Soho

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Abstract

Soho developed from a dying industrial space in the 1950s through a renaissance as a center for avant-garde art in the 1970s to the relatively high rent consumer and residential hub that it has become since the 1990s. This paper will summarize the neighborhood's development and assess the role of the fine arts as well as the function of local government officials and developers in this trajectory. The paper will try to stimulate a discussion on the importance of various social sectors in similar development cases, such as the 798 or Dashanzi art district of Beijing. The paper will focus on the tension between the advance of art and the success of commerce.





Introduction

In the late 1950s I was an art student in New York City, and knew some artists living in the gritty deteriorating factory area that later became known as SoHo. They were living in dirty industrial buildings with minimal services, often with exposed plumbing and electrical service lines. The lofts—a word derived from terms denoting the sky, upper air, and thus upper stories of a building-were not zoned for residential living. The neighborhood of nineteenth century factory buildings, many made of brick, a good number with cast-iron facades dating from the nineteenth century, was isolated and dirty. During the day the streets were clogged with delivery vans and trucks. At night the streets were deserted, dark and dangerous. There were few retail stores, certainly no supermarkets or convenient places for a family to shop for food. But the space the artists had at their disposal was breath-taking, sometimes open areas of several thousand feet, with high ceilings and large windows. And the space was cheap since the building owners were happy to have anyone living in the building to look after it and prevent homeless people—known then as bums or derelicts--from squatting there. Landlords especially liked artists as tenants since artists valued the space and didn't object to the lack of middle-class amenities. Their illegal status as residents in a commercially zoned building meant that they were in a vulnerable situation. As Simpson points out,

> "Their only fixtures were toilets and cold-water lavatory sinks. If heat was provided, it was according to the terms of a commercial lease, that is, only

during business hours and only on weekdays." (1981:120).

Such renters would be depended upon to keep their mouths shut about any health or other violations of the building, since the artists did not want the authorities to notice their existence and force them to move out.



SoHo street

The artists seemed to me as a young student to be like urban pioneers or daring adventurers. They sacrificed middle-class comforts for a place in which to make art. And above all, the lofts were fabulous, large open spaces with natural light flooding the room. The prevailing art style of abstract expressionism favored large canvases. The thrilling freedom to make art that such a space meant to an artist is hard to describe to a non-artist. In those times the art scene was not yet "hot", and artists never dreamed of making the incomes they could make in the 1980's and after. Yet serious artists are true "workaholics", totally involved in making their art no matter if it brings them little income, and living very selfcentered lives. The ability to fall out of bed directly into one's workspace, to store the bulky and often dirty materials they worked with in their living area, to have the space to keep any and all work



in progress in direct view, meant that the loft spaces positively enabled artists to blend and focus their lives into their art.

To give the reader the flavor of the loft scene, let me recount my visit to one fellow art student, Gregory Gillespie (1936—2000). In 1958 I remember visiting Gillespie in a large open loft room in the middle of winter in a building where the heat had been turned off. He had a small iron stove, which was the only source of heat in his living space, set in the middle of the woodfloored room. I found him huddled next to the stove dressed in his overcoat wearing woolen gloves with the fingers cut off. He contemplated his next move on a collage set on an easel about 15 feet away. From time to time he would jump up, change something on the art, and then scurry back to the warmth of the stove. The loft had no hot water either. The artist would visit friends who had normal apartments with hot water bathrooms and ask to be allowed to take a shower. Years later Gillespie became one of the rare successful artists in America, with museum shows, gallery exhibitions, and a Hirshhorn museum retrospective in 1977 which made him well known in the art world. But none of us foresaw that in the late 1950s, we just saw dedicated artists fortunate enough to have a cheap place in which to live and make art.

My personal recollection mirrors the report of art critic Calvin Tompkins' visit to the loft of artist Robert Rauschenberg in the early 1950's. Rauschenberg had not yet enjoyed the worldwide fame and fortune that he later received. Tompkins says:

The doors of the freight elevator opened directly into

Rauschenberg's loft...the ...superintendent who operated the lift during the day had agreed to let Rauschenberg have the key after 6 P.M, so he could get up and down...The loft was about a hundred feet long by thirty wide. A row of supporting columns ran down the middle, but otherwise it was clear, unobstructed space. Tall, grimy windows let in the distinctively white light of downtown New York—also the roar of trucks on Broadway. *Near the windows was a big.* ramshackle wire cage containing a pair of kinkajous...Beyond the cage stood a group of large objects—a car door, a window frame, a roof ventilator mounted on wheels—components of an *unfinished five-part* sculpture...Paintings, combines, and sculptures from the recently concluded Jewish Museum retrospective were stacked against the wall farther along. There was a big table in the middle of the room, its surface cluttered with magazines, pictures clipped from magazines, felt pens and pencils, and tubes of paint and other materials. Toward the back of the room, a counter projecting from the end wall formed an alcove for the refrigerator, the electric stove, and the bed—a mattress laid on the floor. All the rest of the loft was work space. (Tompkins 1980 pp. 83, as reproduced in Zukin 1982).

