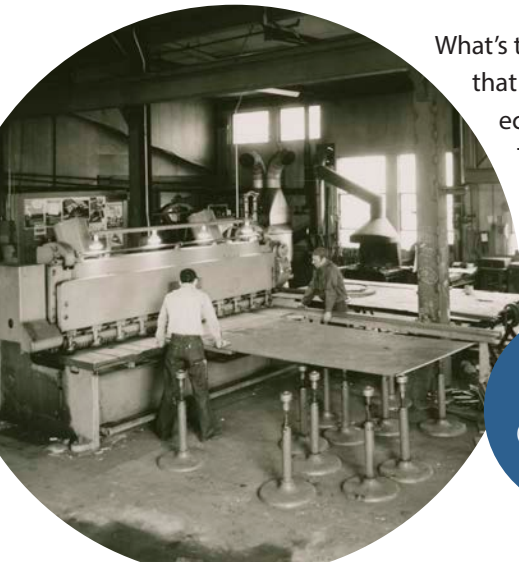
A

then let it rise

5 STEPS TO ECONOMIC DEVELOPMENT

The South End has long been an economic engine for Burlington and the region—a place where businesses grow from start-ups to success stories, and where people come to work. As the economy has changed, the types of work spaces businesses are looking for within the South End has evolved too.

A hundred years ago, South End buildings bustled with heavy-duty industrial activities. Coal was transformed into gas, structural steel and iron castings were fabricated, and the Lumiere Brothers manufactured plates for development of color photographs. By the 1980s, many of these buildings—and a new generation of one-story industrial and commercial structures—stood vacant. And today, those same buildings house a rich and eclectic mix of industrial, office, auto-related commercial, retail, and studio/workshop space.



What's the future fuel that will drive this economic engine? The Burlington South End Market Study prepared by

Vermont
Structural Steel
(Flynn Ave, 1951)

HR&A identified current trends and issues:¹

- Growth in the “New Economy” sector—industries focused on technology, arts and design, and small scale, artisanal and food manufacturing.
- Demand for spaces that combine industrial AND retail operations (e.g., breweries with tap rooms, prototype facilities that welcome shoppers and offer tours, commercial kitchens with restaurants, artists' studios with retail space)
- Industrial rents that are significantly higher than elsewhere in Chittenden County, reflecting the appeal of the South End for blended industrial/retail operations...businesses that are typically willing to pay more for space than a company looking for a traditional warehouse or manufacturing facility. Today, average industrial rents are \$2.20/SF higher in the South End than for the county as a whole.
- Office rents that are comparable to downtown, reflecting the appeal of the South End for businesses in search of office space; the South End offers a fun, funky environment and relatively low cost parking.
- There is strong demand for housing in the South End to accommodate a growing workforce, but development economics and land use regulations (zoning) are barriers to addressing this housing need.

All of these

¹ For more information, see the HR&A South End Market Study at www.planbtvsouthend.com

Burton Snow-
boards (Industrial
Parkway, 2015)



to that demand for space across all sectors except the current supply order to meet the needs, policies are needed that increase the supply of space available for development of new space, unlocking the potential of underutilized land through higher density development. There are a finite number of potentially developable parcels within the South End and it is critical that the full potential of these parcels to support new development is maximized.

Plan BTV South End outlines a strategy to:

- Expand the economic development toolbox available to support growth
- Provide direct assistance to existing and potential new South End businesses
- Advance land use policy changes within the Enterprise Zone to enhance its value to the City

Strategies

Expand the economic development toolbox to support growth.

There are many financial barriers but relatively few tools available to assist the City or property owners/businesses in advancing reuse of underutilized land and buildings within the South End.

Expand the financial tools available from state and regional sources to support development of new facilities—to include grants, new economic development programs, state designations that can enhance allocation of public resources.



Work cooperatively with the state government and regional development entities to advance this initiative.



Community and Economic Development Office; elected leadership

Provide direct

The South End is home to over 470 businesses employing nearly 6,300 people. Roughly 30% of Burlington's office space and 90% the of the city's industrial space—a combined total of approximately 2 million square feet—is located in the core of the South End. That's an important slice of Burlington's economy, and no one wants to see that vitality threatened.

LRPC EDITS:

REVISE & EXPAND TO INCLUDE TEXT: **B**

ADD CALL-OUTS TO DEFINE "NEW ECONOMY" & "INNOVATION DISTRICT"

existing and South End businesses.

