



THE COMMUNITY REINVESTMENT ACT AND THE CREATIVE ECONOMY

Investing in Creative Places and Businesses as Part of Comprehensive Community Development

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INTRODUCTION

Over the past forty-one years, the Community Reinvestment Act (CRA) has played a central role in encouraging financial institutions to provide adequate investment, credit and services to low- and moderate-income (LMI) and distressed communities. Increasingly this work has moved beyond affordable housing to include health centers, grocery stores, and other thematically-aligned efforts as community development¹ leaders have come to recognize that healthy, functioning communities require more than affordable housing and employment opportunities.

Creative places and businesses have been an integral part of comprehensive community development for decades. Research and experience have shown how nonprofit and for-profit cultural institutions stabilize threatened communities by improving public safety, reducing obesity and raising academic attainment, and that the presence of creatives benefit regions looking to attract and develop quality jobs.

However, conversations with regulators, financial institutions, and the mission-driven partners who make up the CRA ecosystem

reveal a general misperception that opportunities in the creative economy do not qualify for CRA, or for some reason should be discouraged from seeking CRA consideration.

The purpose of this Open Source Solutions paper is to propose greater alignment between CRA-motivated capital and the creative economy by highlighting the range of creative places and business activities which have benefited from CRA funding over time. Hopefully this will: 1) bring more attention to these types of projects from the regulatory agencies, financial institutions, and community leaders whose work is guided by the CRA; 2) help these activities to be understood as CRA-eligible; and 3) result in more projects in the creative economy receiving funding under the CRA.

THE CREATIVE ECONOMY AND COMMUNITY DEVELOPMENT

There is a growing awareness of the relevance of the creative economy as a driver of opportunity. Business leaders consistently put creativity² in their workforce as a top factor for the future of

The views expressed in this Open Source Solutions paper are those of its author(s) and may not reflect the views of the Federal Reserve Bank of San Francisco or the Federal Reserve System.

¹ Community development is the practice of investing in neighborhood economies, their physical environment, and the wellbeing of residents. Community development creates opportunities and promotes growth through housing, businesses, jobs, education, safety and health. Community Development Financial Institutions (CDFIs) are mission-oriented financial institutions. They share a common goal of expanding economic

opportunity in low-income communities by providing access to financial products and services for local residents and businesses.

² Dr. Mark A. Runco, founder of the *Creativity Research Journal* and the journal *Business Creativity and the Creative Economy* tells us that for something to meet the test of creativity it must be both original and effective. "Originality is vital for creativity but not sufficient. Ideas and products that are merely original might very well be useless ... Original things must be effective to be creative ... effectiveness takes many forms ... usefulness, fit, appropriateness ... Effectiveness may take the form of



their business.³ Mayors and governors are commissioning plans to understand the potential for the creative sector to chart a promising economic future for their cities and states.⁴ “Creative placemaking”—the deliberate integration of arts and design into community development—has received significant philanthropic support in an effort to harness the power of creativity to build economic opportunity, civic engagement, resilience and quality of life within communities.⁵

The creative economy includes fashion, food, media, entertainment, design as well as the performing arts, the visual arts, and more.⁶ Investment opportunities include real estate projects supporting creative economy activity such as artist housing, studio and workspace, retail space, cultural institutions, and community cultural facilities.

The creative economy represents a large and growing segment of the U.S. economy:

- In 2015, the annual contribution of arts and culture to the U.S. economy was \$763 billion or 4.2% of Gross Domestic Product (GDP).
- By one count, there are 4.9 million workers in the U.S. creative economy who earned \$372 billion in total compensation in

2015⁷ and the foundation Nesta puts the number of occupations in U.S. creative industries at 10.3 million.⁸

- Between 1998 and 2014, the creative economy’s contribution to U.S. GDP increased by 35%.
- Between 2012 and 2015, the creative economy had an average growth rate of 2.6%, slightly higher than 2.4% for the nation’s overall economy.

A 2017 report, *Creative Places & Businesses: Catalyzing Growth in Communities*, found that leading community development financial institutions (CDFIs), including Local Initiatives Support Corporation (LISC), Cincinnati Development Fund, Craft3, The Reinvestment Fund, and RSF Social Finance have been investing in creative places and businesses for decades.⁹ For example, over the past 30 years, LISC has invested \$138 million in 98 projects across the United States with total project costs of more than \$940 million. But because CDFIs have not tracked their activity in the creative economy, the full scope of these investments is unknown.

Dana Johnson, managing director at The Reinvestment Fund, explains that as their CDFI grew and built capacity, they expanded beyond a focus on affordable housing and developed thematic

value.” Mark Runco, *Ready to Innovate*, The Conference Board (2008), available at http://www.americansforthearts.org/sites/default/files/ReadyToInnovate_KeyFindings_0.pdf.

³ The Conference Board, *Ready to Innovate* (2008), available at http://www.americansforthearts.org/sites/default/files/ReadyToInnovate_KeyFindings_0.pdf.

⁴ A representative list of cities and states that have commissioned research and plans on the creative economy can be found at <http://www.upstartco-lab.org/resources>.

⁵ For more on creative placemaking oriented for community development audiences, please see Volume 10 Issue 2 of the *Community Development Investment Review*, guest edited by Upstart Co-Lab’s Laura Callanan and available at <https://www.frbsf.org/community-development/publications/community-development-investment-review/2014/december/creative-placemaking/>.

