

Cultural Facilities as an Urban Growth Medium: Chicago and Pittsburgh Examples

**A Paper
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Cultural Facilities as an Urban Growth Medium:

The Pittsburgh Region

The Pittsburgh Metropolitan Area consists of six counties and constitutes 462.9 square miles. One of the early gateways to the Western expansion of the U.S., Pittsburgh benefited from its location on the confluence of three major rivers, and its early access to large coal and oil deposits. Its location made it a prime-manufacturing center for metals and glass – the materials for nation-building and transport; and new immigrants from Eastern Europe manned its steel, aluminum, and glass mills. Later, world conflicts would call on those plants to produce tanks and planes and armaments.

Home to some fine early architectural works of H.H. Richardson, Pittsburgh's turn-of-the-century buildings housed major corporate headquarters; and mogul mansions lined its celebrated Fifth Avenue. Few new commercial buildings of distinction have been constructed (the PPG, U.S. Steel and the first and second Alcoa headquarters, are notable exceptions); but there are many elegant restorations of historic structures – most prominently theaters, museums and cultural institutions and the transformation of Daniel Burnham's Penn Station into residences. And, with a downtown department store owner's patronage, Frank Lloyd Wright created his most famous structure – Falling Water – in a nearby rural setting.

Pittsburgh is characterized by its many hills; it is the nation's hilliest city, surpassing San Francisco and Seattle. Its neighborhoods, and neighboring towns, are defined by the region's topography, which often tends to envelop or isolate them. The rivers, once merely transportation corridors to the area's industries, are becoming recreational focuses with adaptive reuses – Station Square and its elegant Grand Concourse and the Produce Market – along the Monongehela and Allegheny Rivers, respectively. And, the steel mills that once darkened Pittsburgh's skies at noon, are now almost completely shuttered; the City's universities are replacing them with technology parks.



III. The Basic Ingredients

While to many, the image of Pittsburgh is that of an old manufacturing center and Chicago's is that of a financial/service center, their economies and recent job histories are far more similar than different. Both metropolitan areas have large manufacturing base components that have declined as a share of employment from 1970 to 2000. In fact, Chicago started with and currently has a larger manufacturing component. Both regions have had substantial growth in total jobs over the same period. The Chicago Cons

(MSA's) in the United States; this loss was twice as great as the second-largest MSA loser (Buffalo).

Pittsburgh's population loss was confined to its central county, Allegheny. Chicago's overall gain masked the fact that its main central county, Cook, had lost even more persons – 394,400 – between 1970 and 1990, but had recovered to a 118,700 loss by 2000. The City of Chicago posted a gain in population between 1990 and 2000, after several decades of losses. Much of this gain was due to a massive building and rebuilding of neighborhoods outward from its central area; and finally – in the late 1990's – of an eye-boggling residential development in the downtown, itself, with old office and factory buildings being converted by the hundreds; and new development filling in left-over spaces or covering vast tracts of railroad or former industrial properties. The City also was a beneficiary of immigrant growth.

The Chicago CMSA is expected to continue its gains in both population and jobs through 2025. According to Woods & Poole, Economics, it will grow by 1,795,000 persons and 1,583,000 jobs by that time. Pittsburgh's population is expected to remain stable over the next 25 years, even though it will gain 282,000 jobs, a 21 percent growth, over the same period. Furthermore, while Chicago's elderly (65+) population will continue to be below the national average, Pittsburgh's will continue to be much higher, reaching nearly one-quarter of its population, by 2025. This growth trend is shown in the following tables.

**Table 3
Population Trends and Forecasts**

<u>Year</u>	<u>Chicago (CMSA)</u>	<u>Pittsburgh (MSA)</u>
1970	7,959,290	2,683,790
1980	8,113,290	2,569,770
1990	8,255,570	2,395,150
2000	9,174,970	2,356,380
2010	9,827,360	2,355,810
2025	10,970,400	2,393,740

**Table 4
Population 65 and Older**

<u>Year</u>	<u>United States</u>	<u>Chicago (CMSA)</u>	<u>Pittsburgh (MSA)</u>
1970	9.85%	8.68%	10.69%
1980	11.30%	9.94%	13.30%
1990	12.52%	11.34%	17.10%
2000	12.43%	10.90%	17.71%
2010	12.92%	11.23%	16.94%
2025	17.87%	15.80%	23.74%

IV. The Chicago Experience

Long known as the “Second City”, Chicago lost that title to Los Angeles in 1990. Its major airport, O’Hare, lost its title of busiest airport in 1999. The first loss was due to a greater population migration to the west. The second was due to an inability of Chicago’s airports to accommodate its own growing demand. But, the name Second City has remained on one of the country’s foremost theater companies; and the Chicago Central Area has kept its fine array of cultural institutions and has added to it:

The Chicago Symphony Orchestra

The Lyric Opera

The Art Institute of Chicago

The Field Museum, Chicago Historical Society

The Adler Planetarium, the Shedd Aquarium

The Museum of Contemporary Art

The Terra Museum

Grant Park, Navy Pier and the Lakefront

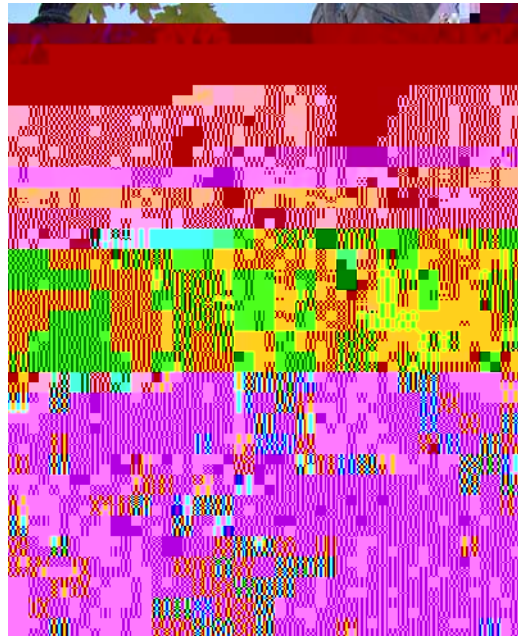
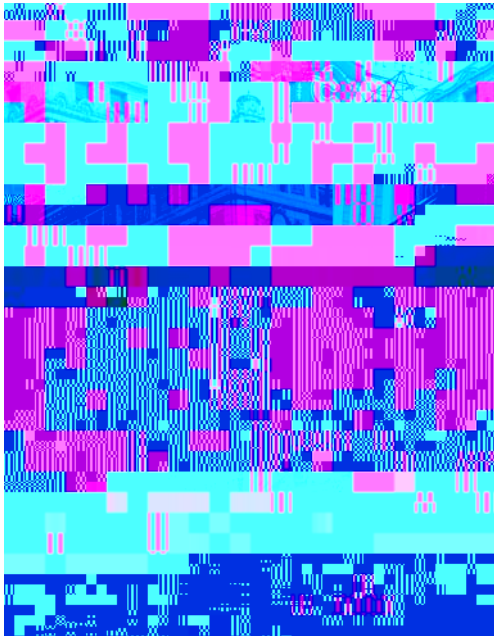
The Chicago, Goodman, Cadillac

THE CHICAGO THEATER

In 1985, ACG: The al Chalabi Group, Ltd., in association with a major developer, Marshall M. Holleb, and a syndicator, Rodman & Renshaw, purchased, renovated and tenanted the venerable Chicago Theater. This landmark structure bore the symbol of Chicago as its marquee. But its days were numbered and demolition was immanent. This was due to the fact that the theater (3,800 seats) and its adjacent 1890's office building occupied a parcel of downtown land that was valued at \$32 million; the Theater and Page Brothers Building were valued at \$2 million, approximately the cost of demolishing them.

ACG's principals crafted a creative solution that involved the granting of an historic facade easement to the Landmarks Preservation Council of Illinois. In return for this easement and anticipated economic benefits, 135 limited partners invested \$10 million towards the purchase and renovation of the two structures. This equity was matched with a \$12.5 million low-interest loan and a \$2.5 million grant from the federal government. The City of Chicago was the pass-through agent for these funds.

The funding plan took a long time to conclude – primarily because it involved unique and



The City of Chicago has taken great care to maintain and embellish its urban amenities. Within its downtown, its public sculptures include those by Picasso, Miro, Calder, Dubuffet, Chagall, Oldenburg and Nevelson. Its parks and lakefront are a welcome surprise to many visitors. It was 166 years ago, one year before the City was incorporated, that Chicago's business leaders declared that the lakefront would remain "forever open, clear and free". "With these words, they made a promise...that this city, hustler from its infancy...would do what no other city in the world had done. It would give its most priceless land, its infinitely valuable shoreline, to the people."²

