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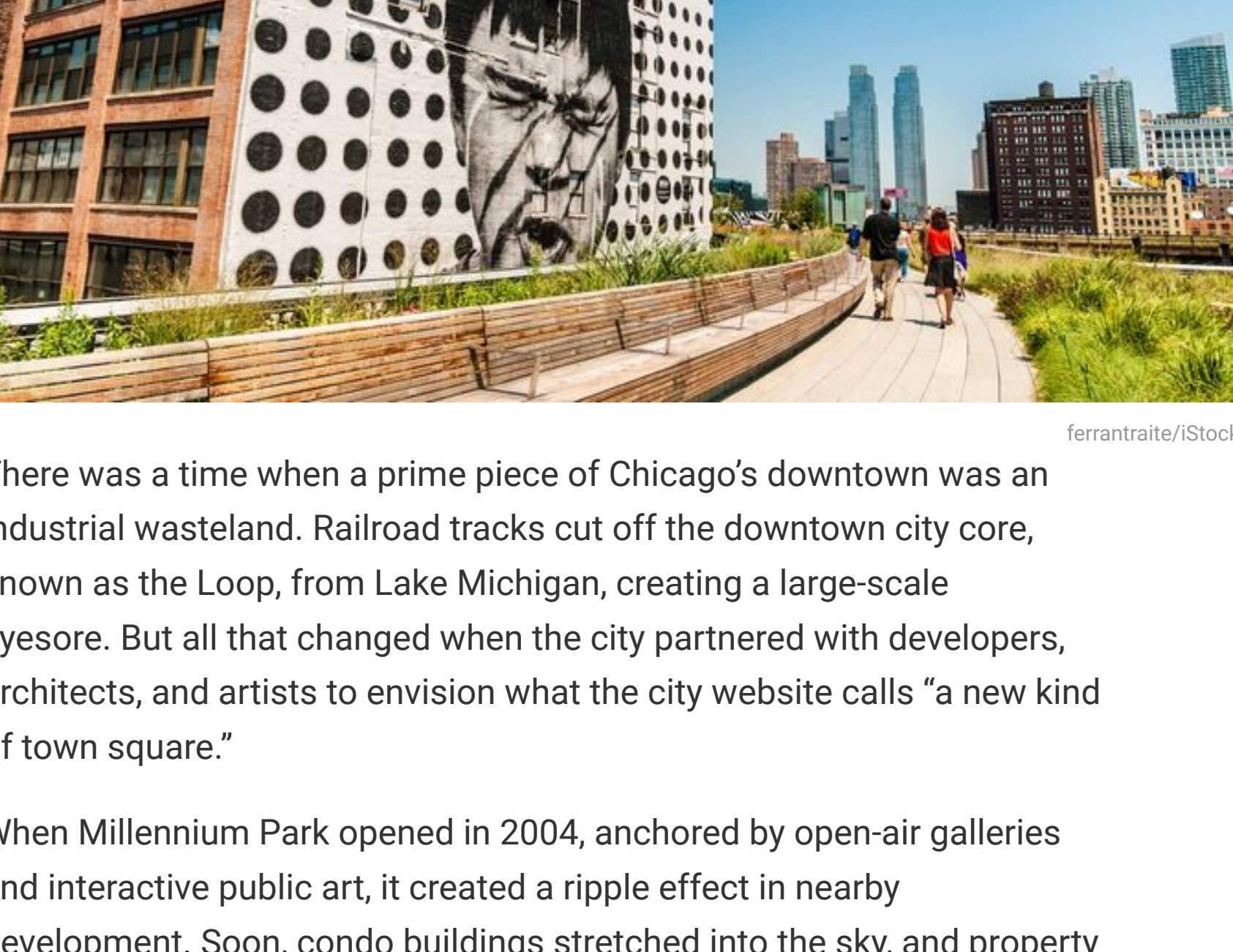
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TRENDS