⁶ John Howkins in his 2001 book, *The Creative Economy: How People Make Money from Ideas* (Penguin), described the creative economy as a new way of thinking and doing that revitalizes manufacturing, services, retailing, and entertainment industries with a focus on individual talent or skill, and art, culture, design, and innovation. Creative economy definitions

are typically tied to efforts to measure economic activity in a specific geography. A relevant set of art, culture, design, and innovation industries is determined, and the economic contribution of those industries is assessed within a region. As a result, there is no agreed upon group of industries that define the creative economy: each study determines what it means in the relevant region and builds a unique set of industries to define the local creative economy reflecting the culture and heritage of that place.

⁷ National Endowment for the Arts, “The Arts Contribute More than \$760 Billion to the U.S. Economy” (March 6, 2018), available at <https://www.arts.gov/news/2018/arts-contribute-more-760-billion-us-economy>.

⁸ Max Nathan, Tom Kemeny, Andy Pratt, and Greg Spencer, *Creative Economy Employment in the US, Canada and The UK: A Comparative Analysis*, Nesta Foundation (March 2016), available at http://www.nesta.org.uk/sites/default/files/creative_economy_employment_in_the_us_canada_and_uk.pdf.

⁹ Upstart Co-Lab, *Creative Places & Businesses: Catalyzing Growth in Communities*, available at <https://www.upstartco-lab.org/wp-content/uploads/2017/03/170320-CPB-Final-Report.pdf>.



expertise in education and food programs, as well as “arts and culture.” The Reinvestment Fund recognizes the entrepreneurial, community-oriented nature of stakeholders, and based on a 2017 review, 5% of their aggregate portfolio since 1985 has focused on the creative economy.¹⁰

The *Creative Places & Businesses* report also identified 26 creative places and business projects with aggregate demand for capital of \$1.54 billion over the next five years. This pipeline is representative of the robust demand for impact investment capital in the creative economy but far from a comprehensive assessment of the potential opportunity.¹¹

COMMUNITY REINVESTMENT ACT

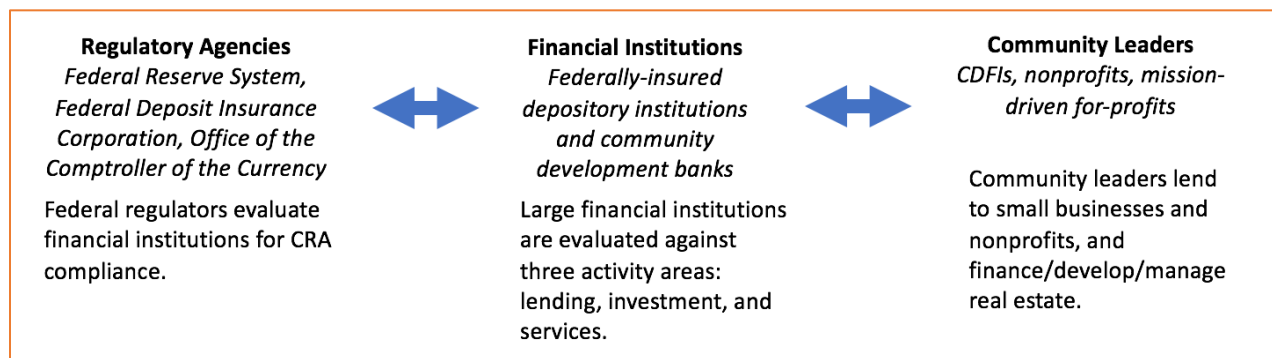
The Community Reinvestment Act (CRA) was established by Congress in 1977 in an effort to counteract the practice of “redlining,” which discriminated against low-income communities in provision of credit and other financial services.¹² The intention of the CRA was to encourage federally-insured depository institutions across the United States to meet the credit needs of their entire community.

Under the CRA, federally-insured depository institutions are responsible for undertaking credit, investment, and service activities that reach LMI populations in qualifying census tracts within the institution’s assessment area.¹³ A financial institution’s designated CRA assessment area is based on its serviceable market.

When evaluating CRA performance, regulators take into account contextual factors related to the financial institution (e.g. its capacity, constraints, business strategies, competitors, peers, and past performance) as well as the community in which it operates (e.g. demographic and economic data, overall economic conditions and credit needs, and available lending, investment, and service opportunities).¹⁴

The exam offers little to no clear-cut standards, targets, or thresholds. Regulators apply judgement and their review includes a large degree of subjectivity. Results of the exam—a final rating from Outstanding to Substantial Noncompliance—are made publicly available, and performance is taken into consideration for merger and acquisition applications and other actions requiring federal approval.¹⁵ Only 10% of financial institutions receive the score of Outstanding.¹⁶ The majority of financial institutions achieve a score of Satisfactory.

Figure 1. Community Reinvestment Act Ecosystem



¹⁰ Dana Johnson interview (November 28, 2017).

¹¹ While these 26 projects all possess strong social impact and/or community development objectives, the scope of the research at the time did not include determining CRA qualification.

¹² Jake Blumgart, “How Redlining Segregated Philadelphia,” *Next City* (December 28, 2017), available at <https://nextcity.org/features/view/redlining-race-philadelphia-segregation>.

¹³ Outlined by Kristin Crandall, “Mapping Community Reinvestment Act (CRA) Eligibility,” *PolicyMap* (July 16 2015), available at <https://www.policymap.com/2015/07/mapping-cra-eligibility/>.

¹⁴ Office of the Comptroller of the Currency, “CRA Questions and Answers,” available at <https://www.occ.treas.gov/topics/compliance-bca/cra/questions-and-answers.html>.

