




The Financial Case for Public Art

As two projects in Los Angeles show, public art has more than just aesthetic appeal - it can generate income for developers and local government.

DAN ROSENFELD | May 28, 2012 |  7 Comments

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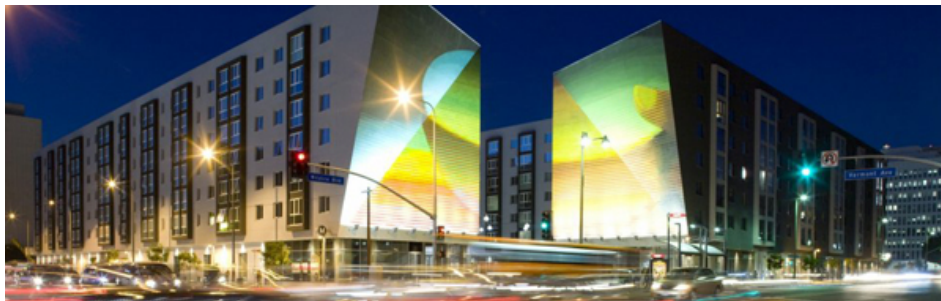
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Public art in transit-oriented developments presents a valuable marketing opportunity, both for public agencies and private developers. Dollar for dollar, investments in public art may provide the highest financial returns of any funds committed to an aspect of a transit project.

The intangible benefits of public art—*aesthetic beauty, cultural interpretation, education, inspiration, and general improvement of the urban environment*—are well-known. But because these are considered "soft" benefits, they are sometimes dismissed as a low priority, especially during challenging economic times. However, experiences in Los Angeles show that public art can be a source of publicity and cash income, as well as beauty.



Wilshire Vermont Station. Image courtesy [Riverstone Residential Group](#)

[Wilshire Vermont Station](#), a mixed-use, urban infill development in a downtown neighborhood known as Koreatown, has 449 apartments above 30,000 square feet of ground-floor retail space. Twenty percent of the apartments are reserved for low-income renters. Located in the heart of a dense and diverse mixed-income neighborhood, the development occupies

land owned by the Metropolitan Transportation Authority of Los Angeles County. A busy two-level subway station operates under the site.

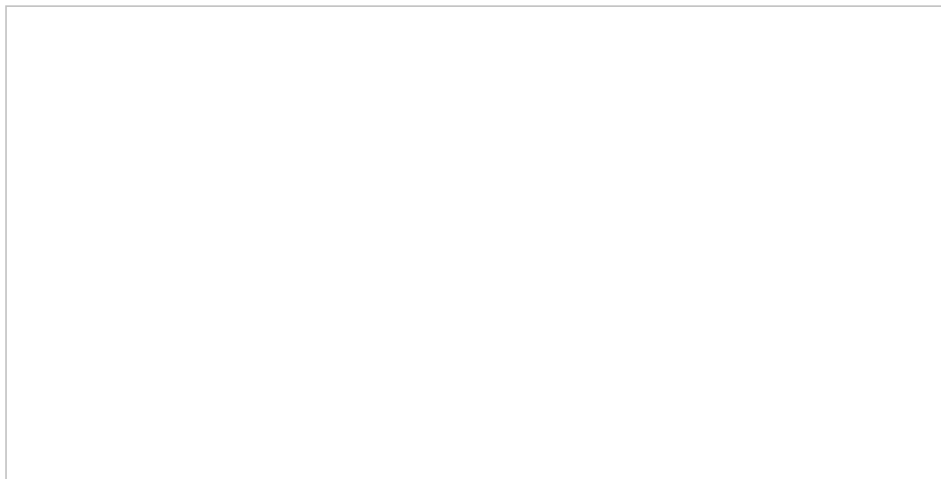
Because the project is largely residential, it was not subject to the city of Los Angeles's requirement that 1 percent of project cost for commercial development be committed to public art. Nonetheless, [Urban Partners LLC](#), a Los Angeles-based developer of transit-oriented and urban infill real estate, chose to install a pair of 70 foot painted murals, designed by [environmental artist April Greiman](#), who was introduced to the firm by the developer's art consultant, Merry Norris. The murals were installed at the prominent intersection of Wilshire Boulevard and Vermont Avenue, adjacent to the subway portal. The art program cost \$75,000 to design and install, out of a total project cost of more than \$125 million.

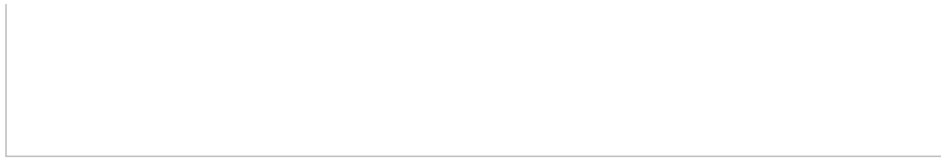
From this relatively modest investment in public art the project received more publicity, more public recognition, and more leasing interest than from any other element of the entire budget. The murals became a marketing bonanza.

When they were completed, the murals were featured in several half-page, full-color photographs in the [Los Angeles Times](#). Coverage was provided on the front page of the paper's local news and culture sections rather than in the real estate or business sections. This allowed the publicity to reach a more exclusive, cultured audience, elevating the project's reputation as a work of art, not mere commerce. This front-page coverage constituted essentially free advertising, and it created a marketing aura that the developer could not have purchased at any price.

Subsequently, images of the murals have been printed in dozens of publications, including newspapers and national and local business magazines. The images are routinely used by the local transit agency as emblems of the entire transit system, and the site is frequently host to press events and photo shoots. For example, the mayor of Los Angeles often uses the murals as a backdrop during televised announcements.

The private marketing benefits, in real-dollar terms, of this modest public art investment are almost inestimably high. The continuing visibility, publicity, and brand identification that public art provided for the project were purchased for less than one-tenth of 1 percent of the project's total cost.





District 7 Headquarters of the California Department of Transportation. Image courtesy Flickr user [Albert K Law](#)

[The District 7 headquarters of the California Department of Transportation](#) (Caltrans), at a nearby site in downtown Los Angeles, moved forward under a very tight budget. Nonetheless, it included a state-mandated commitment of 1 percent of the project budget for public art. Urban Partners LLC, also the project developer, introduced [Thom Mayne](#) of [Morphosis](#), the building's architect, to nationally known artist [Keith Sonnier](#), with instructions to integrate the art program into the building design itself. Doug Christmas of [Ace Gallery](#) in Los Angeles assisted with artist selection. With a \$2 million budget, and using neon- and argon-filled tubes that abstractly resemble the tail lights of cars, the art installation provides a colorful and changeable display in the building's otherwise limited color palette. Cooperation between architect and artist was seamless, resulting in a successful fusion of public art and architecture.

Caltrans officials, however, originally were skeptical of this use of funds. To their surprise, the neon installation became a sensation. The illuminated entry element now vividly identifies the building in the government center of Los Angeles. The building is now used frequently as a backdrop for feature films, television shows, and commercials, and has been displayed prominently in print publications around the world. Caltrans receives a substantial, ongoing income stream by licensing the entry plaza as a backdrop for still photography and TV/film.

Raising an institutional structure to the level of global artistry—and creating an unexpected revenue stream for local government—demonstrates clearly the economic benefits of public art. In this case, the benefits are public as well as private, providing income to Caltrans.

Investments in public art are not just for cultural or aesthetic purposes; they also can have a positive bottom-line economic impact, with material financial benefits to their owners. Good art is good business.

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