Businesses need a variety of supports to assist them with setting up a new enterprise or expanding an existing operation.

Provide workforce training support and other assistance to existing businesses; work with schools and other educational institutions to ensure available programs prepare the workforce for the jobs of the future; continue to provide technical support to businesses seeking space in the South End including identifying potential spaces; provide succession planning assistance to existing businesses and property owners; and assist businesses with navigating the permitting process.



Ensure that sufficient resources are available to support technical assistance activities.



Community and Economic Development Office

Advance land use policy changes within the Enterprise Zone to enhance its value to the City.

The Enterprise Zone needs to meet the evolving needs of the City, including incorporation of affordable and workforce housing in select locations, while also leveraging opportunities for preservation and expansion of maker space. Efforts must also address the expansion needs of industrial businesses that may pose conflicts with

nearby residential uses.

Evaluate possible changes to the Enterprise Zone that incorporate housing in select locations and result in more predictable development outcomes overall; support growth and expansion of operations for existing industrial businesses within the zone.

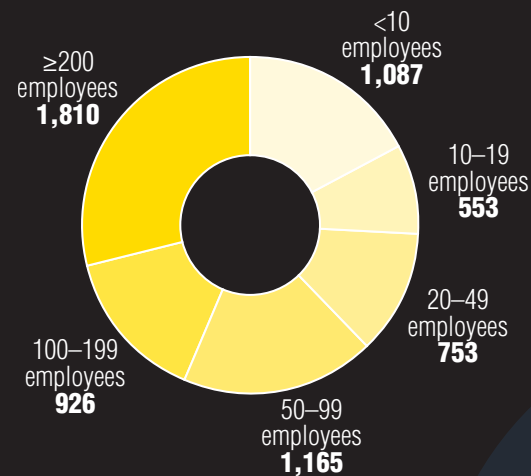


Continue community conversation and advance specific proposals for desired zoning changes.



Department of Planning and Zoning, Community and Economic Development Office

Number of employees by size of business, South End, 2014



6,294
total jobs

South End businesses (Flynn Ave, 2015)



A deliberate mix of industries (art, food, beverages, crafts, resale, housing, education, etc.). Keep it a truly varied place!

Comment from participant in Marble Run outreach project, designed by local artist Kevyn Cundiff.

spice it up

PRESERVING ARTS + AFFORDABILITY IN THE SOUTH END

Thriving arts and maker districts contain varied uses and are in a constant state of motion. The South End needs strategies that support and grow: 1) artist space affordability; 2) spaces and places that allow for that often-talked about “funkiness” factor, including the freedom of artists and makers to “make and break” things at all times of the day and night; 3) visibility and density that bring customers and vibrancy.

As “urban pioneers,” artists benefit from low rents in areas where no one else wants to be. Over time, as neighborhoods gentrify, rising rents leave artists reacting to the forces around them instead of controlling where they work and what they pay. Ownership is a sure-fire way to ensure affordability but being in control requires much more than simply owning space. The capacity to lead and manage the acquisition, development, programming, maintenance, and operations of a building is a must for any organization or individual taking on development. In a city Burlington’s size, capacity will depend on pooling a variety of resources and actors in and outside of the South End. And it’s good business to pull in a variety of people and organizations—many of the skills and resources needed to acquire and manage affordable space go well beyond what most artists or arts organizations have or wish to have—becoming a real estate developer and property manager can be a big distraction from the making.

LRPC EDITS:

REVISE TEXT IN THIS
PANEL WITH:

C

END

DRAFT

Setting up for success

LRPC EDITS:

REORGANIZE & CONDENSE TEXT BEGINNING HERE, THROUGH PAGE 43, BY REPLACING WITH:

D

The City of Burlington is committed to ensuring affordable artist and maker spaces are sustained and grown as the city and South End change. What can be done to keep things moving forward?

- Form a Collaborative Working Group. Think of it as the “South End Maker Space Water Cooler”—a melting pot of ideas and relationships where conversations happen, ideas are born, and people are connected. What should it do?
 - > Gather South End property owners to discuss their goals, worries, needs.
 - > Create a Technical Assistance team of experts in brownfields, finance, and property management to help developers and entrepreneurs.
 - > Engage landlords of artist space in honest (and difficult) conversations about generational transitions and future plans.
 - > Get the Burlington City Arts (BCA) market studies out there! Developers and property owners need solid numbers to help them provide appropriate spaces.
 - > Maintain a data base of makers with space needs as a supplement to the market studies.
 - > Publish the affordability tool kit (a companion to this report) online and educate!
 - > Think about capacity and leadership. What needs to happen? Who can lead?