¹⁵ See the Federal Reserve Bank of Dallas’ “A Banker’s Quick Reference Guide to the CRA” for a deeper look of the assessment criteria and a glossary of key CRA terms, available at <https://www.dallasfed.org/assets/documents/cd/pubs/quickref.pdf>.

¹⁶ Kenneth H. Thomas, “Banks Learn the Price of ‘Satisfactory’ CRA Grades,” *American Banker* (September 8, 2016), available at <https://www.americanbanker.com/opinion/banks-learn-the-price-of-satisfactory-cra-grades>.



CRA MEETS THE CREATIVE ECONOMY

This paper analyzes 21 representative examples of CRA-qualifying activity or activity positioned to receive positive CRA-consideration in the creative economy over a 28-year period in 15 cities and 11 states (including rural and urban communities) across the U.S. (see Appendix).

These examples demonstrate that impact attributed to creative places and businesses is expressed in the same way as other community development activities, such as economic output, employment, and affordable housing. The examples feature tax credit investments and financing for affordable housing, small business lending for creative businesses generating jobs, and community services that include financial literacy, technical assistance, board memberships, and volunteering.

The examples were compiled through interviews with community development bankers, CRA officers, and CDFI

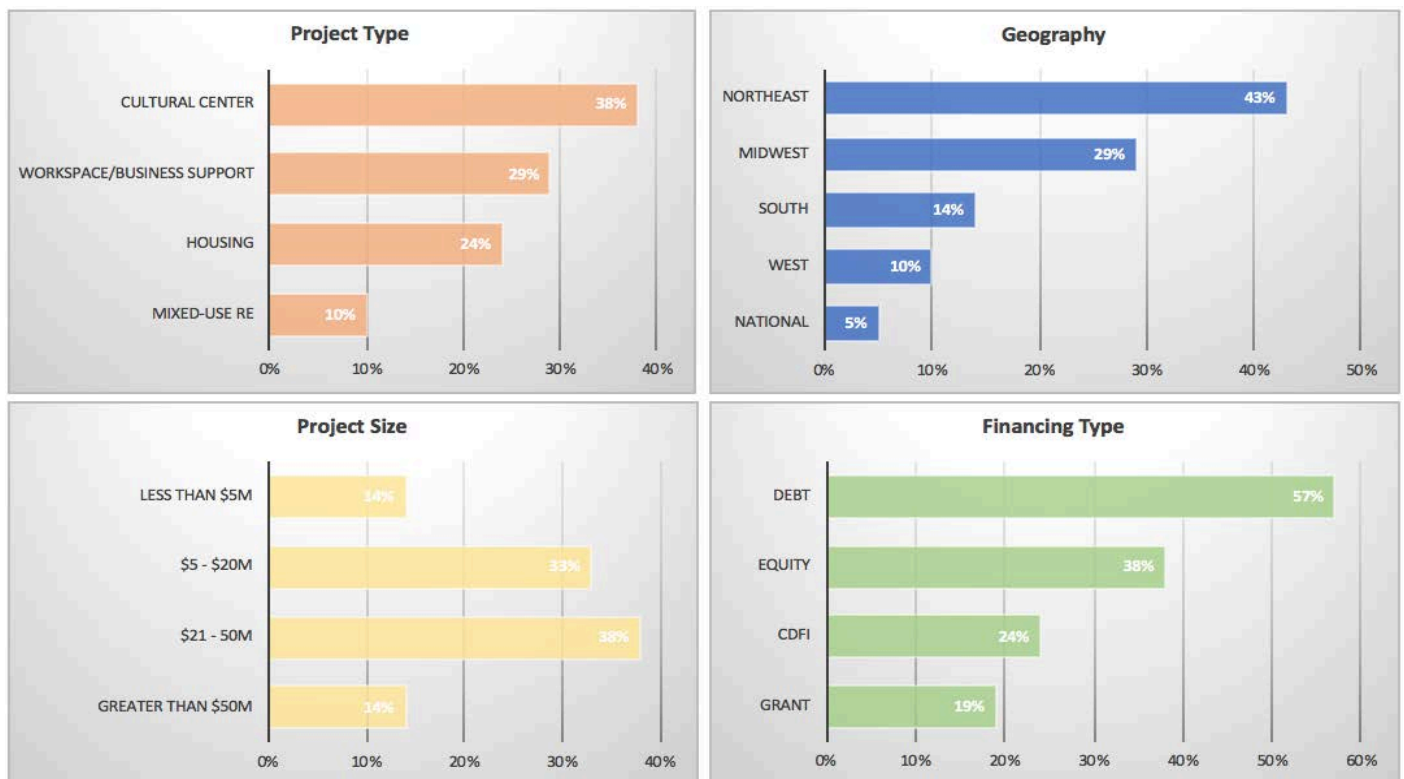
leaders. In addition to sharing examples of relevant CRA activities, they shared their approach to opportunities within the creative economy, and how these opportunities align with their CRA compliance efforts and other organizational goals.

Analysis of these projects is organized below by project type, geography, project size, financing type, and outcomes achieved.

Project Type

Across all 21 examples, key project types ranged from: 1) providing affordable housing to people working in the creative economy; 2) establishing a performance or cultural center; 3) developing mixed-use real estate; and 4) creating workspace or small business support for those working in the creative economy. These key project types benefit a range of stakeholders and most incorporate a range of uses that serve those outside the creative economy as well.

