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CULTIVATING ARTISTIC ENTERPRISE



‘ASSETS FOR ARTISTS’ PROGRAM PROMOTES FINANCIAL HEALTH FOR CREATIVE CORPS

BY JOHN TOWNES

Artists primarily work in the realm of imagination, but they also have to live in the world of practical reality and pragmatic financial concerns. Working artists are also entrepreneurs, who contend with the same basic challenges as others in business.

A new collaborative initiative, Assets for Artists, is helping artists deal with the pragmatic side of their profession and lives.

The program, oriented to artists with low or moderate incomes, includes free courses and technical assistance in financial management and small business principles, and it provides small matching grants for investments in their professional activities and for housing.

“There is a growing community of people in the Berkshires who are working artists and are part of the region’s economy,” said Blair Benjamin, project director for the initiative, and director of real estate and commercial

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Jewelry designer Julia Britell of Pittsfield (top), musician Robin O’Herin of Lee (center) and visual artist Anna Kronick of North Adams (bottom) are among the first group of participants in Assets for Artists, a collaborative program aimed at fostering financial viability for self-employed artists and their creative enterprises.

COVERstory

Assets for Artists

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development at Massachusetts Museum of Contemporary Art (MASS MoCA). "If we can help them to succeed, that strengthens the creative economy in Berkshire County and fosters additional career opportunities here."

The program is a joint effort of several organizations under the umbrella of the Berkshire Creative economic development group. Participants include MASS MoCA, the Pittsfield Office of Cultural Development, the Massachusetts Small Business Development Center, the Berkshire Cultural Resource Center at Massachusetts College of Liberal Arts, and the Massachusetts Fair Housing Center, among others.

Funding for the asset-development grants is provided through the Individual Development Program of the Massachusetts Department of Housing and Community Development.

Organizers of the program are also seeking funding from area banks and other businesses and organizations.

Benjamin, who has worked with the overall concept of asset building in a variety of forms, initiated the project. He came up with the idea through his involvement with a similar asset-building program (that is not art related) which is overseen by the Berkshire Community Action Council.

"I got excited about the idea of using these asset-building tools to assist artists," he said. "It can be a valuable way to connect them with the resources they need to survive and prosper as working artists."

He discussed the idea with other people involved in the arts and economic development, and gained the support of Berkshire Creative, an alliance of businesses and the cultural community involved in developing the region's creative economy.

Nancy Fitzpatrick, chair of Berkshire Creative, described its support of Assets for Artists as a reflection of the organization's overall mission.

"Berkshire Creative is charged with stimulating job growth in the creative sector of the region's economy," said Fitzpatrick, who is owner of the Fitzpatrick Companies and Roaring Inc., which operate the Red Lion Inn, Country Curtains, The Porches and other businesses. "Assets for Artists is providing economic support for artists, which will help to develop that as a career path here. These small businesses that artists establish are important to the creative economy of the Berkshires. Also, many artists work at home, so the home-ownership aspect of the program helps them achieve security in that sense too."

The proponents received an initial planning grant from the Massachusetts Cultural Council, which covered a survey and focus

groups to determine the needs and goals of working artists.

The program was launched earlier this year, and the first group of nine artists were accepted into it this summer (*see related stories profiling some of the first participants*). The first round of training classes and workshops have been held this autumn.

The initial funding is expected to cover an additional 14 artists in 2009. Applications for next year's slots will be solicited and reviewed beginning in January, according to Benjamin.

Two tracks

Assets for Artists has two basic components. One facet is professional training in the business side of art, and other aspects of personal financial management. This includes free small business and professional development classes and individual technical assistance.

The other component is financial assistance through matched savings accounts, also known as individual development accounts (IDAs). Participants agree to save a certain amount, and in turn receive an IDA match.

The grants are offered for one of two basic designated purposes. Artists may choose either to receive a savings match to be used for equipment and other investments in their work, or they can participate in a match towards the initial cost of purchasing a home.

Of the first nine artists, four are on the home ownership track, and the other five are slated to receive small business funds.