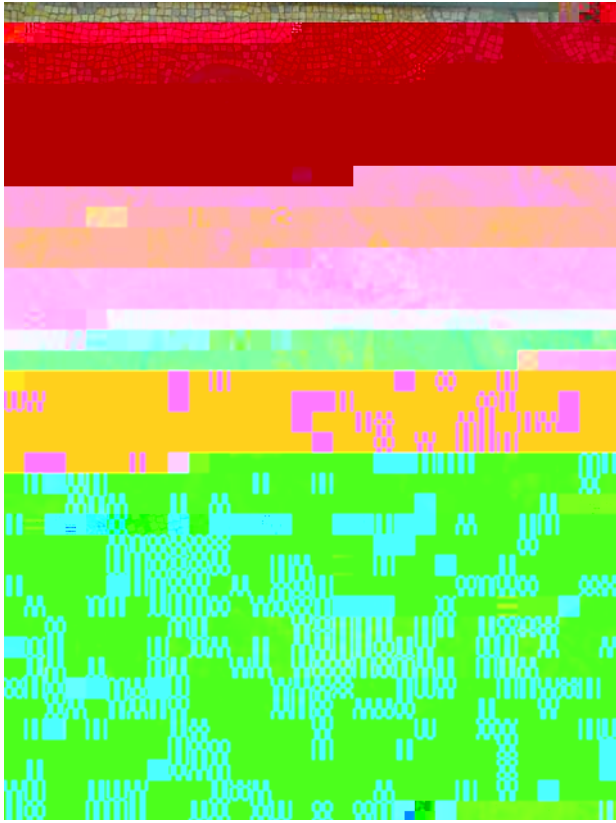
Nearly a century ago (1909), Daniel Burnham's Plan for Chicago turned this pledge into a physical plan for the city's long-term development. Chicago's lakefront string of parks – fiercely protected – has been expanded, on a regular basis, by adding and covering parking lots with more parks. A rather overdue and over-budget Millennium Park is emerging downtown with a signature wrapped metal band-shell by Frank Gehry. At the periphery of this urban green is a high-density wall of offices and residences. Mayor Richard M. Daley has extended the green by filling every major arterial median strip with trees, plants and flowers – taking to heart his father's famous question, "What trees do they plant?" Those plants have sprouted new and restored neighborhoods by the dozens.

Along with its lakefront and parks, Chicago's river also has become a significant focus for development. This is due to the fact that Chicago's earliest industries were built along its river edge. These industries consumed large tracts of land that already were of sufficient size or otherwise easy to assemble into a size that accommodated large residential developments. In other instances, the industrial buildings, themselves, were redeveloped into large apartment or condominium complexes.

Chicago is a City where "cows on parade" made international news and spawned many imitations; and where Chihuly glass flowers compete with real flora in one of the City's lesser-visited (until now) conservatories. The site selection brought new visitors to an overlooked area of the city – although very little is overlooked anymore. The City's major museums vie for the world's foremost art shows – bringing Monet, Renoir, Gauguin and Van Gogh, the archeological treasures of Egypt, retrospectives of more recent painters and architects (Richter, Gursky, Mies van der Rohe) and the fashions of Jackie Kennedy regularly to town.

Live theater has flourished in a city where Academy Award winning actors (Malkovich, Peterson, Kinney, Allen, Sinise, Schwimmer, and Macy) return on regular bases to perform or direct in theaters they have helped build; and renowned authors (Mamet and many others) continue to write for them. Academy award movies are made in Chicago; and national television programs broadcast from the

² Lois Wille, Forever Open Clear and Free, Chicago 1972.



downtown. These productions have spawned a large group of artists and technicians that continue to attract new film-making. The city's thousands of artists, actors and artisans – from its hundreds of theaters and galleries – work part-time for the growing cadre of entrepreneurs to support themselves in their chosen arts and professions. It is precisely this extraordinary access of the artistic and creative classes to one another that allows both to produce and prosper.

Chicago has become, in many respects, an incubator of modern cottage industries – creative, entrepreneurial endeavors. The ability to work from home or in 1- to 10-person offices, sprinkled among corporate giants with workforces of 50,000 to 200,000, allows the entrepreneur to live well. Conversely, the ability to outsource work helps the large corporation to reduce overhead. Dr. David Birch³ has referred to such entrepreneurs as “antelopes” – small and agile, fast on their feet. He also cites access to a major international hub airport as being critical to their economic survival. Richard Florida, of Carnegie Mellon University, refers to this same group as the “creative class”, 3

percentages of both parents are working. Furthermore, with new, renovated and joined unit, these households now enjoy suburban amounts of space – and a density and variety of amenities not available elsewhere.