Figure 2. CRA-qualifying Creative Economy Activity or Activity Positioned to Receive Positive CRA-consideration



Note: multiple activity types were attributed to certain projects thus totaling more than 100%



Geography

The examples highlighted in this paper cover 11 states, which are broken down by region: Northeast (Maryland, New York, Pennsylvania), Midwest (Michigan, Minnesota, Missouri), South (Louisiana, Tennessee, Texas), West (California, Washington), and countrywide. Projects are largely located in the Northeast and Midwest, particularly in distressed post-industrial areas being revitalized under new uses driven by the creative economy. Traditional manufacturing hubs in these regions are turning to the creative economy as an engine to help bring back new types of quality jobs for middle-skill workers and revitalize the local community.

Project Size

Most of the examples in this study have a total project size of more than \$5 million. The median is \$16.5 million. Projects are primarily large-scale, complex real estate transactions. While this is a function of CRA compliance and the resources it takes to undergo one of these projects, it also suggests that these are opportunities for many banks to work together—and hopefully increasingly other types of impact investors—in support of the creative economy in low-income communities. Multiple high-quality partners can cooperate around due diligence and technical assistance, improving the outcomes for all investors. As banking institutions build their impact investing capacity, clients who are impact investors themselves might in the future join in as well.

Financing Type

On the whole, these projects leverage multiple types of capital across many sources (e.g. banks, philanthropy, CDFIs, and government) and are transparent, visible, and highly vetted opportunities. The majority of the examples use a mix of debt and tax credits. The latter provides much of the subsidy necessary to make equity investment possible. The role of CDFIs as balance-sheet deployers of CRA-motivated capital is also a consistent theme.

Outcomes

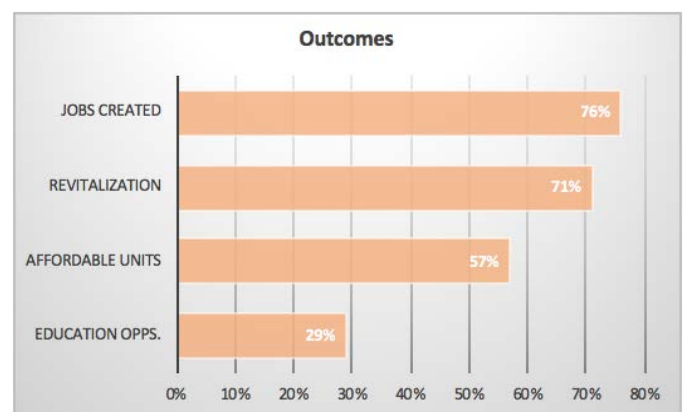
The examples highlighted in this paper have tangible and quantifiable outcomes that, while rooted in the arts, culture, and creativity, directly align with other community development efforts. Reported outcomes are measured by: affordable units or square footage for affordable living or workspace, number of

jobs created, educational opportunities, facilities created, and neighborhood revitalization.

Measuring affordable housing units and jobs created are core to community development, and stakeholders can use existing ways of measuring community benefits to gauge outcomes in the creative economy with no new measures needed. Revitalization may be more qualitative than quantitative, and creative placemaking metrics (strengthening economic development, seeding civic engagement, building resiliency, contributing to quality of life) introduce a new set of measures that are especially meaningful for new residents. Additionally, while creative industries are driving job creation and creating new pathways to career and wealth building opportunities for LMI populations, cultural institutions are creating new pathways for youth education and civic and cultural engagement.

Community development professionals may look to measuring outcomes through the established lens of economic development while paying particular attention to creative places and businesses. This may help the community development field evolve how it thinks about impact on communities to focus increasingly on social cohesion, civic engagement, and quality of life improvements.

Figure 3. Outcomes of Creative Economy CRA-Motivated Investments





BANKER PERSPECTIVES ON THE CREATIVE ECONOMY AND CRA

Dan Nissenbaum and John Olson of Goldman Sachs' Urban Investment Group emphasize that to receive credit under the CRA, investments in the creative economy have to qualify under existing CRA rules. Specifically, a creative economy opportunity must be clear in the context of what the CRA is designed to do: deliver tangible benefits and quantifiable impact for LMI communities. To that end, Nissenbaum and Olson encourage framing creative economy opportunities within larger community development goals such as job creation, small business support, and affordable housing—goals that are familiar within the CRA ecosystem. That framing effort is not only on behalf of CRA regulators but also for by community leaders in the creative economy to ensure they can demonstrate real results related to job creation, neighborhood revitalization, and community services for LMI populations.¹⁷

Financial institution leaders interviewed for this study agree that investments in the creative economy squarely fit within their CRA compliance strategy, and in some cases may even enhance it. Many of the examples highlighted in this paper resulted in significant media coverage for the participating institutions and are prominently featured in their marketing materials, websites, and social media. Not only are these inspiring stories, they help to communicate the importance of community development to people and communities.

Creative economy projects spotlight opportunities to demonstrate qualitative impact. Kevin Goldsmith, vice president and New Markets originations manager at JPMorgan Chase, describes that in recent years the bank invested in many community development projects supporting creative jobs through incubators, maker spaces, and similar venues. Their CRA strategy also puts an emphasis on the qualitative aspect of their activities, including clearly articulating how projects meet and advance their community development goals and what stories can be told beyond the numbers.¹⁸

¹⁷ Dan Nissenbaum and John Olson interview (November 10, 2017).

¹⁸ Kevin Goldsmith interview (November 17, 2017).