"Each artist agrees to commit to saving towards a specific goal, and we tailor the funds and services to that," said Benjamin.

The program is also intended to strengthen links between artists and financial institutions such as banks and SBA lenders. The goal is to enable artists to access traditional financing capital in the future.

"Artists are often self-employed, and so banks tend to look at them differently than other businesses or people who work on salary," noted Benjamin. "We hope to help make connections so that artists can be seen as qualified candidates for other financing."

Program requirements

The program is open to working artists in a variety of media.

Applicants for the program are screened by a committee, based on their creative abilities and their financial qualifications. This includes a credit check of each applicant and, if necessary, an evaluation of how much credit repair might be needed to meet the applicant's goals.

Matching funds from the state dictate the income eligibility guidelines. Participating artists must reside in a household earning no more than 80 percent of the area median income (which is \$42,000 for a single-person household, \$47,000 for two-person households, \$53,000 for three-person households, and \$59,000 for four-person households).

The specific requirements for participants differ somewhat for those receiving IDA funds for small business assistance and those who receive them for home ownership.

For homeowner assistance, applicants must be first-time homebuyers, and they must be deemed appropriately credit-worthy to qualify for mortgage financing. The home ownership participants are required to save \$2,000 in a designated account during a nine-to-36 month period and will receive a two-to-one match of \$4,000.

The small business participants are required to save up to \$1,500 and receive a one-to-one match of up to \$1,500. (That will be raised to \$2,000 for the next round of artists.)

Recipients can only draw down the funds (their personal savings plus the match) when they are actually closing on a house or making a business investment.

For homebuyers, the funds will generally be used for down payment and closing costs.

The artists receive guidance on obtaining a responsible mortgage and other forms of home ownership support, including two training sessions on Dec. 6 and 13 instructing participants in what they can expect from the lenders and the financing process.

"First-time homebuyers often go into the process blind, and if they are not careful they can find themselves in a difficult position with unscrupulous outside lenders," said Paula Lewis, vice president and retail lending manager at Berkshire Bank, and one of the presenters in the home-buying workshops. "I think this program is terrific, because it gives [participants] tools to handle the process and dealing with things like their budget and saving."

Lewis noted that preparation and knowledge are particularly important for artists and other self-employed individuals. "It's not as easy to borrow if one is self-employed," she said. "The way that qualifying income is calculated is different than for people on salary, because of the difference between net and gross income. That makes it particularly essential for the self-employed to know what they can do."

Artists who are receiving grants for housing also have access to other forms of home ownership assistance, made available in partnership with the Massachusetts Fair Housing Center and ArtHome, a New York-based organization that specializes in helping artists obtain housing.

For participating artists with small business IDAs, the funds will be disbursed directly to vendors or service providers for approved purchases.

Participants are also required to attend a round of classes in business and personal financial management, and such specific areas as retirement, legal and tax topics. These free classes have been tailored for artists, and are conducted by the Berkshire County office of the Small Business Development Center.

In addition to IDA participants, the Assets for Artists program is offering other artists the opportunity to participate in the financial classes free of charge on an informal basis.

Ongoing effort

The nine participants in the first round of the IDA program include: Julia Britell, a jewelry designer based in Pittsfield; Otha Day, a Berkshire-based team-building and communications facilitator, who organizes drum circles in both corporate and community settings throughout the Northeast; Martha Flood, a surface-pattern designer based in North Adams, who creates designs for manufacturers of wall coverings and fabrics for the home fashion industry; Anna Kronick, a visual artist producing paper cuts, stained glass, and paintings; and Deirdre McKenna, a visual artist and graphic designer working in Pittsfield. Other participants include Robin O'Herin, a Lee-based acoustic blues and gospel musician; Monika Pizzicchemi, a visual artist with a studio in Pittsfield; Jackie

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ROBIN O'HERIN · LEE**PROGRAM HELPING SINGER/SONGWRITER TAKE MUSICAL CAREER TO NEXT LEVEL**

To describe Robin O'Herin's life as busy would be an understatement.