Fast forward fifty years to 2006. SoHo is now a trendy shopping district, full of boutiques as well as large stores, restaurants, galleries and facilities for



tourists as well as residents. The median household income is just under \$80,000, compared to just under \$52,000 for New York County, and 18% of the households have children, compared with 20% of the County households.¹



SoHo street scene

The median sales price for housing units is around \$2,000,000 and commercial rents are around \$200 a square foot or more, of course depending on location. SoHo (New York) has supplanted the original Soho in London in worldwide fame as an example of rags-to-riches development, a sort of place where artists squatted in shivering cold to make their art developed into a sort of place where the streets are crowded with shoppers and where celebrities trade multimillion dollar lofts. For example, here is a quote from a New York real estate periodical in 2006:

When talk-show host Kelly Ripa, and her husband Mark
Consuelos purchased a Soho duplex in the same building they already owned a full-floor loft, they needed to make decision that only the wealthy entertain: Do we really need a triplex?

Instead, they put the 5,000-square-foot loft, just below their new duplex, on the market for \$7.5 million last October. (The couple had purchased it for only \$2.8 million in 2002).

And it didn't take long to find a buyer.

In Dec., The Observer reported that a finance professional had signed a contract on the sleek apartment, but the deal just closed in late Jan. for \$7.25 million, according to deed-transfer records. (source: New York Observer Real Estate February 22, 2006).

But where are the artists whose urban loft pioneering made this fabulous real estate development possible? Where are the dealers whose avant garde art exhibitions first brought all these crowds to the neighborhood? The artists have moved elsewhere, except for the very few lucky ones who bought their lofts when they could afford them, and who have not cashed in on their extraordinary investment. And the galleries have moved to Chelsea, another edgy neighborhood losing its character as a manufacturing center and hoping to follow in SoHo's footsteps.



Source, New York Times real estate section, accessed 9/14/06: http://realestate.nytimes.com/community/profiles/Manhattan-Soho-tribeca.asp.



Cast Iron gallery-quality building in SoHo

How did this happen? Can it be replicated in other places? Should it be replicated in other places? In order to stimulate discussion of these issues at this conference I will trace the history of SoHo and its relation to the contemporary art scene in New York.

SoHo²

In the 1950s the name "Soho" referred to the well known district in London, famous for its population of artists, intellectuals and writers as well as foreign nationals with interesting and cheap restaurants. The neighborhood of Manhattan that is roughly bounded by Houston Street (pronounced in New York speech "how-stun") on the north, Lafayette Street to the east, Sixth Avenue to the west and Canal Street to the south that came to be know as SOuth

of HOuston Street, or SoHo, did not get this stylish acronym until the 1960s. At the beginning of the twentieth century this area was known as "Hell's Hundred Acres" because of the frequent fires and associated deaths of firemen. It was for all practical purposes an industrial slum: the site of light manufacturing, heavily staffed by immigrant labor in sweatshops, and marked by residential poverty. By the early 1960's planners dreamed of clearing the neighborhood and building a "Lower Manhattan Expressway" or "LOMEX" that would connect traffic between the East and West side bridges. This plan was killed by neighborhood resistance in the 1960s and 1970s³.



Artist's rendering of planned LOMEX

Architectural historians called the neighborhood the Cast Iron District to recognize the historical importance of the dominant cast iron façade construction style of the commercial buildings. The roughly five hundred loft buildings in the SoHo district were mainly five to ten stories, with two thousand to ten thousand square feet of space per floor. Ceilings were higher than in normal residential buildings, as much as twelve to fifteen feet high. Floors were often made of hardwood and

The lack of highways makes the traffic today utterly clogged with the thousands of vehicles that even planners did not foresee fifty years ago.



Material in this section is drawn mainly from Sharon Zukin's book, *Loft Living*.

lofts were open with vaulted arches or columns spaced throughout.