¹⁹ Jacob Wascalus, "With Bank Support, Arts Organizations Help Build Better Communities," *Community Dividend*, Federal

OPEN SOURCE SOLUTION HIGHLIGHT

Deutsche Bank was a key partner for Artspace's PS109, the revitalization of a long-vacant school in East Harlem into affordable live-work space for artists consisting of 89 units with additional square footage for an arts organization. Half of the units were reserved for existing members of the local community. In 2006, Deutsche Bank led with \$225,000 of seed capital from philanthropic sources to initiate the project with an eye towards doing the actual financing—which they did with a \$7 million equity investment through a syndicated LIHTC fund.

Gary Hattem, formerly president of Deutsche Bank Americas Foundation and managing director of the bank's Global Social Finance Group, described looking for ways to nurture further investment opportunity using grant funds. He saw the larger role of CRA-motivated philanthropy to seed and launch enterprises that are investible—priming the pump for future investment in the creative economy. PS109, situated in a low-income community, offered opportunities for the neighborhood that aligned with local development strategy, clearly fitting within the goals of CRA.

Still, bankers agree that while there are promising emerging opportunities in the creative economy, from a practical standpoint it is nothing new. TCF Bank community reinvestment officer Bill Sarvela, as reported by Jacob Wascalus of the Minneapolis Fed, explains that when they look at development proposals aligned with the creative economy such as their financing of Artspace projects, "they have to make sense from a safety and soundness perspective, just like any other loan....These types of loans may require a little deeper dive at the front end to fully understand the organization and their financials, but in essence we underwrite them just as we would any other commercial loan, and they are solid, well-performing deals that have a significant community impact."¹⁹ These projects hit established goals for financial and community impact. The question, then, is how do we turn our attention to them?

Reserve Bank of Minneapolis (April 1, 2014), available at <https://www.minneapolisfed.org/publications/community-dividend/with-bank-support-arts-organizations-help-build-better-communities>.



BARRIERS TO CRA AND THE CREATIVE ECONOMY

Data Withheld: The power of creative places and businesses to benefit distressed communities has not been adequately communicated to community development leaders. Robust research into the social impact of art, culture, and creativity by scholars such as Dr. Mark Stern at the University of Pennsylvania’s Social Impact of the Arts Project has shown significant improvement to health, safety and academic attainment within low income communities.²⁰ But this research has been commissioned by and shared with traditional funders of the arts—predominantly foundations and government art agencies—to the exclusion of community development leaders. The data exists to prove the benefits of creative places and businesses in low-income communities but, unfortunately, it has not informed how community development capital is put to work.

Flying Under the Radar: While investments in creative places and businesses have been part of comprehensive community development all along, the creative economy has not been recognized as a distinct segment of activity. Creative place and business activities are categorized as affordable housing, community facilities or small business loans, rather than under the unifying banner of the creative economy.²¹ Proving the old expression that “what’s measured matters,” investments in creative places and businesses have gone largely unheralded because they have not been sufficiently named and framed. There are compelling examples, but they have been flying under the radar.

Metrics Not a Mystery: There is a misperception that the impact of community investment that harnesses the creative economy is hard to quantify. As part of a comprehensive community development strategy, the impact of creative places and businesses can be assessed with the same metrics already used in the sector: affordable housing units created or preserved, square feet of community facility space

developed, number of quality jobs created. Indeed, creativity and culture are also understood to build social cohesion, promote civic engagement, and contribute to community resiliency.²² But familiar metrics of community development are a good place to start assessing investments in creative places and businesses.

Misperceptions and Bias: CRA investments connected to creative places and businesses are also held back because of misperceptions. CRA examiners and the financial institutions they review can, on occasion, jump to conclusions about the relevance of the creative economy for low- and medium-income communities. Rather than understand the creative economy as a driver of quality jobs and wealth-building opportunities—or the positive impacts related to health, safety and education described earlier—they may assume that the “arts” are nice but not necessary for low-income people. This suggests a lack of understanding of the power of art and culture as connections to a community’s heritage and traditions, a builder of social cohesion, as well as a significant contribution to quality of life, which is as important within low-income communities as it is for wealthy communities.

Limited Innovation within CRA: The CRA does not penalize—and might actually encourage—“inside-the-box” thinking and action. From the perspective of the financial institution, there seem to be few incentives to stray from familiar precedents that have satisfied CRA examiners in past years. But the CRA exam actually rewards innovation and allows examiners to apply qualitative judgement. This suggests opportunities to test the breadth of responsive and relevant ways the CRA can evolve as the needs of communities shift, including within the context of the creative economy.

²⁰ SIAP’s findings demonstrate “significant” correlations between cultural institutions in low income communities, and outcomes such as reduced obesity, improved academic attainment rates, and improved community safety.

²¹ Upstart Co-Lab is currently working with the Opportunity Finance Network to track its members’ activity in the creative economy as part of their community development investing.

²² Jamie Bennett, “Creative Placemaking in Community Planning and Development: An Introduction to ArtPlace America,” *Community Development Investment Review*, Vol. 10 Issue 2, Federal Reserve Bank of San Francisco, ed. Laura Callanan, pp 77-85.



MOVING FORWARD

To advance opportunities for LMI and distressed communities through the creative economy, stakeholders throughout the CRA ecosystem have important roles to play.

Regulatory Agencies

- Recognize that creative places and businesses are part of comprehensive community development.
- Encourage projects related to creative places and businesses that meet all other CRA requirements.
- Create a specific reference to creative places and businesses in published CRA guidelines, analogous to the inclusion of brownfield remediation or rural broadband investments.

Financial Institutions

- Present qualifying creative place and business opportunities as part of annual CRA reviews.
- Educate CRA examiners about the relevance of creative places and businesses for the communities in your designated assessment area.
- Engage existing arts and culture expertise within your institution (e.g. fine art advisory services, corporate foundation) to understand and optimize creative economy opportunities.