“...Form and empower a strong South End steering committee that will be both visionary as well as come up with unique solutions; collaborate in building what will make the arts and businesses grow; empower the artists through creating new studios and maintaining affordability around a core of highly efficient maker structures.”

Community comment from the webtool

- > **Don't get overwhelmed!** Pick one project, even if small, and focus on getting the system and capacity in place to succeed! Word on the street indicates a cooperative arts/maker retail space would be a great first goal.



Create the South End Working group, write a mission, and set goals and a timeline for results.



South End Arts and Business Association, with major support from Burlington City Arts. Others: Community & Economic Development Office, state-wide agencies and organizations, developers, and property owners

Strategies

There are multiple opportunities to proactively preserve/create affordable artist space in the South End through partnerships that combine financial, technical and management expertise.

Preserve/create affordable artist space through artist/maker ownership models (a.k.a., the Rosie the Riveter / Dive-in-and-Do-It strategy). Possibilities for artist/entrepreneur-owned spaces are 696 Pine Street and 747 Pine Street.



Identify underutilized buildings and use the new Burlington City Arts market data to create a viable maker space business plan.



South End Working Group, property owners, mission-driven developers



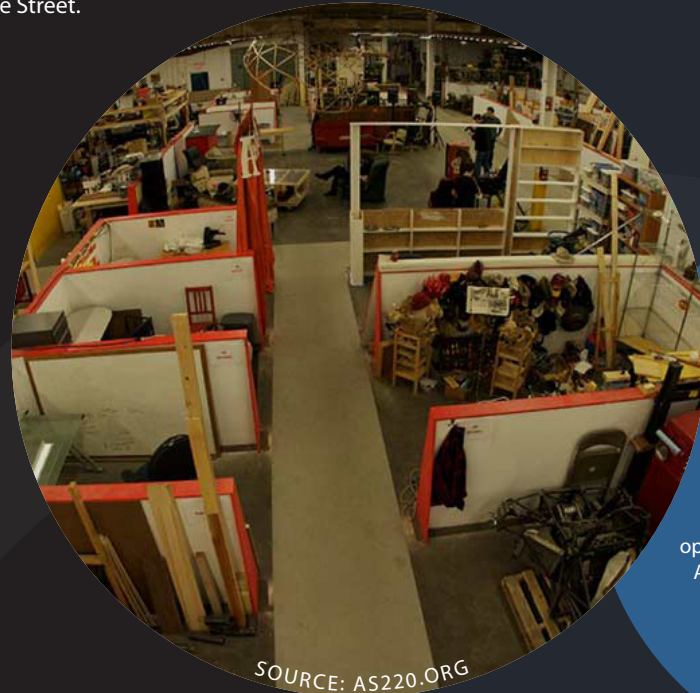
Approach developers about incorporating affordable space into current projects. A cooperative maker retail space might be a good first goal.



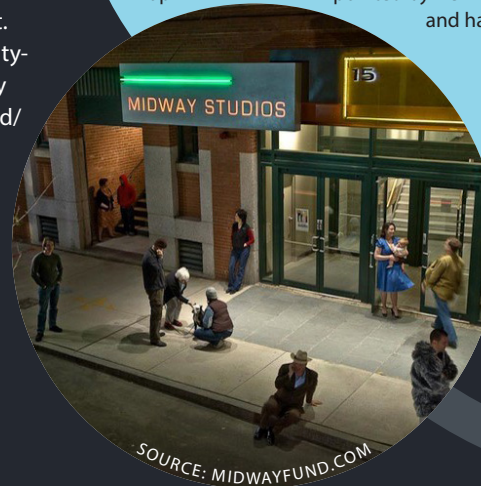
South End Arts and Business Association, Community & Economic Development Office, South End Working Group

Preserve/create affordable artist space through City actions (a.k.a., the City as Developer strategy). Consider a City policy that new development on City-owned land incorporate an affordable arts component. The City may also explore evaluating all City-owned buildings for artist space suitability and using the info to guide disposition and/or developer RFP guidelines. Properties to consider include 339 Pine Street.