The lower Manhattan region where SoHo is located went through changes in the twentieth century that reflected changes in the US economy at large. The US economy developed more wealth. Manufacturing increased in scale as well as relocated in response to changes in transportation efficiency and local wage levels. In response the manufacturing sector of New York City decreased steadily. Zukin points out that the proportion of New York City's work force employed in manufacturing declined from less than a third in 1950 to one fifth by 1970. The total number of business establishments declined from just under 23,000 in 1958 to just over 13.000 twenty years later. By the 1960s the "deindustrialization" of New York City's economy meant that the loft buildings had relatively low sale prices and could command relatively low rents from the traditional light manufacturing firms who had occupied them. The banks were less than eager to refinance mortgages for owners. The looming presence of a massive transportation project, the LOMEX that would destroy numbers of buildings, depressed the attractiveness of the neighborhood for new development. Thus there was a large supply of loft space available for alternative uses.

But the concept of converting lofts into residential spaces was not yet widespread. The acceptability—if not trendiness--of loft living seems to have depended upon the existence of a supply of artists in lower Manhattan who were eager to occupy large spaces and counter-cultural enough in their life-style to ignore the lack of physical amenities in the buildings (for example, many only

had freight and not passenger elevators as mentioned in the Tompkins quote, above) as well as the scarcity of consumer resources in the immediate neighborhood.

Why were there so many artists in New York? The Second World War helped impel a shift in the center of the world's art market from Paris to New York.⁴ By the early 1960s art schools in the US were expanding rapidly and producing many artists to add to the newcomers from Europe and the rest of the world. Zukin estimates that there were between three and five thousand artists living in SoHo at the beginning of the 1960s; and perhaps fifty thousand artists and nonartists living in the neighborhood by the beginning of the 1980s. In 2006 the city estimated about 54.000 residents in SoHo, living in just under 26,000 households. As the US population became more aware that it was becoming the center of the world contemporary art market, society focused a bit more on the lives of artists. The rise in the 1960's of interest in counter-cultural life-styles focused on artists and noticed that many of these impoverished individuals were living in spaces fit for kings, or at least fit for stock brokers, businessmen and lawyers.

But there was a problem: the zoning code of New York City did not allow conversion of manufacturing to residential spaces. Practically all of the living lofts were formally illegal. In 1961 the city government passed a regulation specifically focused on artists, allowing registered artists to use lofts as studio-residences (but not purely as

See the wonderfully titled book by Serge Guilbaut, *How New York Stole* the Idea of Modern Art.



residences). In 1964 a comparable law was passed by the New York State legislature, again limiting the beneficiaries to artists willing to be certified as such by public officials. As may be imagined by anyone familiar with the personalities of contemporary artists, relatively few submitted themselves to government certification. And the people with the income to fully develop the benefits of loft living—the lawyers, brokers, businessmen, etc--were still prohibited legally from industrial to residential loft conversion. But pressure by real estate developers and a responsive city government combined to fix the problem. The government had seen that the decline of manufacturing meant decreasing tax revenues from the neighborhood as well as diminished quality of life for local residents. In 1975 the City Council amended the real estate code to allow tax abatement and tax exemptions to developers and owners who converted manufacturing lofts into residential units. In one stroke any impediments to real estate development in lofts—mainly felt by mortgage banks and the developers who depended upon them—were swept away.



Condominium in SoHo: duplex penthouse offered for \$4,365,500 in Fall 2006.

Galleries and the avant garde art scene

In 1971 the art dealer Leo Castelli moved his gallery from uptown to SoHo. Castelli was on the way to being the most important vanguard dealer in solidifying America's position as the world leader in contemporary avantgarde art. He signed up icons of American art such as Dan Flavin, Jasper Johns, Donald Judd, Ellsworth Kelly, Roy Lichtenstein, Bruce Nauman, Claes Oldenburg, Robert Rauschenberg, James Rosenquist, Frank Stella, Cy Twombly, Andy Warhol, and Richard Serra, Each artist was legitimized by Castelli to an art world hungry for recognizable imagery and ready to embrace a new art movement after a decade of Abstract Expressionism. While a few galleries had existed in SoHo before Castelli opened there—Simpson mentions that the first SoHo gallery had opened in 1968—Castelli's renown helped put SoHo on the map as a hot new place to be. By 1978 Zukin identified seventy seven galleries in the area out of under

800 galleries listed in the telephone book

The neighborhood became known for hot new art styles and life styles as well. The "Fluxus" art movement, a sort of art collective, developed there in association with similar movements in Europe and in Japan. . Marked by an anticonsumerist attitude, the group promoted interdisciplinary art styles, blending the music of such pioneers as John Cage with the visual arts and dance. The charismatic leader of Fluxus in SoHo was the artist John Maciunas, who in true entrepreneurial style convinced the Kaplan family foundation to fund the creation of artist housing in SoHo. The buildings were bought with grant funds and converted into coop housing for artists. Maciunas was influential in other housing developments, which allowed several lucky artists to buy loft spaces for reasonable amounts. As Zukin, writing in 1981, describes the process:

> In 1968 Fluxus leader George Maciunas bought two attached, six-story loft buildings in SoHo for \$12,000. Using unemployed artisanal labor, he installed bathrooms, kitchens, plumbing lines, and electrical wiring. Within a couple of years, Maciunas sold the buildings to six artists who had been renting *lofts there. They paid* \$5,300 for each 2,400-square-foot floor and set up a co-op. To finance the purchase of the building, they took out a \$15,000 mortgage as the prevailing low interest rates. When this mortgage is paid off in 1982, the owner-occupiers will be free of debt or free to refinance. In 1980, while monthly maintenance charges on each loft

were still as low as \$180, the market value of a loft in the building hit \$180,000. (1989:132)

During the decade of the 1980s, when the US art market was hot and prices for art increased stratospherically, SoHo became the center of the avant garde scene. The neighborhood attracted the traditional art buvers, but for some reason also became a popular destination for middle class consumers who did not necessarily buy high-priced contemporary art. On weekends the streets were full of strolling people, checking out the galleries for the latest work, and snacking in local cafes, bars and restaurants. This increased foot traffic—the perennially snarled streets made automobile travel too uncomfortable to consider—called forth retail boutique stores, cafes and restaurants to serve them. Busloads of suburbanites in town for a bit of big-city excitement "did" the gallery scene in addition to their other shopping.

In turn, the success of these retail establishments attracted the chain retailers who could afford higher rents. Landlords noticed this change, and acted accordingly, raising payments to the current market level of around \$200 per square foot. And this development, parallel to the changes in the residential loft market, drove out the art galleries just as the artists were priced out of the neighborhood's residential housing market. The galleries went north to the Chelsea district, clustered around Twenty-second and Twenty-third streets far to the West side. Halle and Tiso, currently studying Chelsea, count at least 239 galleries in Chelsea as compared with SoHo's current 77 galleries, down from a peak in 1990 of 262 art galleries



(2006:1). Many of the gallery owners they interviewed were explicit about their SoHo experience, citing greedy landlords' demands for double and triple rent renewals. Having learned their lesson from SoHo, many of these galleries owned their own buildings in Chelsea.

The contemporary situation

Visitors to New York who wish to check out the contemporary art scene today would go first to Chelsea, second to the 57th street galleries and perhaps third to SoHo. Many artists and dealers have relocated to Brooklyn and the serious and knowledgeable collectors in search of new talent will know where to go in that borough—perhaps the newly developing "DUMBO" (for "Down Under the Manhattan Bridge Overpass") neighborhood. In 2006, for example, the elite Art Dealers Association of America, a non-profit and invitationonly association of high-class art dealers, had only ten of its 137 members residing in SoHo, as compared with 41 in Chelsea, 24 on 57th street, and 34 in the 60's and 70's streets. The visitor to the SoHo neighborhood today would find trendy boutiques, chain stores, cafes and restaurants. The sidewalks are crowded with tourists and sometimes artists selling works along the street, while the traffic is as snarled and jammed as ever. To get a feel for the SoHo of the past one has to go to the southern part of the neighborhood, along Canal Street. Buildings there are more dilapidated and one might even find a few small factories interspersed with the retailers of odd lots and remnant goods. Perhaps the continual, never-ending stream of ugly vehicular traffic that perpetually clogs Canal Street suppresses the sort of

gentrification that has succeeded to the north.

The Cultural Meaning of SoHo

The story of SoHo as told above can be summarized as a simple sequence of happy events. The artists rescued failing. abandoned buildings and enjoyed cheap rents and fabulous spaces in which to create art. The artists formed a selfaware community which promoted avant garde art, and attracted vanguard galleries. The combination of artists and galleries invited foot traffic, which then attracted retail stores. The rising tide of real estate values in New York made money for early investors, and rescued a failing neighborhood, turning it into a retailer's and property owner's bonanza of high sales and high rents. Government played a critical role here by adjusting the zoning and municipal housing regulations to allow the shift from industrial to residential usage.

To city planners or real estate investordevelopers, the SoHo story is one to be copied. In many post-industrial cities in the world this "gentrification" has been tried, with varying success as the participants in this conference will report. My focus is on the artists and galleries. While they played crucial roles in the development of SoHo as it exists today, they have been inexorably priced out of the market. SoHo played an important, but short-lived part in the development of New York's art world just as the art world played an important, but short-lived part in the gentrification of SoHo.





Lomex: Where are you now that we need you?



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