## As Public Art Goes Up, So Do Nearby Home Prices

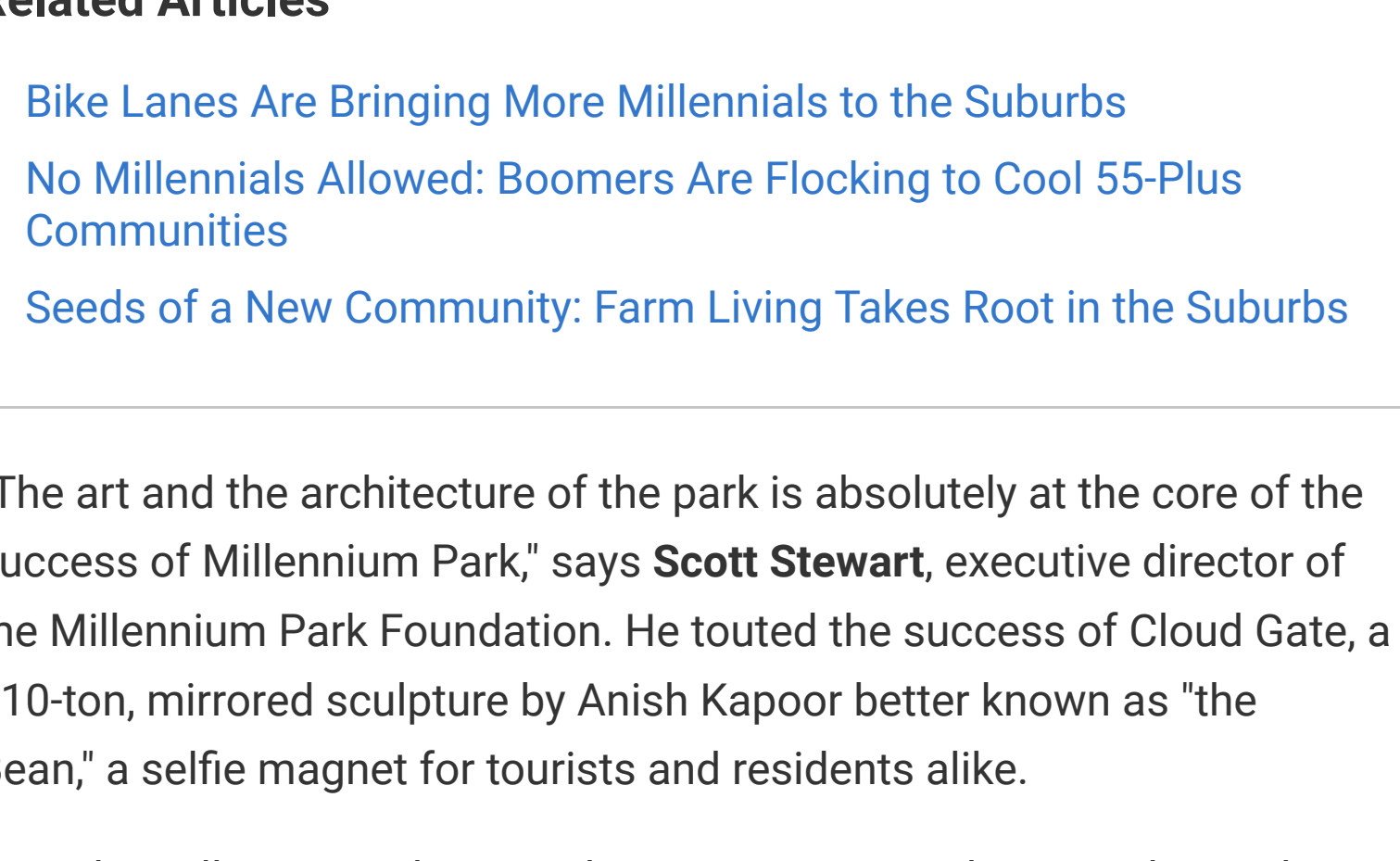
By Kelly Pedro | Apr 25, 2018



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There was a time when a prime piece of Chicago's downtown was an industrial wasteland. Railroad tracks cut off the downtown city core, known as the Loop, from Lake Michigan, creating a large-scale eyesore. But all that changed when the city partnered with developers, architects, and artists to envision what the city website calls "a new kind of town square."