In addition to pursuing a career as a singer, songwriter and music educator, O'Herin also has several other businesses in other fields, including graphic design, travel planning (travelangel.com) and as a sales representative for a line of health products.

O'Herin's goal is to expand her musical career so it becomes her primary focus and source of income. She applied to the Assets for Artists program to help her take that plan to the next level.

"My music business is poised for expansion," said O'Herin, who is participating in the small business track of the program. "My goal is to double its profit margins so that I can concentrate on music full time for a living. The money from Assets for Artists is not a huge amount, but it will make a big difference in my direction."

O'Herin, who lives in Lee, has had a lifelong interest in music. In 2002, she became a professional musician, performing traditional and original blues, folk and gospel music as a singer and guitarist. She released her first CD, "Red White and Blues," that year.

Since then she has performed regularly in the Berkshires and toured in other regions at churches, coffeehouses and other venues. She has been an entrant and finalist at numerous music festivals. She also has a second CD, "The Road Home," and is working on others. In addition, she has led music-based education workshops in schools.

O'Herin (www.robinoherin.com) has built her music career from the ground up, serving as her own manager, producing and marketing her own CDs, promoting herself and handling booking and other details. Working as a sole proprietorship, she earns revenue from performances, CD sales, digital downloads, licensing fees and workshops and music lessons.

"I've been bootstrapping as a professional musician since I started with my first CD," she said. "This is what most independent musicians today have to do."

O'Herin said that she will eventually reduce her other non-music activities but continue with them on a limited basis. She noted that those are set up in a way that they can eventually provide ongoing residual income.

She has set up a series of goals for her musical career to achieve her objectives. "I want to expand to a national level, but that has to be done regionally," she said. "I hope to tour in different regions next year. I also have set a goal of doing 200 gigs a year. Now, I'm doing about 100 to 120 a year."

"Musicians often have no clue how to be musicians and also run as a business. I think Assets for Artists has been a great way to get more clarity and focus."

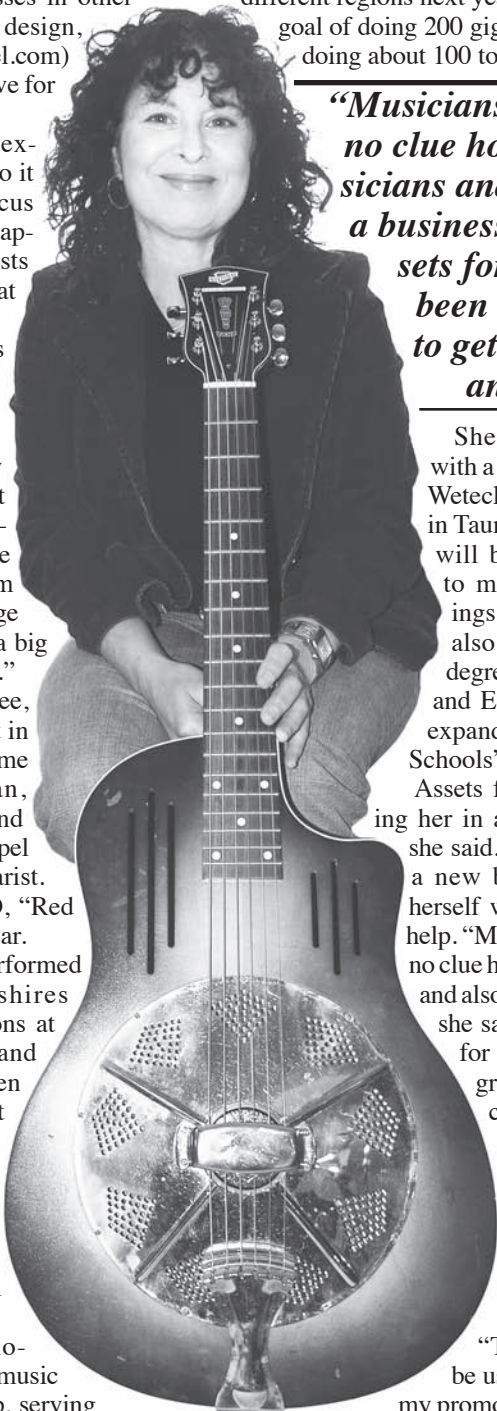
She is about to sign with a small record label, Wetecket Records, based in Taunton, Mass., which will bolster her ability to market her recordings and bookings. She also is studying for a degree in Integrated Arts and Education, and will expand her "Blues in the Schools" workshops.