Preserve/create affordable artist space through nonprofit and for-profit developers (a.k.a., the Developers as Heroes strategy). Artist space projects are complicated and developers and non-profits offer much-needed expertise and resources. Consider an affordable component in 453 Pine Street or 747 Pine Street. A future opportunity is 339 Pine Street.



SOURCE: AS220.ORG



SOURCE: MIDWAYFUND.COM

In Providence, RI, the non-profit AS220 acquired the 21,000 SF Empire Street building and then the Dreyfus Hotel and the Mercantile Block a few years later. AS220 financed acquisition with City loans, foundation donations, and capital campaigns. The strategy was simple: do a minimum build-out to meet code (artists got bare-bones spaces with no walls and minimum plumbing/kitchens) but nothing more, and use market rate tenants to help the bottom line. Strong support from foundations and the operation of AS220 Industries (the Community Print Shop, AS220 Labs, and AS220 Media Arts) fund operations.

Developers are important partners! In Boston, the pending sale of Midway Studios, an 89-unit artist live/work rental building with 24,000 SF of commercial space, brought the artists to action. They teamed with New Atlantic Development to create a viable financing structure and a credible offer of a \$20 million purchase price. Within 72 hours, the artists raised over \$500k by crowdfunding from friends, family, and arts advocates. Private Investments, with an 8% return, were easy to make online in amounts ranging from \$1,000 to \$1.7 million. An artists' organization now holds ownership and the units will remain affordable rentals. The property is managed by a Board of Directors, half pointed by New Atlantic Development and half by the residents.

PROCEED WITH CAUTION!

Developing and managing affordable artist space is not for the faint of heart. Some combination of the following elements is needed for success:

Vision

High risk tolerance

Resources (capital campaign, crowdfunding, grants)

Building management expertise

Revenue stream for ongoing building expenses

Technical assistance for development and property management

Ability to be an effective player/partner within real-world constraints and expectations (dealing with banks, regulatory bodies, end-users, design teams, engineers, etc.)

Patience

A "can do" attitude

Social and political capital



Evaluate all City-owned property in the South End for suitability for artist/maker space and develop affordability requirements for development RFPs and disposition that incorporate affordable space.



Community & Economic Development Office, Burlington City Arts

Create zoning and development regulations that help expand the supply of workshop and work-live space (a.k.a., the City as Policy Maker strategy). Zoning strategies can be used to encourage and require new affordable spaces for production and display. A balanced, feasibility-based approach is important here. Make the regulations too weak, the South End has lost an opportunity to expand its inventory of artist and maker space. But require projects to provide too much subsidy—either in the amount of artist/maker space or in the limits on rent or sales price—and a project could become financially undoable.

Potential strategies:

- Require new office or housing

projects to incorporate a set portion of arts space to ensure that the inventory of arts/maker space grows along with other uses. A typical range is 5-10% of the project square footage. Some things to consider?

- > Allowing projects to provide work space, work-live space; performance or exhibit space; or a combination of those uses, to meet requirements.
- > Allocating to artists a set component of any affordable housing required under the City's inclusionary zoning policies for new housing developments. Require income verification and artist certification.
- > Requiring space for public art in ground

floor and exterior spaces.



Explore city development economics to determine the correct proportion for affordable space requirements and write requirements for artist space inclusionary zoning and public art spaces.



Department of Planning and Zoning, Community & Economic Development Office, Burlington City Arts, South End Arts and Business Association

- Require artist and income certification for eligibility for any subsidized work or work-live spaces in the South End to ensure a proper use of subsidies and prevent gentrification/displacement of artists by non-artists within arts space projects.



Develop an artist certification strategy and create a peer review panel to oversee the process. Coordinate income certification with affordable housing requirements.



South End Arts and Business Association / Burlington City Arts for artists, with support from Department of Planning and Zoning

"Use social housing funds together with private foundation grants to build a number of artist/artisan only spaces for work and living and work to be affordable in perpetuity and run a board composed of residents and artists as well, I suppose, as the initial funders."

Community comment from the webtool

systems upgrades in order to retain affordability.

- > Allowing increased density or infill on existing sites to help retain affordability through cross-subsidy of uses.