When Millennium Park opened in 2004, anchored by open-air galleries and interactive public art, it created a ripple effect in nearby development. Soon, condo buildings stretched into the sky, and property values skyrocketed in the Loop. The "Millennium Park factor" has been credited with fueling the area's real estate growth by about 10,000 new units over the following decade, to the tune of \$1.4 billion just in residential development, according to an [economic impact study](#) by URS and Goodwin Williams Group.



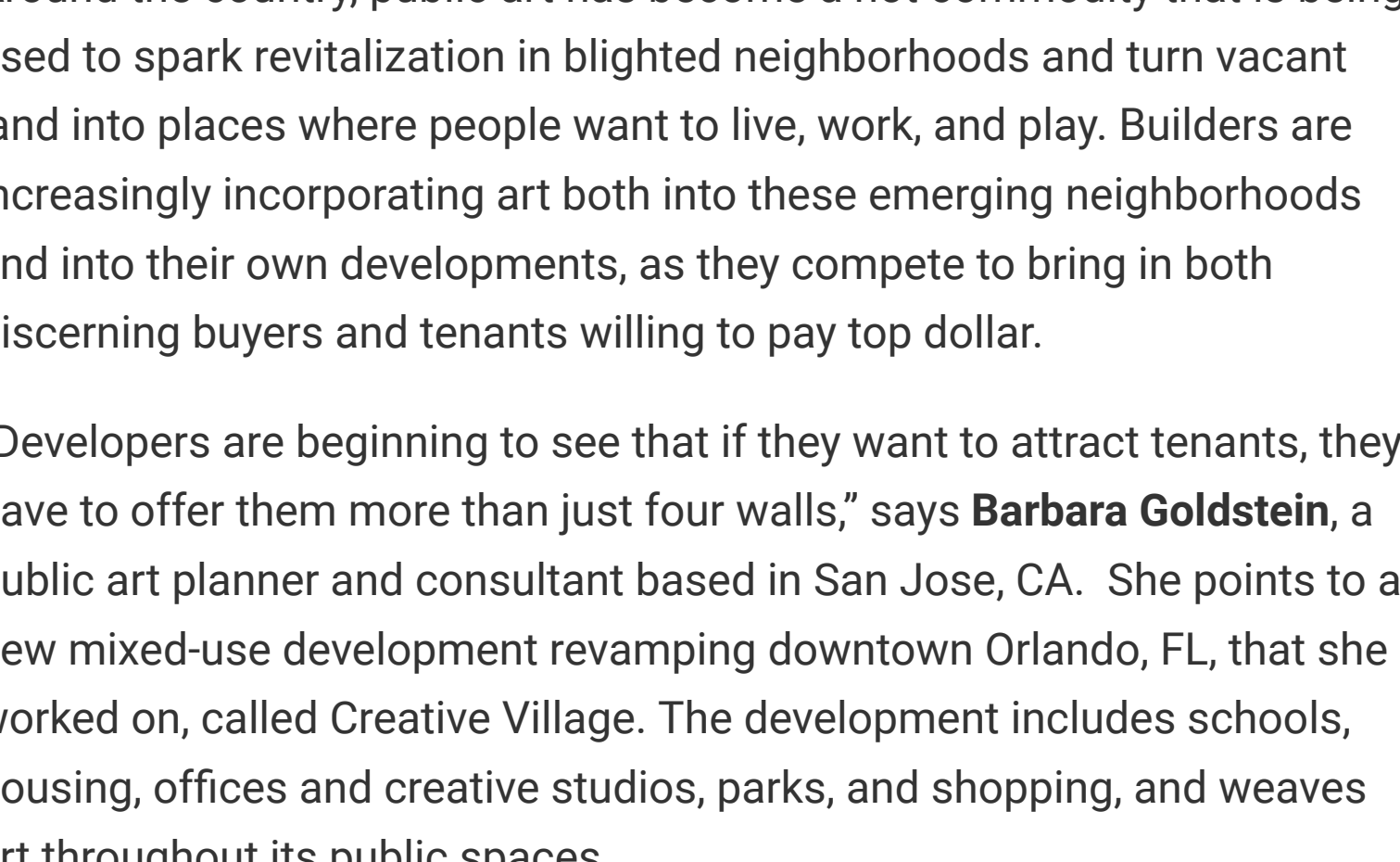
Crown Fountain in Millennium Park, by Jaume Plensa | Millennium Park Foundation

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"The art and the architecture of the park is absolutely at the core of the success of Millennium Park," says **Scott Stewart**, executive director of the Millennium Park Foundation. He touted the success of Cloud Gate, a 110-ton, mirrored sculpture by Anish Kapoor better known as "the Bean," a selfie magnet for tourists and residents alike.