Assets for Artists is helping her in a variety of ways, she said. She is developing a new business plan for herself with the program's help. "Musicians often have no clue how to be musicians and also run as a business," she said. "I think Assets for Artists has been a great way to get more clarity and focus."

She is currently determining how to use the IDA savings match. "There are a number of potential uses I can put it to," she said. "The money could be used to help support my promotional and marketing expenses in other regions, for example. There are a number of possibilities, which I am sorting out and narrowing down."

O'Herin added that there are other dimensions to Assets for Artists that have been helpful, including the opportunity to connect with others who are trying to succeed as creative professionals.

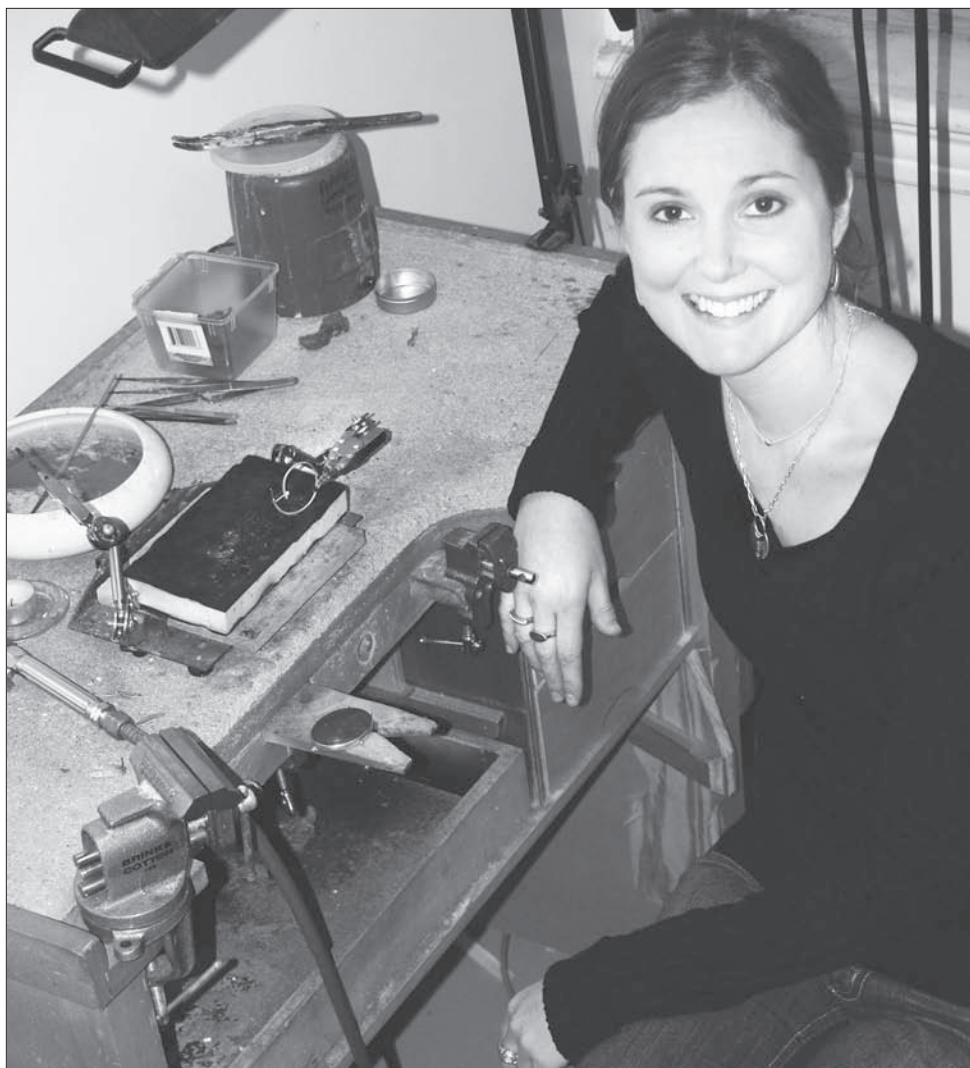
"It's really good to meet a diverse group of artists," she said. "We work in different media, and our individual situations are different. But we also have a lot in common, and our problems and challenges are similar. It's great to brainstorm and share support with others who are in the same boat." ♦