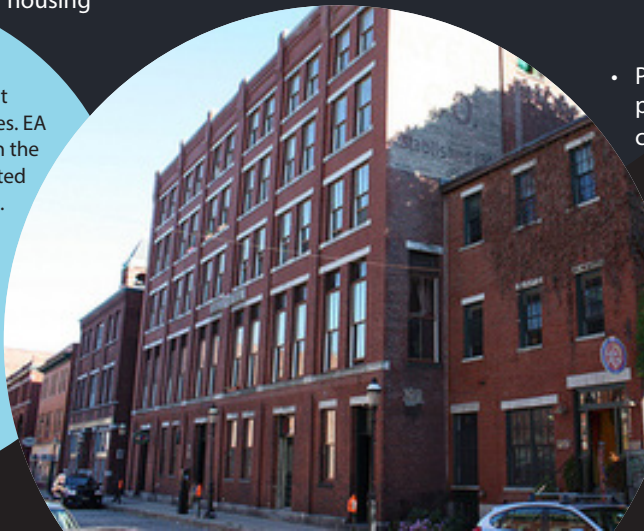


Work with landlords to understand their challenges. Investigate possibility for zoning FAR bonuses and other incentives to allow infill/additions on developed sites. Investigate possible grant sources.



South End Arts and Business Association, South End Working Group, Department of Planning and Zoning (zoning bonuses)

In 1991, the City of Lowell, MA, issued an RFP for the disposition and redevelopment of two adjacent brownfield sites housing former factories. EA Fish, a Boston-area private developer, won the RFP, purchased the land for \$120, and invested an additional \$3.9 million in redevelopment. The project helped increase the city's tax revenue by approximately \$350,000/year. These 49 loft-style artist homeownership units sold for an average of \$175,000 at the project completion.



- Provide incentives for creation/preservation of arts space in existing commercial buildings. South End artists benefit greatly from benevolent landlords. Consider:

- > Creating a code/regulations advocate to help landlords understand what and how to improve and upgrade spaces while retaining affordability.
- > Providing tax breaks or grants to offset costs of code compliance and

- Allow artist work-live housing within the existing Enterprise Zone. Work-live housing can protect the characteristics and purpose of the Enterprise Zone by providing affordability and an alternative to traditional residential areas: noise, density, bare bones open floor plans, and proximity to light industrial and commercial uses would be a given. Consider:

- > Allowing (potentially by-right) creation of permanently affordable artist work-live units anywhere within the existing Enterprise Zone north of Sears Lane.



Revise the zoning code.



Department of Planning and Zoning

Support Burlington City Arts (BCA), SEABA (South End Arts and Business Association) and other arts organizations. BCA can play an instrumental role in ensuring South End artists continue to thrive and grow by offering mentorship and technical assistance. SEABA can lead the way locally, by engaging in collaborative relationships and participating in the recommended South End Working Group. BCA and SEABA will need to work closely together to achieve goals.



Form South End Working Group, set goals and craft a work plan



South End Arts and Business Association, with assistance from Burlington City Arts

Continue to incorporate the arts into the physical fabric of the South End. Strengthen visibility of the arts by prioritizing the retention (and expansion where possible) of existing buildings to support small artists and makers; and encourage creative use of building façades and public space.



Create a Pine Street Arts Corridor and Linear Arts Park



Parks, Recreation & Waterfront department; Department of Planning and Zoning; South End Arts and Business Association; Burlington City Arts

For more information, jump ahead to Reinforce the Arts Hub: Maple Street to Locust Street.

I think we need to try and find ways for the artists to be able to do some kind of a co-op, gain financial control over their spaces so they're not at the whim of owners that decide to sell...to others who might be able to pay a little more.

Artist P.J. McHenry and the Arts Riot team repurposed a vintage phone booth to create a video recording station, where community members shared their ideas about the future of the South End.

The South End has a great model for artist-owned and managed space. The district's very own Soda Plant and S.P.A.C.E. embody this ownership/management option.

Steve Conant, owner of Conant Metal and Light bought a building and had more space than he needed. He also had very little time to manage the rental of artist studios. Enter Christy Mitchell—the answer to the artist space management challenge. Today, the Soda Plant houses 18 artists and a gallery and Conant's business. Most importantly, Mitchell is the person handling the master lease of the artist space... allowing Conant to focus on his business and giving Mitchell an expertise in artist space management and operations that has allowed her to branch out—managing spaces in two other South End locations.