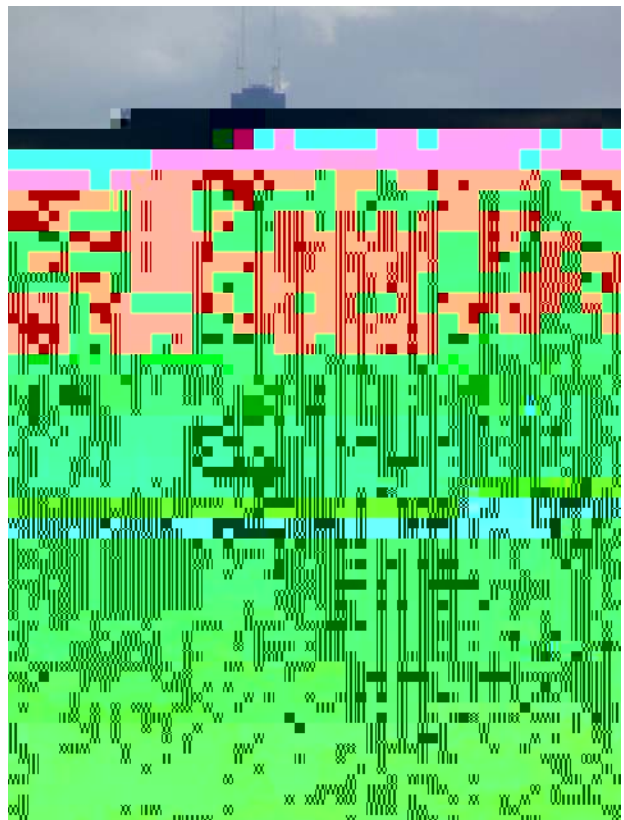
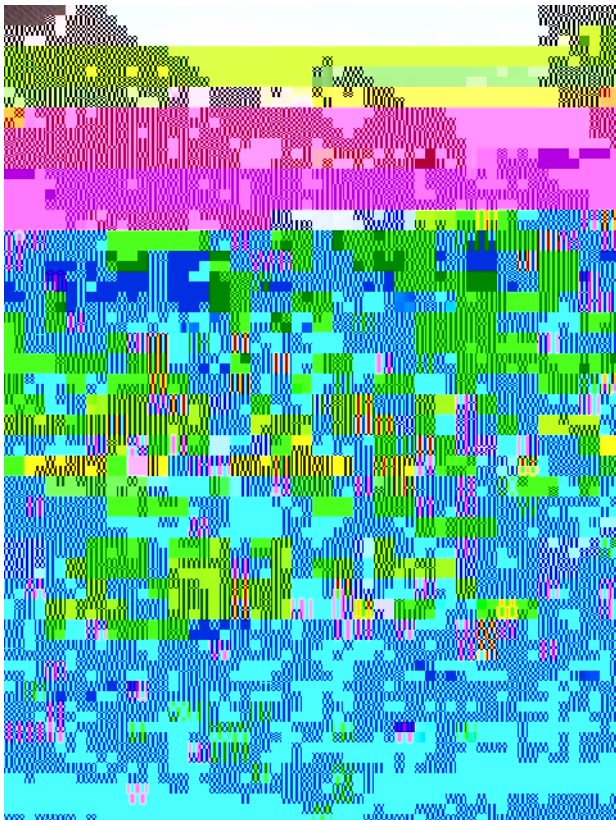
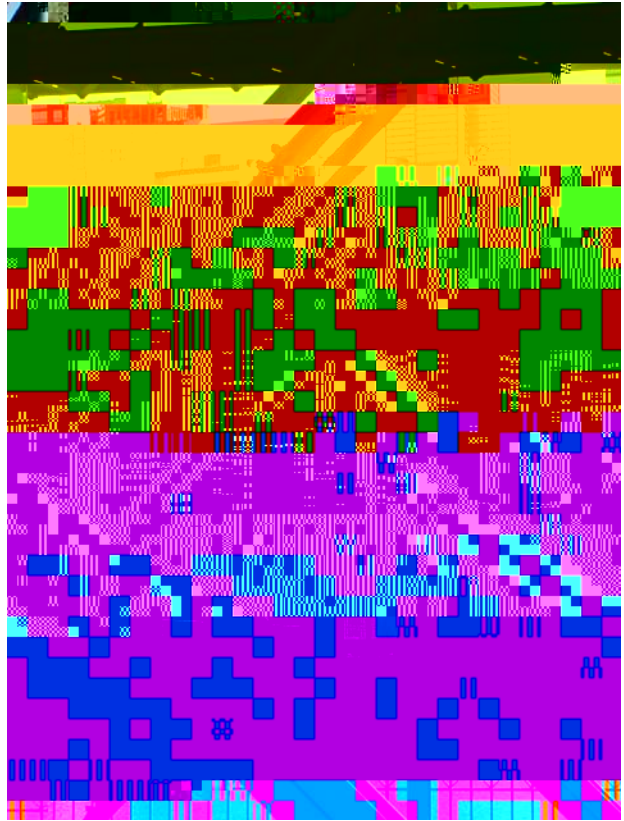
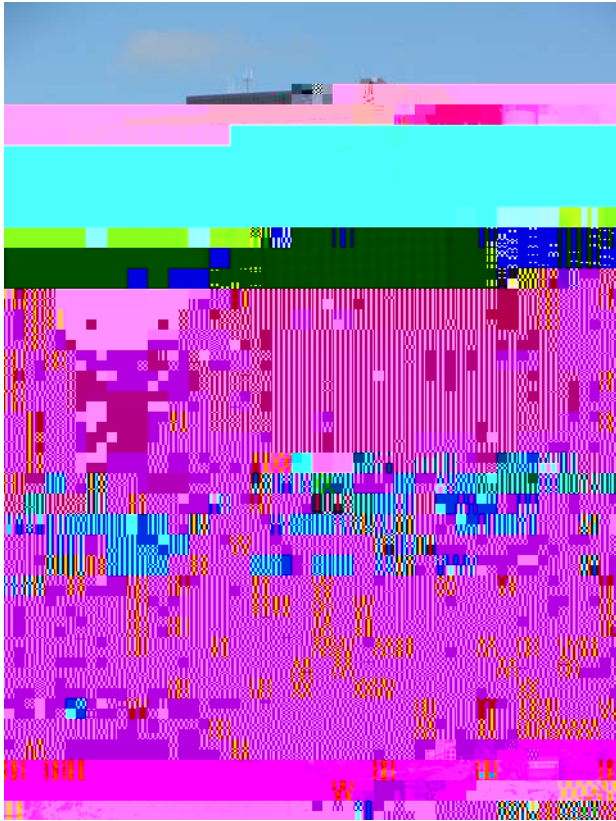
There is, now, no reason for these households to move; and every reason for them to stay. Young, entrepreneurial couples (straight and gay), singles and older couples and individuals can move from work to theater to dinner – within walking distance or a short taxi ride. The only inconvenience is the 60,000-100,000 convention attendees who take over their favorite restaurants for days at a time. But, it is those conventioners who have created the initial demand for the fine hotels and restaurants that the residents frequent. The two are co-dependent and simpatico.