"People really want to be near these great, iconic places or things that make a city recognizable," Stewart says.



The Cloud Gate sculpture, (aka The Bean) in Millennium Park | EddieHernandezPhotography/Stock

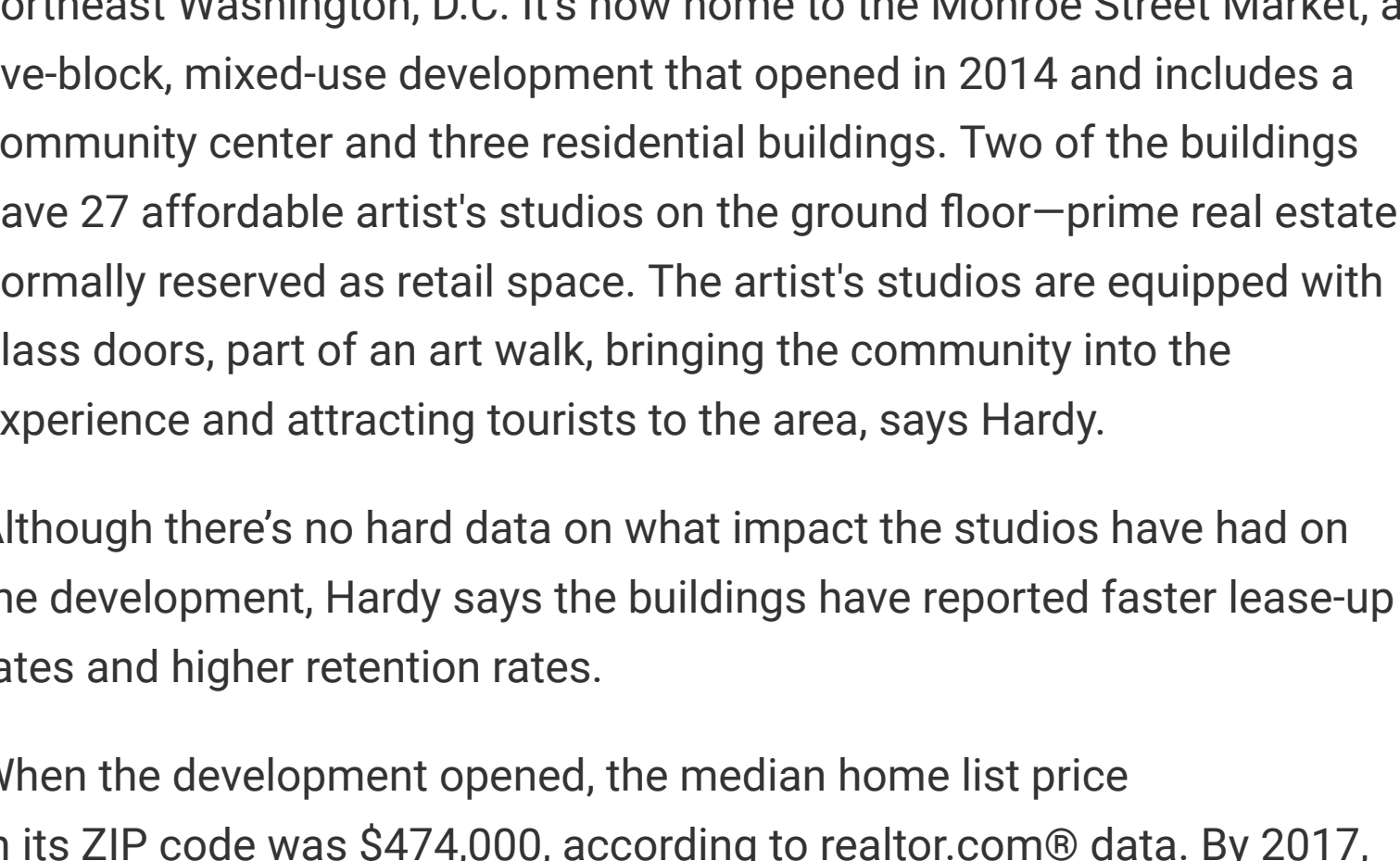
Around the country, public art has become a hot commodity that is being used to spark revitalization in blighted neighborhoods and turn vacant land into places where people want to live, work, and play. Builders are increasingly incorporating art both into these emerging neighborhoods and into their own developments, as they compete to bring in both discerning buyers and tenants willing to pay top dollar.