Community Leaders

- Present creative places and creative businesses to financial institutions for community development funding and CRA consideration—and do not be afraid to emphasize the creative economy in your framing of the opportunity.
- Educate financial institutions about the relevance of creative places and businesses for the communities in their designated assessment area.
- Become more familiar with what qualifies for CRA support and why in order to advocate for projects that keep pace with new opportunities for your communities.

CONCLUSION

Highlighting precedents of CRA funding for creative places and businesses will hopefully: 1) bring more attention to these types of projects from the regulatory agencies, financial institutions and community leaders whose work is guided by the CRA; 2) help these activities to be understood as CRA-eligible; and 3) result in more projects in the creative economy receiving funding under the CRA.

Investment in creative places and businesses fulfills the letter and spirit of the CRA by producing tangible benefits for LMI and distressed communities. Moreover, creative places and businesses are an established part of comprehensive community development and have been shown to meet CRA requirements, as illustrated by the 21 examples described in this report. Further, community development understands the value to thinking thematically, for example by focusing on quality grocery stores, health clinics, and other community determinants of health. A focus on the creative economy is another thematic example.

The community development sector is also well-placed to ensure LMI and distressed communities benefit from the rise of the creative economy. This focus on inclusion can be a powerful antidote to the gentrification that can result from conventional investment in arts and creativity within low-income communities. For example, LISC's innovative NYC Inclusive Creative Economy Fund program provides loans to nonprofit and mission-driven organizations that own, lease and manage affordable spaces for businesses in creative industries as well as cultural venues, fostering middle-skill job opportunities for low- and moderate-income New Yorkers.

Moreover, a failure to build creative places and attract creative businesses to LMI and distressed communities, and to prepare workers in those communities for the middle skill jobs the creative economy offers will push these neighborhoods and these neighbors further behind.

LMI and distressed communities which have been left out of the mainstream economy historically are at risk of missing out on their future. It would be a fundamental disservice to the intent of the CRA if these groups lose the chance to share in future economic growth which the creative economy will certainly help shape.



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Ward Wolff is senior associate at Upstart Co-Lab. Wolff was a social impact fellow with the Marron Institute of Urban Management while earning his MBA at the NYU Stern School of Business. He is on the steering committee of the Trust for Public Land's New York Next Gen Council and is a member of the Middlebury Performing Arts Council. Originally from the San Francisco Bay Area, Wolff graduated magna cum laude from Middlebury College.



APPENDIX: EXAMPLES OF CRA SUPPORT OF CREATIVE PLACES AND BUSINESSES

Project	Description + Key Partners	Outcomes	CRA-Aligned Activity
<p><u>12th Avenue Arts</u></p> <p>Seattle, WA</p> <p>2013</p>	<p>Transit-oriented mixed-use project supplying affordable housing, arts, restaurant, retail, and office space.</p> <p><i>Capitol Hill Housing, Key Bank</i></p>	<p>88 affordable housing units to working individuals and families (not exclusively artists); two flexible theaters (Black Box Operations); retail space for local food businesses office space for nonprofits.</p>	<p>Debt and Equity - Key Bank provided approximately \$20 million in commercial and mortgage loans; \$5.5 million NMTC equity and \$5.5 LIHTC equity.</p>
<p><u>Akola</u></p> <p>Dallas, TX</p> <p>2016</p>	<p>Nonprofit jewelry brand that empowers low-income women in Dallas through work opportunities and job training.</p> <p><i>Northern Trust</i></p>	<p>Directly led to creation of quality jobs for 100 low-income women in Dallas; Northern Trust SVP on organization’s board of directors.</p>	<p>Debt - \$750,000 in long-term patient capital from Northern Trust that provides an equity like layer for the nonprofit business to grow, capitalize on opportunity to launch a product line through major national retailer, and hire more women in Dallas.</p>
<p><u>Arcade Apartments</u></p> <p>St. Louis, MO</p> <p>2015</p>	<p>Redevelopment of 100-year old 18-floor, 500,000 sq.ft. historic Gothic Revival building into affordable lofts for artists and mixed-use space.</p> <p><i>Dominium, US Bank</i></p>	<p>202 affordable lofts for artists (3rd artist loft project in St. Louis for Dominion); 13,000 sq.ft. of artist studio space.</p>	<p>Equity - US Bank with \$77 million total investment through NMTC, LIHTC and other tax credit equity; US Bank Community Lending Division provided \$44 million construction loan.</p>
<p><u>ArtBuilt Brooklyn</u></p> <p>Brooklyn, NY</p> <p>2018</p>	<p>Renovation of 50,000 sq.ft. space at city-owned Brooklyn Army Terminal for affordable arts and arts business production space.</p> <p><i>LISC, NYCEDC</i></p>	<p>Creation of 55 units of affordable and flexible artist, manufacturing, and incubation spaces.</p>	<p>CDFI - LISC NYC provided a construction loan that is leveraging sponsor equity and tenant contributions.</p>
<p><u>Brooklyn Navy Yard – Building 128</u></p> <p>Brooklyn, NY</p> <p>2013</p>	<p>Renovation of Building 128 to convert a complex of three vacant connected steel buildings into a modern light industrial facility.</p> <p><i>Goldman Sachs</i></p>	<p>Promotes job creation, develops an underutilized area, modernizes assets, and preserves historical character.</p>	<p>Equity - Goldman Sachs made a NMTC equity investment in 2012 followed by an additional HTC equity investment in 2013.</p>