Chicago's bountiful amenities, attractions and amusements – along with its fortunate location and its airport – have allowed it to remain the nation's leading convention center. The City of Chicago and State of Illinois are planning the fourth component of a convention center that already is the nation's largest. The political establishment knows that imported revenues are the best kind, leaving residents to benefit from all the amenities put in place (restaurants, amusements, retail, etc.) and the lower share of taxes required to pay for them – when a hotel/retail tax so conveniently comes from the visitor.

Furthermore, the large corporations, universities and medical facilities in and surrounding the Central Area also continue to thrive, attracting many scientists, researchers and other self-motivated individuals. Chicago's major universities – Chicago and Northwestern – have contributed to the growth of a vast medical complex that produces Nobel Prize winners and leading-edge research. Corporations, such as Boeing, recently have relocated to Chicago to take advantage of its cultural diversity (its CEO is said to be a devotee of opera) as well as its fine access to the world. Other, multi-national corporations take advantage of the large groups of individuals attracted to the city for its wealth of cultural facilities.

And the State of Illinois finally is building the Third Chicago Airport, as well as expanding O'Hare, to accommodate both its many conventioners and visitors and Chicago's expanding Creative Class. Consequently, we are likely to see a major growth in the South Side of the region to balance and continue the development of the North, Northwest and West. The development and revitalization, coming full circle throughout the region, will make the Chicago Central Area even more vital and more attractive to the entrepreneurial and creative classes.

With its tens of thousands of new and renovated housing units in and around the Central Area, Chicago stands to benefit from the region's overall job growth and, more specifically, from its growth in creative class pursuits. But its new residents will be surrounded by cultural facilities, Lake Michigan and a dedicated edge of open space.



