

Arts & Cultural Commission (ACC)

Workgroup Report

Collaboration/Resources Workgroup

Monday, August 5, 2024 – 9:00 AM

In attendance: Eli Kaynor, Emma Stratton, Jeffrey Cooper, Karen Rosania, Kate Cook, David Schleyer

Absent:

Updates/Meeting Minutes:

- We welcomed David Schleyer to our meeting as a representative of Chinburg Properties.
- The goal of the meeting was to have an informal discussion, sharing updates on the Commission's recent work and gathering his insight (as a developer) on what factors are considered and weighed most heavily prior to building/developing a space in Portsmouth. The workgroup was particularly interested in discovering whether the arts, and supporting Portsmouth's creative community, currently played a role in the decision process for developers, particularly when considering housing, studio space, and marketplace opportunities.
- David shared many interesting perspectives, including giving examples of specific projects that Chinburg Properties engaged with, which might be prime examples of the kind of work we were investigating, such as The Art Center at Washington Street Mills in Dover.
- David indicated that an art space in a development would be a space with reduced income that can only be justified if it adds value to the remaining spaces by its presence on site.
- There was a discussion about what amenities meant – namely, anything that adds value for the tenants of one of their buildings. There was also a discussion about what types of incentives David has seen during the consideration process ahead of certain development projects. Some examples were lower, more affordable rates on permits and NPS, historic tax credits (pertaining to the preservation of historic spaces). It was interesting that the only real incentives that were considered were possible tax incentives.
- A discussion followed about how the type of mixed art space/studio space/marketplace model might often be considered less profitable from the developer's perspective, but could be more profitable in other ways, such as cultural impact, the number of people in/out the doors, and possible new business coming in – all of these would add heightened value for other buildings in the neighborhood as well, which is seen as a good thing to the developer. Having a philanthropist initiate the project (and sometimes sustain the project beyond the initial development) is another model where David has seen success behind purpose-built projects like those we are considering.
- David mentioned it is often a consideration of the developer to have multiple properties in the same area because of the benefit and value in shared resources/amenities.
- In a discussion about the new conditional-use permit ruling in Portsmouth, David mentioned that security and access would be the two, most immediate considerations he would look to, in terms of potentially altering or changing existing lease agreements with his tenants. He mentioned (because of zoning restrictions), it is much harder to add commercial, workspaces

to a residential part of a project, but that it is slightly more doable to consider adding residential parts to a commercial project – flipping the way developers might consider “live-work” space to be more feasible as a “work-live” model, instead.

- David said making changes like this, in terms of use, are often much more challenging once the use of a space has already been established. Envisioning a multi-purpose space (maybe residential on the top floor, commercial on the bottom, with differing levels of security and access provided for the residential sections) is completely doable in the eyes of a developer, but much easier to achieve on a new development, as opposed to reworking an existing space or concept (it is also, typically, much more costly to make these types of changes after-the-fact).
- David indicated that, in his experience, residential developments often have underutilized common areas that could present opportunities if repurposed as arts/crafts rooms, soundproof music studios, etc. Some examples of successful common space models that David mentioned might be finished basements that could be available to residents as an amenity. Chinburg Properties often conceives of these types of common-space designs in the development stage of their projects.

Workgroup Action Items:

- Jeffrey to share spreadsheet, AFTA data, Cultural Plan and any background info to David (Karen and Emma to send Jeffrey those materials). David will share contact information for Rebecca Proctor, owner of The Art Center in Dover.
- Kate Cook to share Home Occupation language with workgroup when final/posted
- Emma to reach out to live/work models for examples of successful business models
- The whole workgroup will continue building out its working spreadsheet with projects in other cities across the country that would be viewed as successful examples of what we are looking for. This spreadsheet will include appropriate follow-up and next steps so we have a contact person (where available) and a pathway to learn from their success.

ACC Action Items:

- Start a conversation with Kate Cook about different types of incentives that might be available to developers who consider arts and cultural spaces in their projects, clarifying which incentives would be more at the city vs. state level

Next Workgroup Meeting Date:

Wednesday, September 4, 2024 @ Karen Rosania's home studio