<p><u>Centre Theater</u> Baltimore, MD 2015</p>	<p>Theater renovation into mixed-used, multi-tenant commercial property housing joint film program of Johns Hopkins University and Maryland Institute College of Art, as well as office space.</p> <p><i>JPMorgan Chase, Jubilee Baltimore, The Reinvestment Fund</i></p>	<p>Building had been vacant for more than a decade. Serves as a community anchor with other arts investments in the community, a designated arts district.</p>	<p>CDFI - Reinvestment Fund supplied bridge and permanent debt toward construction and renovation; additional NMTC investments by JPMorgan Chase and Telesis.</p>
<p><u>City Hall Lofts and Arab American National Museum Residency Program</u> Dearborn, MI 2015</p>	<p>Conversion of former city hall into three-building arts campus as new anchor institution for region's creative economy.</p> <p><i>Artspace, Bank of America</i></p>	<p>53 units of affordable live/work space for artists, work studios, incubator space for entrepreneurs and artists, office space for creative businesses and nonprofits, live/work unit for artist-in-residency program, and gallery space.</p>	<p>Debt and Equity - Bank of America provided a significant portion of the \$16.5 million total project cost through construction and permanent financing bridging tax credit equity.</p>
<p><u>Crosstown Concourse</u> Memphis, TN 2014</p>	<p>Redevelopment of Sears Roebuck & Co. distribution center into 1 million sq.ft. of mixed use mixed income residential, retail, and commercial space centered around arts, education, and healthcare. Initiated by <i>Crosstown Arts</i>, a local arts organization serving as founding partner, co-developer, and tenant.</p> <p><i>Goldman Sachs; SunTrust Community Capital; Low Income Investment Fund; and five other CDEs</i></p>	<p>Serves as catalyst for Crosstown neighborhood revitalization. 56 affordable housing units; 1,000 construction jobs; when complete will host 1,317 jobs including 877 net new FTE positions. Features numerous creative economy tenant businesses and 425-seat performing arts theater for music, film, and community theater.</p>	<p>Equity - Goldman Sachs made a \$36.5 million total investment with HTC equity.</p>
<p><u>East Bay Center for the Performing Arts</u> Richmond, CA 2012 (renovation)</p>	<p>Renovation of historic Winters Building in downtown commercial corridor serving as an anchor for revitalization.</p> <p><i>Local Initiatives Support Corporation, City of Richmond Community Redevelopment Agency, CA Cultural and Historical Endowment</i></p>	<p>Source of community pride; youth-focused music, dance and theater programming (has reached more than 56,000 youth since opening); professional development for teachers; hosts 9 youth and adult resident companies presenting more than 50 performances annually - commissioned work devoted to telling the stories and issues of Richmond.</p>	<p>CDFI - \$3.7 million in NMTC equity allocated by LISC towards total project cost of \$15 million plus early-stage project support.</p>



<p><u>El Barrio’s Artspace PS 109</u></p> <p>East Harlem, NY</p> <p>2014</p>	<p>Revitalization of long-vacant public school into affordable live/work space for artists.</p> <p><i>Artspace, Deutsche Bank</i></p>	<p>Creation of 89 units of affordable live/work space for artists and their families (50% reserved for existing community residents) with 10,000 sq.ft. of space for arts organizations.</p>	<p>Grant and Equity - Deutsche Bank provided a \$225,000 philanthropic grant followed by \$7 million in equity through a syndicated LIHTC fund.</p>
<p><u>Gimaajii Mino Bimaadiziyaan Native American Cultural Center</u></p> <p>Duluth, MN</p> <p>2008</p>	<p>Community center and permanent supportive housing for Native American women and children in 50,000 sq.ft. historic YWCA building downtown Duluth.</p> <p><i>American Indian Community Housing Organization Local Initiatives Support Corporation</i></p>	<p>29 units of permanent supportive housing plus cultural, social, and educational offerings that provide refuge, a sense of belonging, and bridging of cultures. Support for arts-based Native American businesses.</p>	<p>CDFI - Grants and tax credit equity supplied by LISC Duluth towards total development cost of \$8.4 million.</p>
<p><u>Greenpoint Manufacturing and Design Ozone Park Industrial Center</u></p> <p>Ozone Park, Queens</p> <p>Spring 2019</p>	<p>Redevelopment of 85,000 sq.ft. bicycle factory into a multi-tenant manufacturing building (GMDC’s 8th such venture in NYC), slated for completion spring 2019.</p> <p><i>JPMorgan Chase, Enterprise Community Loan Fund, Local Initiatives Support Corporation, New York City Economic Development Corporation, Empire State Development Corporation</i></p>	<p>Creation of below market rental space for 15-20 small manufacturing firms in low-income area in strong real estate market city; tenants in their other buildings include woodworkers, design studios, fine artists, and furniture makers.</p>	<p>Debt and Equity - Acquisition and constructing debt provided by Enterprise Community Loan Fund as the lead lender with participations from Nonprofit Finance Fund and Local Initiatives Support Corporation (\$8.7 million) and by NYCEDC (\$3.7 million). NMTCs provided by Enterprise, Chase, and NYCEDC and by the receipt of HTCs. Chase is the equity investor for both. \$40 million in total project financing closed in Nov 2017.</p>
<p><u>Kiva - Loan Fund for US Entrepreneurs</u></p> <p>2014</p>	<p>No-interest loan fund and 1:1 loan matching program for U.S. entrepreneurs endorsed by an institution known as a “trustee” on the platform; includes many creative enterprises including art galleries, design studios, and fashion companies.</p> <p><i>Deutsche Bank</i></p>	<p>Accelerated funding on the platform; accessible source of funding for low-income entrepreneurs.</p>	<p>Grant - Deutsche Bank deployed philanthropic grant capital for the loan fund and matching program.</p>