V. The Pittsburgh Experience

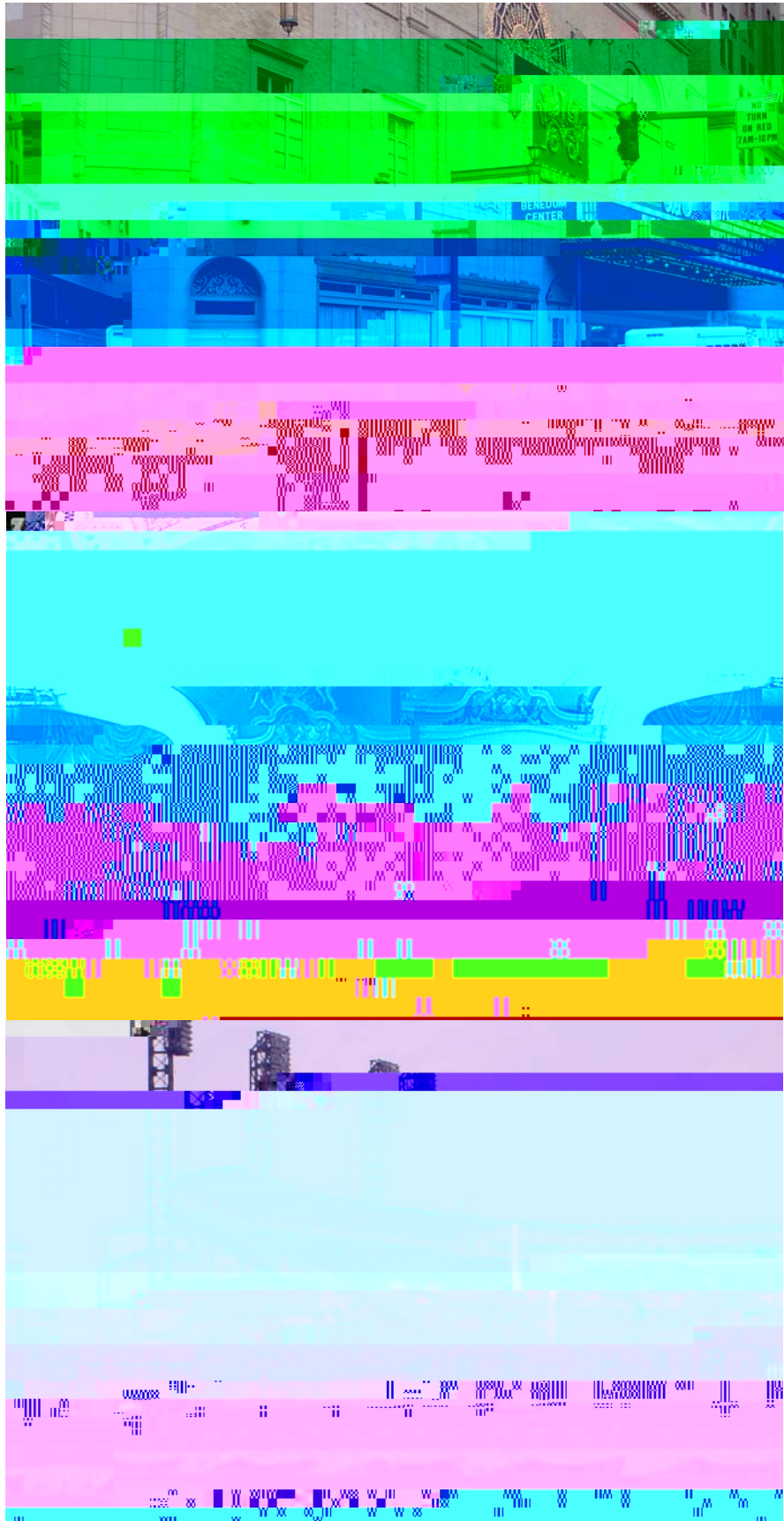
The City of Pittsburgh has experienced several renaissances: the earliest, in the late 1940's – early 1950's, transformed a gritty, smoky city into a more-livable corporate center with the help of a public-private partnership that cleaned its air and water. Renaissance II provided grand public spaces and major office buildings in the Golden Triangle, the City's downtown. These two efforts improved the City's environment; but economic change continued to take its toll on the City – shuttering manufacturing plants and downsizing corporations. The nation's westward/southward movement also put the City at a locational disadvantage – one that its transport could not overcome.

The economic downturn of the late 1960's and 1970's culminated in a city that had lost half its manufacturing jobs by 1980. Businesses relocated out of western Pennsylvania; and Pittsburgh's downtown storefronts – and the streets themselves – were vacant. Nightlife was non-existent. This factor prompted the City to embark on a Third Renaissance, which focused on its cultural resources. Taking the lead, H.J. Heinz II created the Pittsburgh Cultural Trust, which has, over the past 18 years, transformed the Pittsburgh downtown into a vibrant, people-filled area. More than fourteen cultural facilities dot the 14-square block area of the downtown. They include:

Heinz Hall – home of the Pittsburgh Symphony Orchestra
Benedum Center for the Performing Arts (home to Pittsburgh
Civic Light Opera, Dance Council, Ballet Theater and Opera)
Byham Theater
Harris Theater (Home of Pittsburgh Film Makers)
O'Reilly Theater (Home of Pittsburgh Public Theater)

These facilities join the few older ones, including one (Opera Theater) founded by a WSE member, Ms. Mildred Miller-Posvar:

Nixon Theater and Playhouse
Civic Light Opera
Carnegie Mellon University's Kresge Theater
Opera Theater of Pittsburgh



**Mellon Jazz Festival
Pittsburgh Ballet Theater
Dance Council/Dance Alloy
Manchester Craftsmen's Guild**

The Carnegie Museum of Pittsburgh has expanded to include several major museums and others have joined in the cultural explosion; the new additions are:

**Carnegie Science Center
Andy Warhol Museum
The Mattress Factory
Pittsburgh Film-makers
Three Rivers Arts Festival
French Art and Historical Center
Society for Contemporary Craft
The Pittsburgh Regional History Center
Wood Street Galleries, Silver Eye**

Pittsburgh's growth as a cultural center is nothing short of phenomenal. "To describe Pittsburgh's unconventional, un-Disneyfied remodeling of its cultural district...is to explore how theater can help transform urban identity".⁵ And its creation and expansion of museums and art galleries has continued that transformation. It has even reclaimed one of its most famous emigrants – Andy Warhol – who would not have willingly returned (see Andy Warhol story box).

Add to these developments, the City's major new sports facilities for its football, baseball and hockey teams. Its Pirates have been on life support for years – with partial public ownership. But its new ballpark (PNC Park) is one of the finest urban ballparks in America. Built to showcase the Pittsburgh downtown as its backdrop, the stadium minimized its parking, asking patrons to use the many office parking facilities or remote parking lots or to use public transit, including riverboats. The result is an urban ballpark without peer.

This year, "Pittsburgh leapfrogged over seven other cities...to become the fourth-most-popular destination for tourists interested in the arts and culture, according a poll of readers of American Style Magazine."⁶ New York, Santa Fe/Taos, and San Francisco/Berkeley were the top three. Pittsburgh has 185 not-

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THE ANDY WARHOL MUSEUM



for-profit arts organizations; a 1997 study⁷ estimated that 63 arts organizations had a \$368 million annual economic impact on the area, \$251 million to the City of Pittsburgh, alone.

The major universities of Pittsburgh, primarily Carnegie Mellon University (CMU) and the University of Pittsburgh (Pitt), have helped to tie the art, culture and technology of the area together in a number of significant ways:

“cutting-edge lifestyle” difficult to maintain. Even more formidable is the “conformist ethos” of the city’s inhabitants.

I believe that one reason for the “missing middle” is the terrible tax burden that has been placed on the residents of Pittsburgh – and, more-specifically, residents of Allegheny County. Dwindling tax revenues from industries and lost jobs have not been matched by commensurate cutbacks or efficiencies in public service costs. Instead, larger and larger responsibilities are placed on the homeowner and – in many cases – the entrepreneur or new business. This leaves little incentive to build or to renovate. The result is that larger portions of the young and educated – including most of Pittsburgh’s university graduates – move on to greater opportunities, elsewhere.

That fact is no better illustrated than through the story of Lycos. This search engine – developed at CMU – was moved by its developers to Boston for lifestyle reasons, only, according to Richard Florida, in his book.¹⁰ Such technological innovations created the Silicon Valley. Pittsburgh and its major drama school, CMU, also have produced a long-list of individuals who have transformed the American entertainment industry. This includes Steven Bochco and John Wells, who created the most significant television dramas of the past 20 years. These persons had to move on – to Hollywood and New York – because these are the nation’s entertainment capitals. But, CMU continues to innovate in its drama education; and, possibly, new industries will develop, grow and remain. And, as U.S. filmmakers continue to make major films and television shows based in Pittsburgh, a filmmaking industry needs to be developed and anchored there.

Two additional factors complicate Pittsburgh’s attraction of a cultural, creative elite. These individuals – although adept at e-communication – must also travel to see clients and they want to travel for pleasure. Pittsburgh’s major airport is one of the most expensive places in the U.S. from which to fly because it is controlled by one airline – one that has very high operational costs. Furthermore, this airline is cutting its service to Pittsburgh – in proportions greater than at its other hubs. Attracting a low-cost airline to serve the region – and a cadre of young entrepreneurs – would produce enormous economic benefits.