COVERstory

JULIA BRITELL • PITTSFIELD

HOME OWNERSHIP SEEN AS STEP TOWARD FINANCIAL STABILITY



Jewelry designer Julia Britell of Pittsfield said she was attracted to the Assets for Artists program because she saw it as an opportunity to balance the professional and personal sides of her life.

"I thought it would help me to be able to support myself with my creative work, while also having a life," said Britell, who is one of the artists in the homebuying track of Assets for Artists. "I'm an artist and I love what I do. But artists also have to eat, and eventually I want to be able to support a family."

Britell noted that, like many artists, she had placed less emphasis on the financial side of life in the past.

"The thing about artists is that we are so driven to create that we tend to focus on our work, and we put off

other basic needs, like financial management and health care," she said. "Then, when we're old we can find ourselves in a terrible situation as a result. I want to avoid that by taking care of these things now while I'm still young, so that I can be self-sufficient and continue to contribute to the community as I grow older, instead of becoming a burden."

In her view, a primary benefit of Assets for Artists is the opportunity to help artists achieve this on their own.

"What struck me about this program is that it's not a handout," she said. "Its purpose is to encourage artists like myself to manage our money and look at it in terms that will be helpful over the long term – both in our work and our lives."

Britell designs and creates jewelry made with a combination of silver and semi-precious stones. She has worked with jewelry for about 10 years, and she has been doing it as a full-time business for five years. She sells her line of jewelry on a wholesale basis at national trade shows, and through sales representatives who bring her work to galleries and other retailers. Her jewelry is also featured in the Sundance catalog, and locally in the Hoadley Gallery in Lenox.

She said her primary motivation for participating in Assets for Artists is to help integrate her work as an artist with her overall goals for financial security. The program is designed to fit the specific circumstances and goals of individual artists.

For Britell, the most important benefit of

her involvement with Assets for Artists is the knowledge and assistance she has received in the process of buying a home.

"Buying a house can seem very complicated and overwhelming," she said. "It's been very helpful to be able to learn about financing and the other steps and responsibilities of home ownership. It's helped make the process more manageable and allowed me to pursue it in a more focused way."

She emphasized that she has also found the program's small business training helpful, but because she has already developed a business based on her art, her current priority is integrating that with her personal goals.

"My business is already growing," she said. "I've been fortunate because I have

people in my life who are in business and who have helped me along the way. I was also in the Berkshire Enterprises program back when I started, which was an opportunity to develop a business plan. Now, I'm looking to the future, and Assets for Artists is helping to make the business work for me."

As part of that process, she is looking to purchase a home. She currently is living in a rented space, and also rents a separate studio in downtown Pittsfield.

"I've been told that the artists who are the most solvent in later life are those who own their own homes," she said. "I want to set myself up for that now by purchasing a home as an asset, rather than sending money into the ether for rent every month and having nothing to show for it later."

Britell said she is hoping to buy a multi-family home. "A practical alternative for me is to buy a home for myself that also has additional space that can generate rental income to help cover the mortgage and other expenses," she said.

While the matching IDA grant through Assets for Artists will be helpful, she believes the primary benefit of participation is the knowledge and structure it provides.

"I think the main value of the matching funds is as an incentive, to help us get going on our goals," she said. "Artists are used to living month-to-month, without saving money. Having a specific target like this is a tangible incentive to regularly set aside money that you might otherwise spend." ♦

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Salvaggio, a Lenox-based ceramics artist who designs and sells clay, text-based decorative plaques; and Erica Spizz, a documentary filmmaker in North Egremont.