<p><u>New Orleans Jazz Market</u> New Orleans, LA 2015</p>	<p>Transformation of historic Dryades Market building into new permanent home for the New Orleans Jazz Orchestra. <i>Goldman Sachs, Prudential, NO Redevelopment Authority, Community Development Capital</i></p>	<p>Expanded New Orleans Jazz Orchestra community music, education, and technology programming while contributing to the ongoing rehabilitation of the city's historical commercial corridor.</p>	<p>Debt and Equity - Goldman Sachs was the lead capital provider for development with a \$10 million investment.</p>
<p><u>New Victory Theater</u> New York, NY 1995</p>	<p>Restoration of historic Off-Broadway theater as part of the New 42nd Street project into nonprofit theater with programming exclusively for kids and families. <i>Citibank, Nonprofit Finance Fund</i></p>	<p>More than 2 million kids and family members since opening in 1995; increased arts access and diversity in the arts through programming, engagement, and hiring.</p>	<p>CDFI - Nonprofit Finance Fund supplied portion of \$500,000 loan with bank capital for acquisition and development.</p>
<p><u>Northern Warehouse Artists' Cooperative</u> St. Paul, MN 1990 (refinanced and upgraded in 2011)</p>	<p>Redevelopment of six-story railway warehouse into artist cooperative in Downtown St. Paul's Lowertown neighborhood. Artspace's first project and first in nation to use LIHTCs for artist housing. <i>Artspace, TCF Bank</i></p>	<p>52 units of affordable live/work space for artists and their families plus 54,500 sq.ft. of commercial space as home for galleries and coffee shop.</p>	<p>Debt - TCF Bank was the primary underwriter for a significant of \$10 million total development costs.</p>
<p><u>Parkway Theater</u> Baltimore, MD 2017</p>	<p>Rehabilitation of 100-year-old theater into 24,000 sq.ft. center for film, filmmakers, and film education, operated by the nonprofit Maryland Film Festival. <i>JPMorgan Chase, Reinvestment Fund, Low Income Investment Fund</i></p>	<p>Located in a severely distressed neighborhood, represents a potential tipping point by eliminating a blighting influence and bringing in arts patrons, students, and artists.</p>	<p>Equity – JPMorgan Chase participated in the allocation of \$14 million in NMTCs.</p>
<p><u>Poughkeepsie Underwear Factory</u> Poughkeepsie, NY 2017</p>	<p>Redevelopment of historic Poughkeepsie Underwear Factory into facilities that combines supportive housing, shared-use commercial kitchen, incubator space for small businesses and art space. <i>Hudson River Housing, TD Bank</i></p>	<p>Provides educational opportunities, workforce housing, flexible art space, and broad economic investment to revitalize Middle Main Street corridor.</p>	<p>Equity - TD Bank syndicated Federal HTCs as part of \$7 million total project budget.</p>
<p><u>Steelstacks Arts and Cultural Campus</u></p>	<p>Adaptation and transformation of former steel mill into arts and cultural campus that also</p>	<p>Revitalization of abandoned urban facility into job and cultural nexus. ArtsQuest's</p>	<p>Debt - Merchants Bank of Bangor made a \$88,000 loan as part of pool consisting of 11 institutions to support</p>



<p>Bethlehem, PA 2016</p>	<p>features parks and plazas, outdoor performing arts pavilion, production studios for the local public broadcasting station, and the ArtsQuest performing arts center.</p> <p><i>Merchants Bank of Bangor via Lehigh Valley Economic Development Corporation Regional Loan Pool</i></p>	<p>programming reaches more than 1.5 million people annually. Their programs and events—65% of which are free—have a combined economic impact of more than \$100 million annually in the region.</p>	<p>the development of the ArtsQuest Center which was developed at a total cost of \$26 million.</p>
<p><u>SteppingStone Theatre for Youth Development</u> St. Paul, MN 2007</p>	<p>Purchase and renovation of vacant building targeted for condominiums into 430-seat practice and performance hall for children’s troupe</p> <p><i>Sunrise Banks</i></p>	<p>Outreach and programming for kids aged 5-18 from diverse and LMI families, performs works from local playwrights and hires local artists</p>	<p>Debt - Sunrise Banks underwrote a loan to enable SteppingStone to acquire and renovate building; complements philanthropic support and line of credit for Free Arts Minnesota, an arts-based mentorship program for at-risk youth.</p>
<p><u>Union Collective</u> Baltimore, MD 2018</p>	<p>Collaborative manufacturing and warehouse space anchored by Baltimore-based UnionCraft Brewing Company.</p> <p><i>Enterprise Community Loan Fund, The Reinvestment Fund, The Harbor Bank of Maryland, Maryland Department of Housing and Community Development</i></p>	<p>The adaptive reuse of the 138,000 sq.ft. building transforms 10.5 acres of industrial warehouse space into an interactive and collaborative assembly of growing local businesses, many of which are in the creative economy, including a local ice cream maker, a local hot sauce maker and a locally based climbing center in addition to the local craft brewer. Project will create more than 100 new jobs over next 5-10 years.</p>	<p>CDFI - Acquisition and construction debt provided by Enterprise Community Loan Fund as the lead lender, The Reinvestment Fund and Harbor Bank (\$12.5 million) and by MD DHCD (\$500,000). Project also benefits from a \$1 million MD DHCD guaranty of the debt.</p>