"Developers are beginning to see that if they want to attract tenants, they have to offer them more than just four walls," says **Barbara Goldstein**, a public art planner and consultant based in San Jose, CA. She points to a new mixed-use development revamping downtown Orlando, FL, that she worked on, called Creative Village. The development includes schools, housing, offices and creative studios, parks, and shopping, and weaves art throughout its public spaces.

"We're going to see more and more of this kind of thing," she predicts.

Consider a flock of chrome birds suspended over a Detroit sidewalk, a 14-foot-long outdoor video wall in downtown St. Louis or 202 restored vintage street lamps that line a plaza outside the Los Angeles County Museum of Art. The Urban Light exhibit, as the L.A. standing lamps are called, has become a popular place for children to play and for grownups to take photos, encouraging lingering. It's all part of what Goldstein calls the "new urbanism."

"A lot of these spaces where you've created something spectacular out of something less than desirable ... those are attractive" communities now, says Millennium Park's Stewart. "They naturally draw people to them."



Steve and Dorota Coy's "Flight" art installation over the new esplanade on Woodward Avenue in Detroit | Raymond Boyd/Getty Images

### Public art can help to revitalize neighborhoods

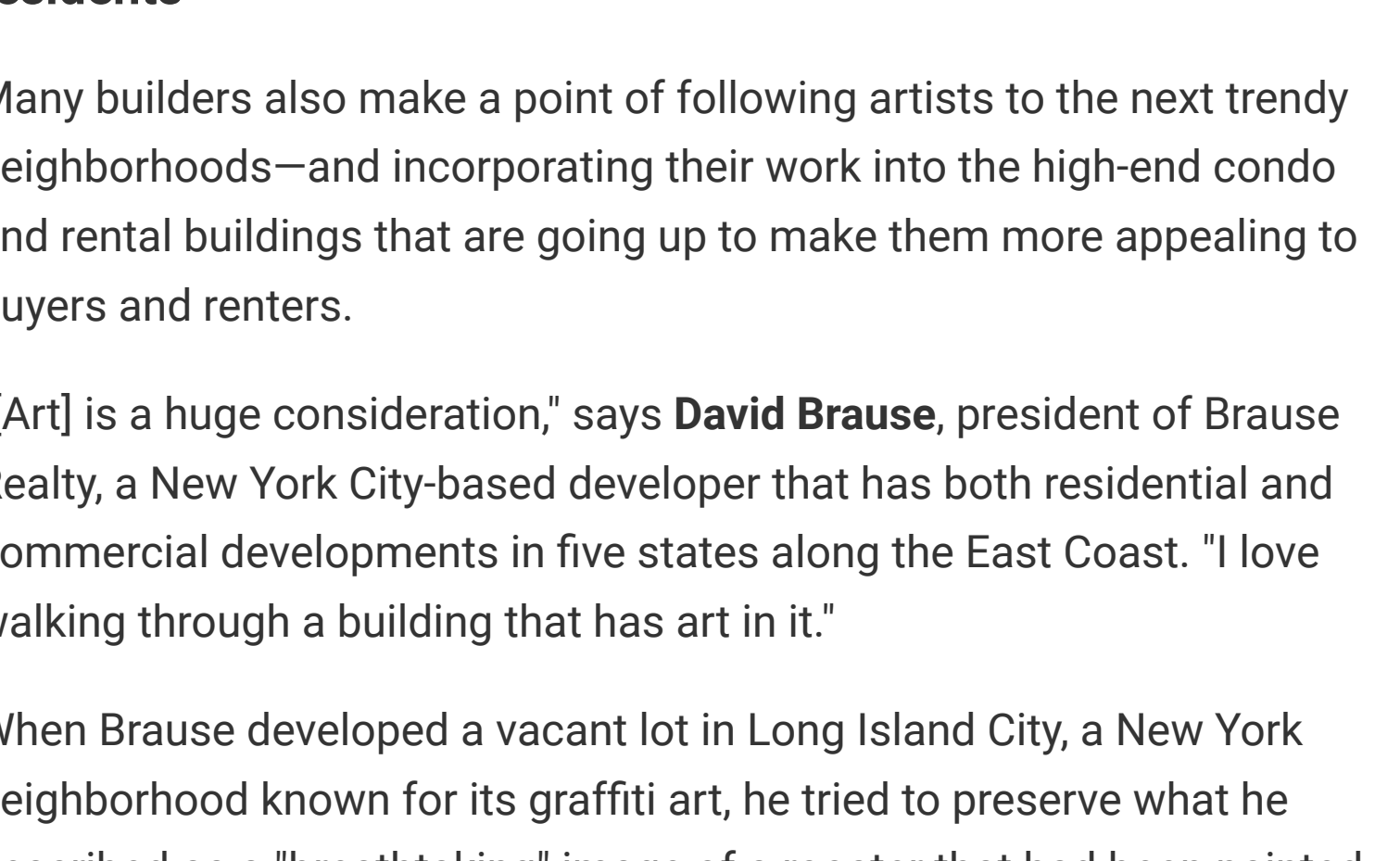
Beyond boosting property values, community art can help revitalize neighborhoods, says **Juanita Hardy**, senior visiting fellow at the Urban Land Institute, a Washington, D.C.-based land and real estate research and education group.