Benjamin said he would like to see Assets for Artists become an ongoing program.

In addition to the help it provides to the individual participants, he believes Assets for Artists is also a tool to enhance overall community and economic development efforts, particularly those aimed at the creative sector.

"While it's providing an important service,

we're also learning about the financial needs of artists," he said. "That will also help us find other ways to support all working artists in the community. When artists are able to earn a living here, it bolsters the brand of the Berkshires as a great place to be an artist."

Continuation of Assets for Artists will depend on the ability to secure funding in a difficult economic environment. Among the first to contribute toward that goal was the Berkshire Bank Foundation, which made a \$5,000 grant to the program in November.

"This exciting project and the broader efforts of Berkshire Creative are a great fit for the bank's and foundation's priority of supporting local community and economic development efforts," said Peter Lafayette, executive director of the Berkshire Bank

Foundation. "We're pleased to provide seed funding for this project that will help artists gain the skills and tools they need to be successful businesspeople and homeowners."

Fitzpatrick lauded the foundation's grant as an important show of support for "an innovative project that will have substantial economic impact in our creative sector."

She also credited Benjamin for his vision and effort in launching the Assets for Artists program. "It's a very rich concept, with a lot of details involved," she said. "I admire Blair for putting it together. It's an example of the type of collaborations that Berkshire Creative is working to encourage."

For more information about Assets for Artists, contact Benjamin at 664-4481 ext. 8104 or blair@massmoca.org. ♦

ANNA KRONICK • NORTH ADAMS ECONOMIC SECURITY ELUSIVE DESPITE ARTIST'S LONG CAREER

Anna Kronick has been a working artist since the 1980s. She launched an art studio after moving to North Adams in 1996, and in 2005 opened Suncatcher Glass, a shop at 63 Main St. where she sells stained-glass work and supplies and gives lessons.

Her specialties include fine-art paper cuttings and stained glass.

Kronick's intricate papercut designs and illustrations have been featured in galleries, museum exhibitions, books and private collections, and her work has sold for as high as \$4,000.

While she has had a busy and varied career as an artist, and has gained her share of recognition, she acknowledged that economic security has remained elusive.

That, she noted, is one reason she decided to apply for the Assets for Artists program.

"Being successful as an artist doesn't necessarily translate into financial success," said Kronick, who is in the small-business grant track of Assets for Artists. "Sometimes I think people see artists as being different than other professions. But we're not just artists. We live in the same world as everyone else. We want the same things in life and we have to pay our bills too."

Kronick grew up in the former Soviet Union, and received a diploma in fine arts from the Moscow School of Art. She emigrated with her parents to the United States in 1987, and received a BFA from Montserrat College of Art in Beverly, Mass., and then was awarded an Andy Warhol Scholarship and earned a master's degree in Sculpture from the New York Academy of Art.

She has worked in a variety of media, and her work draws on folklore, her Jewish heritage and other influences. In addition to her artwork, she has also been involved in teaching and art preservation activities.

Kronick sells her art in galleries across the country, in her own shop and online (www.kronickart.com). She sells a mix of high-end fine art, and lower cost stained-glass suncatchers and other moderately priced work.

She said wanted to participate in Assets for Artists to improve her knowledge of marketing, and for the opportunity to help finance some of her business development goals.

Kronick said she is considering a couple of possible uses for the IDA matching grant, such as making improvements to her website.

She also recently received a request from an online art gallery to sell reproductions of her work. If she pursues that, she said, she

"Through this program, I've met other artists who are successful but who are also dealing with the same issues. It helps you to realize you're not alone."



would contract out the actual manufacture of the pieces. She may use the grant to help fund that process.

In addition to the practical benefits and the knowledge gained from the workshops, Kronick said participating in Assets for Artists has also given her morale a boost.

"It's been uplifting," she said. "When you're struggling with these challenges, it's really good to meet other people who are in the same situation. Through this program, I've met other artists who are successful but who are also dealing with the same issues. It helps you to realize you're not alone." ♦