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## Art shines in commercial real estate venues

By By Katherine Conrad Mercury News

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When Joe Lewis of Orchard Properties bought a 25year-old rundown building on San Jose's North First Street last fall, he knew flowers and a coat of paint would do wonders for the neglected exterior.

But he was stymied over how to enliven the interior - a soaring three-story entryway and atrium. The huge white walls that stretched up 33 feet would cost "a small fortune" to decorate and that wasn't in the budget.

"The place needed some life. It was dead," Lewis said about the 120,000 square-foot three-story office building at 2665 N. First St.

It was his well-traveled senior designer, Grant Takamoto, who said the multi-level entryway reminded him of an art gallery that sparked the idea.

Not long after, Lewis happened to view work by artist Carla Turturici, who also handles marketing for Orchard and had recently completed her master's in fine arts from San Jose State University. Lewis asked Turturici if she would coordinate an art program between SJS university students and his North First Street building.

And so a partnership was born between Orchard Properties, which manages 6 million square feet

across the valley, and the College of Art and Design at San Jose State University. Turturici curates the quarterly shows, Orchard displays work from emerging artists, and the students can sell their work without having to pay a gallery commission.

It sounds like a winning proposition, but melding the worlds of art and commercial real estate can be risky.

"I want the building to lease and art can be edgy," said Lewis. "Time will tell how good a real estate decision it was. This is a leap, it's not a traditional thing to do."

In other words, not all art appeals to all people. Witness the furor created by Lawrence Ferlinghetti's abstract nude paintings that were removed from Bank of America's downtown San Francisco building last week.

Lewis has no desire to censor the art, but he knows it must be appropriate to a business environment. One painting in the current show that may raise some eyebrows is a piece that shows a man's naked backside.

"It's not his front side," quipped Linda Walsh, acting director for the university's School of Art and Design. If it had been, Turturici said she wouldn't have selected it.

"This space is a non-traditional venue," said Turturici in an e-mail. "When selecting images for Orchard, I must always consider if a work may be perceived as negatively confrontational or overtly sexual. Otherwise, the field is wide open."

The collaboration is certainly not the first time that the South Bay arts community has mingled with its corporate citizens. David Middlebrook, an associate professor of fine arts at the university, inherited a

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similar program in the 1990s that placed student art in venues at high tech companies such as Applied Materials and Credence. During the tech downturn, the program all but died, but Middlebrook would like to revive it.

Heritage Bank in San Jose, which advertises itself using the line "The Fine Art of Community Banking," has displayed contemporary art from regional artists since it opened in 1994. Though the intent of the revolving art program was not to attract business, Bill Del Biaggio Jr., founding chairman and executive vice president, said he believes it has helped convince some customers that Heritage is a good place for their money.

"Since we do so much with artists and the nonprofit sector, several of the nonprofits do their banking with us," he said.

Shorenstein, one of the Bay Area's largest landlords, has had an ongoing relationship with the Oakland Museum of California for years. Two of Shorenstein's skyscrapers in downtown Oakland display contemporary work under the auspices of the museum.

"It's been great," said John Dolby, who handles leasing for Shorenstein. "Each quarter there's new artwork, something different."

He calls the program, for which Shorenstein pays the museum \$40,000 a year per building, "one of those intangibles," like the chocolate a hotelier puts on your pillow - not necessary, but nice. It's hard to gauge whether the artwork has helped with leasing, but Dolby notes that 555 City Center, built in 2002, is full and Shorenstein is breaking ground on another tower next spring.

"Most people are pushed off by the cost of the art program. But I think in the long run, it differentiates

you from the competition."

So far, the art on North First Street has struck a mostly positive note among tenants in Orchard's building.

Nicolette Pacho, who works for EHC LifeBuilders, which provides shelter and housing opportunities to the homeless, said she looks forward to coming to work now. "I feel like I'm working in a museum. It's really cool."

But another tenant, who works for IPLocks, which writes software to secure data, was eager for the next show. While she and a friend gave Orchard high marks for transforming the building from "an ugly duckling into a beautiful swan," they were of different minds about the art.

"It's great that they're offering a vehicle to display art, but some pieces were not appropriate for a business environment," said the woman, who declined to give her name. "I like this art, (referring to the new show,) but some of the last pieces were childish, inane and simplistic."

Her colleague, however, was less critical. "The art makes the building more alive."

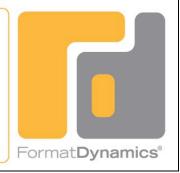
The art is displayed for three months. "We change it quarterly," Turturici said. "You can't go broke in a quarter even if you get a piece that somebody doesn't like."

Lewis is hard-pressed to say whether the revolving art program has helped to lease his space. But he does know that he's asking \$2.35 a square foot for space on North First Street - up significantly from the not-too-distant past when the going rate was just over \$1 - and he's getting it.

"It was half vacant, now it's 65 percent leased,"

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Lewis said. "We're about commercial real estate, but this is our home and we like to show it off. We build spaces that need to be attractive because we want to lease the space. But the buildings should feed the soul as well."

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