She points to the formerly sleepy suburban Brookland neighborhood in northeast Washington, D.C. It's now home to the Monroe Street Market, a five-block, mixed-use development that opened in 2014 and includes a community center and three residential buildings. Two of the buildings have 27 affordable artist's studios on the ground floor—prime real estate normally reserved as retail space. The artist's studios are equipped with glass doors, part of an art walk, bringing the community into the experience and attracting tourists to the area, says Hardy.

Although there's no hard data on what impact the studios have had on the development, Hardy says the buildings have reported faster lease-up rates and higher retention rates.

When the development opened, the median home list price in its ZIP code was \$474,000, according to realtor.com® data. By 2017, the median price had risen to \$598,400—a 26.2% increase in just three years.

One of the most prominent examples of public art recently is the High Line in New York City, a 1-mile-long park that reclaimed an abandoned elevated railroad track and became one of Manhattan's top lures for tourists and locals alike. The park has incorporated art since its first section opened in June 2009, and has its own curator. The park attracted 1.3 million people in its first year. It was completed in 2014; in 2015, it saw 7.6 million visitors—and real estate prices and development in the vicinity have soared.



Art along the High Line in New York City | Neale Clark/Getty Images

"It's the broader context of using art and culture to connect the community and provide places that attract people and provide economic opportunities," Hardy says of these kinds of developments.

In Indianapolis, the Cultural Trail, an 8-mile pedestrian and bicycle path built in 2013 that connects downtown neighborhoods and features public art, is responsible for boosting property values in the surrounding area by \$1 billion, a [study](#) by Indiana University's Public Policy Institute found. The trail was created as a place where artists could display their work, with about \$4 million set aside for that purpose during the design and construction phases.

It attracts suburbanites who flock downtown to cycle the trail and take in the art along the way—including 46 large murals that mark the time the city hosted Super Bowl XLVI, says real estate broker **Ryan Mullin**, of FS Houses. When the trail was built, it tied together all the "coolest and hippest" neighborhoods, he adds, and real estate prices climbed.