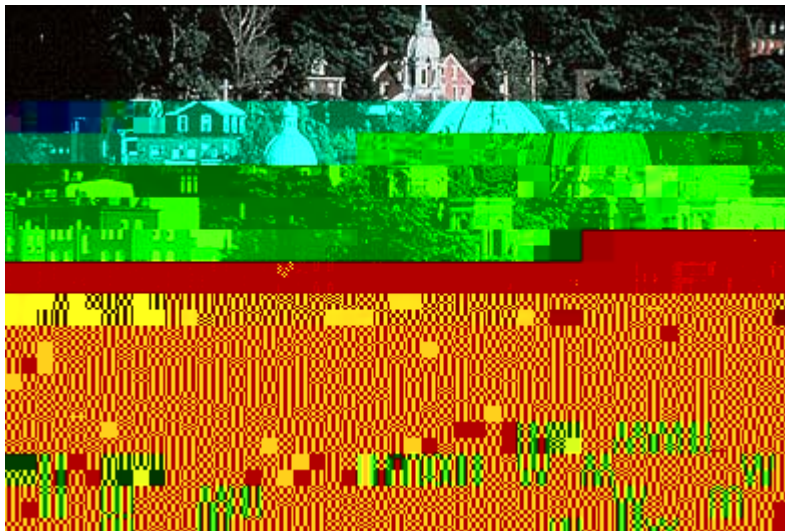
The second factor – often cited – is Pittsburgh’s inability to recycle, renovate and reuse its repository of elegant old buildings. If not reused for offices and retail, these buildings should be refitted for residential use. Chicago has benefited greatly by bringing residents back to the downtown. Pittsburgh’s downtown is replete with buildings that are eminently suitable for such reuse. Furthermore, allowing mixed uses – small offices and residences – would be even more fitting and beneficial. The latest issue of County Business Patterns, published by the U.S. Census, indicated that the average business establishment in the U.S. employs 16 persons. And,

¹⁰ Florida, OP CIT

professions – management consulting, computer system design and architecture – are carried out in very small offices (5-7 persons). The Pittsburgh Cultural Trust has assisted such residential renovations in the Cultural District. The elegant old houses of nearby residential areas – Mexican War Streets and Mount Washington – also would do very well in this regard.

The Oakland Area, surrounding Pittsburgh’s major universities, and nearby, East Liberty are among the least inviting environments in the Pittsburgh area. Yet, these are the areas that are on the frontline to attract – and hold – Pittsburgh’s cultural and creative elite. Few of East Liberty’s architectural attractions remain and urban renewal has turned its streets into a mystifying maze. Oakland’s tangle of small, marginal shops amid large-scale institutions destroys cohesion. Residences are few and far between.

But there are many genteel and attractive neighborhoods surrounding the Downtown and the University areas. Nearby Shadyside has considerable resources for residential upgrade and development: large and small old residences on people-scaled streets around a thriving retail district. Highland Park has lovely single-family homes. Redevelopment should be initiated in much of the city between Oakland and the downtown – currently a vast structural wasteland – but with superb views and excellent access. A rethinking of this area as a true hill town environment would make it work. The large mansions along Fifth Avenue seemingly are waiting to be renovated; some assistance in the form of tax credits or tax abatement would help. These are just a few of the many resources in and around Downtown that are waiting to be exploited.



VI. Conclusions – and One Cautionary Note

Chicago is well on its way to being a 21st Century setting for the entrepreneur and “creative” class. Its many cultural facilities and institutions are key ingredients to a rich and diverse economy and life style. Its strategic location and easy access to the world attracts businesses, immigrants and visitors who help enrich the lives of the residents. Pittsburgh has many of the same cultural ingredients; but the economic toll taken on its industries and corporate headquarters remains, in the form of a heavy tax burden. And, its high costs of air travel isolate it from the world.

Chicago’s young and inventive can still find relatively inexpensive housing to rehabilitate near public transportation and next to neighborhoods of \$500,000+ housing. Pittsburgh’s housing stock is even lower priced; but, the taxes on it are disproportionately high; and the large market needed to make substantial change is going elsewhere – to other metropolitan regi

It may be some consolation that Pittsburgh is only one step away in the process that Chicago has used to regenerate itself. It may reflect on that old joke: “Where would you want to be when the world ends?” “Pittsburgh, because it’s ten years behind the times.” Ten years isn’t such a long time in the evolution of a metropolis; but it does require a commitment to change.

There is one cautionary note, to this very upbeat assessment, however; the booming cultural business is in jeopardy. The Pittsburgh Symphony Orchestra just announced a \$750,000 million deficit this year. And, Chicago’s many cultural institutions are suffering from lost donations. The venerable Chicago Art Institute has scaled back and postponed its \$200 million expansion. The aftermath of 9/11, coupled with an economic downturn and a corporate ethics blow-up, have cut deeply into corporate and individual donations. Furthermore, a national cocooning has stressed home entertainment advances over attendance at events. A continuation of these trends could strain Chicago’s development and nip Pittsburgh’s in the bud.

We trust that the stall in donations to cultural facilities is just that – a temporary glitch in the economic cycle. Development flowing from this investment has produced benefits so numerous and so significant, that it is difficult to believe that it would not be continued, and expanded.