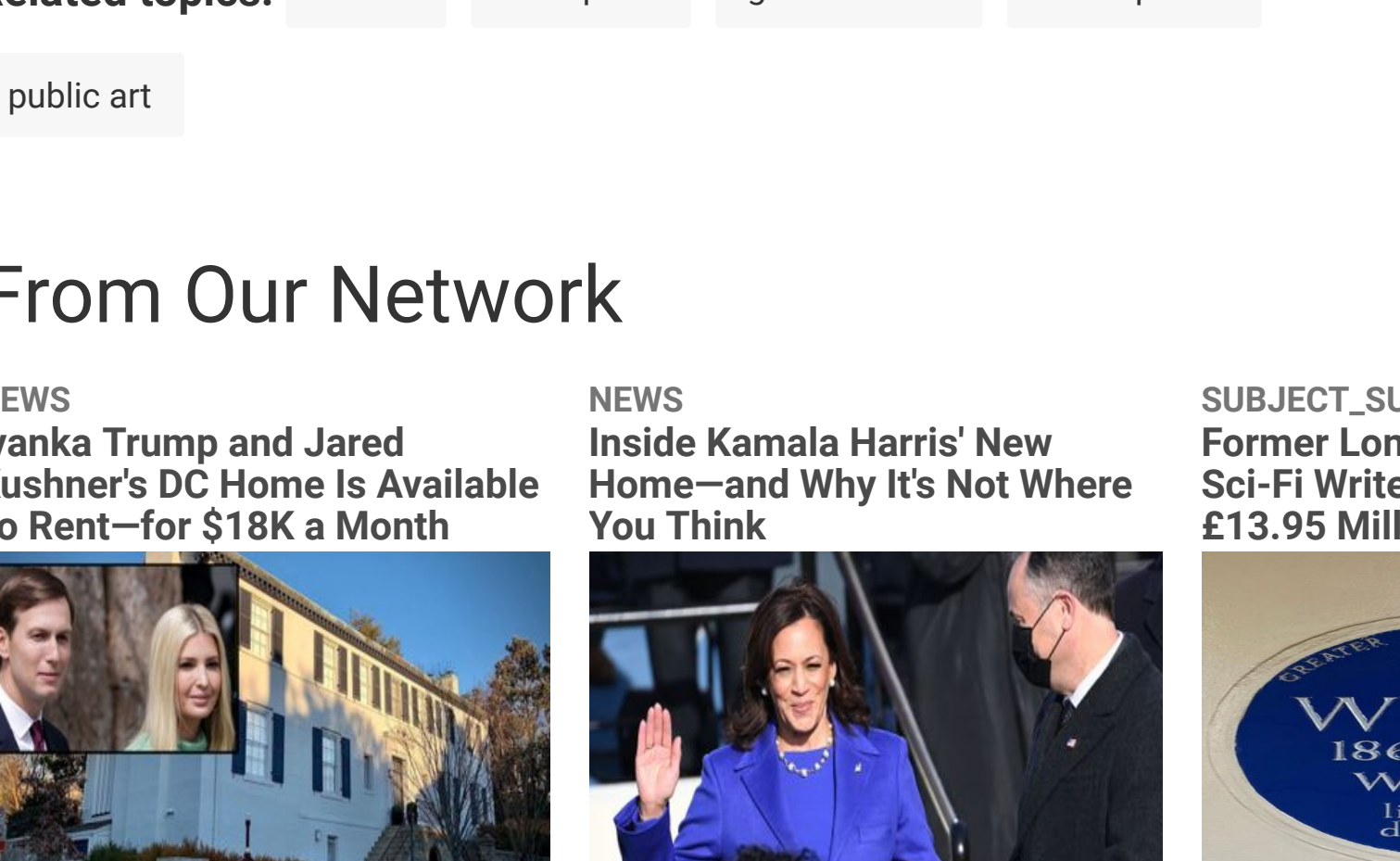
"You used to be able to buy a house for \$35,000 to \$40,000," he says of the area. Now, a vacant lot sells for that much and starter homes are selling for \$220,000, he says.

### Art makes new buildings more attractive to prospective residents

Many builders—and a number of following artists to the next trendy neighborhoods—also incorporating their work into the high-end condo and rental buildings that are going up to make them more appealing to buyers and renters.

"[Art] is a huge consideration," says **David Brause**, president of Brause Realty, a New York City-based developer that has both residential and commercial developments in five states along the East Coast. "I love walking through a building that has art in it."

When Brause developed a vacant lot in Long Island City, a New York neighborhood known for its graffiti art, he tried to preserve what he described as a "breathtaking" image of a rooster that had been painted with graffiti on a 15-foot retaining wall in the back of the lot. He was not successful, so his company took a photo of the piece, blew it up and put it in the lobby of the 38-story rental tower they built, named The Forge.



A photograph of the rooster mural was incorporated into the lobby of The Forge residential building. | Photo provided by Brause Realty

The neighborhood is known for its graffiti art, since it had been home to the former 5Pointz, a former factory covered in curated aerosol art that became an international destination. It was demolished in 2014 to make way for two luxury high-rises that are under construction at the site. There are still plenty of art galleries and museums in the neighborhood.

"I follow the artists—they're always the pioneers," Brause says of choosing neighborhoods to build in. "If you have a neighborhood that's just a bunch of bankers and lawyers, you're not going to find the vibrancy of artists, musicians, and chefs."

### When public art pushes out the artists

However, the downside of art-driven urban revitalization is the gentrification that drives up home values to the point where creative types can no longer afford to live there. In Brause's building in Long Island City, studios start at \$2,444 a month and one-bedrooms start at \$3,240 a month.

And it's not just new developments—the prices of existing rentals and homes also go up. About 20 years ago, the Fountain Square neighborhood next to the Indianapolis trail had cheap housing that was popular with edgier artists. But as the neighborhood's real-estate cachet grew, those artists were priced out, says Mullin.

For more than 12 years, the neighborhood also hosted Subsurface—an arts festival that attracted graffiti artists from across the country. But some of the newer residents weren't fans of the street art, which was one reason why in 2016 organizers put the festival on hold.

The loss of the street art festival "was sad, because it ended an era," says Mullin.

*Kelly Pedro is a journalist who writes about livable cities, health, and education. [Follow @KellyPatlarge](#)*

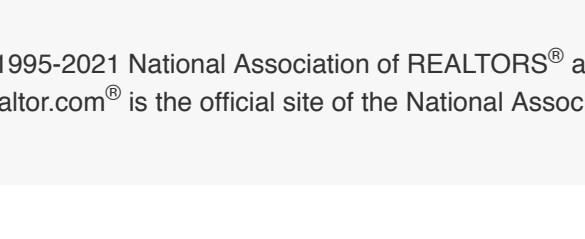
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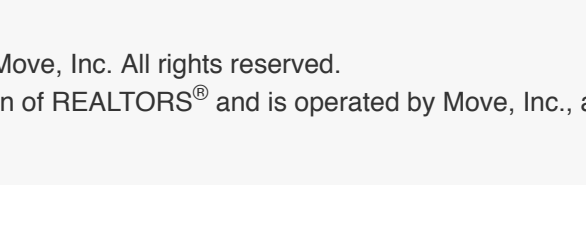
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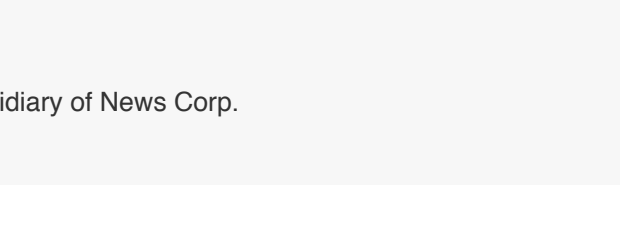
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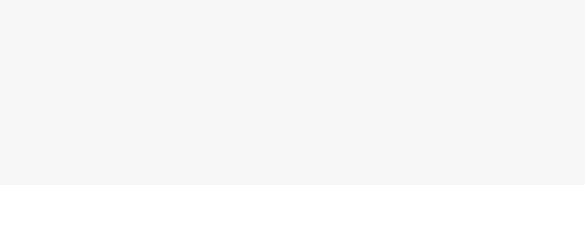
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