

Investing in the Creative Economy

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By Anna Smukowski, LISC Investor Relations & Capital Strategies

As part of an ongoing blog series, LISC's Anna Smukowski looks at the way LISC is advancing the UN Sustainable Development Goals (SDGs) through a range of activities supported by the LISC loan fund.

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The UN designated 2021 as the [International Year of the Creative Economy for Sustainable Development](#), recognizing and elevating the creative economy as an important tool for building a sustainable, inclusive and equitable future.

Creativity and culture were embedded in the crafting of the Sustainable Development Goals, leading to their inclusion in [Goal 8 – Decent Work and Economic Growth](#), [Goal 9 – Industry, Innovation and Infrastructure](#), [Goal 11 – Sustainable Cities and Communities](#), [Goal 12 – Responsible Consumption and Production](#) and [Goal 17 – Partnerships for the Goals](#). But, despite the creative economy's importance in sustainable development and their [contribution to 4.5 percent of U.S. GDP](#), perceived barriers limit investment in artists, art-related businesses and cultural organizations.

Several barriers discussed in [Creative Places & Businesses – Catalyzing Growth in Communities](#) include lack of recognition of investing in the creative economy as a distinct asset class; the need for better understanding of risks associated with investing in the creative economy; and a need for technical assistance for community lenders and creative economy project leaders.

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At LISC, we know artistic and cultural activities strengthen communities, particularly when they reveal and celebrate a community's character and identity, and we value providing space for creativity and culture to flourish through sustained community investment. Recognizing the importance of the creative economy in building communities of opportunity, LISC pairs technical assistance for local community groups to integrate arts and culture into their revitalization activities with access to financing through grants, loans and equity.

Through low-cost, flexible financing, LISC catalyzes investment in the creative economy through the LISC loan fund. In 2015, LISC received a \$1 million CDFI Fund award to seed a \$5 million Creative Placemaking Fund, which was part of LISC's expanding work around arts-related development projects. The fund provided low-cost financing for new and rehabbed theaters, galleries, multi-media centers, live/work facilities and production space as a way to attract new vibrancy to disinvested areas.

For example, the fund invested in an innovative project being developed by Can Can Wonderland, the first arts-based public benefit corporation in Minnesota. LISC provided a \$62,500 construction/mini-permanent loan to finance the organization's vision - an arts-based community development project in a formerly abandoned factory in the Hamline-Midway neighborhood of St. Paul. Read more about the project [here](#).



La MaMa Experimental Theatre, Manhattan, NY

Building on lessons learned from the Creative Placemaking Fund, the LISC New York office partnered with Upstart Co-lab to create the New York City Inclusive Creative Economy Fund. The fund has provided loans to nonprofit and mission-driven organizations that own, lease and manage affordable spaces for businesses in creative industries, so that these businesses can get started, take root and thrive. Projects range from the renovation of the landmark La Mama Experimental Theater to renovating a 10,000-square-foot industrial building in North Brooklyn into affordable space for light manufacturing.

LISC continues to grow investments in the creative economy, recognizing that providing space for creativity is as important to comprehensive community development as meeting basic needs.

For additional information on LISC's creative placemaking work visit [LISC Creative Placemaking](#) and look at our [Project Profiles](#), which highlight investments made through the LISC loan fund:

- [National Public Housing Museum | Chicago, IL](#)
- [SkyART Studios | Chicago, IL](#)
- [Circle City Industrial Complex | Indianapolis, IN](#)
- [500 Stagg Street | Brooklyn, NY](#)
- [ArtBuilt Brooklyn | Brooklyn, NY](#)
- [Brooklyn Navy Yard Development Corporation | Brooklyn, NY](#)
- [Doc House Cinema | Manhattan, NY](#)
- [Greenpoint Manufacturing and Design Center Ozone Park Industrial Center | Brooklyn, NY](#)
- [La MaMa Experimental Theatre | Manhattan, NY](#)
- [Can Can Wonderland | St. Paul, MN](#)
- [Loppet Adventures | Minneapolis, MN](#)
- [ARCO | Cincinnati, OH](#)
- [Century Design Workshop | Cincinnati, OH](#)
- [Warsaw Ave Creative Campus | Cincinnati, OH](#)
- [Building Bok | Philadelphia, PA](#)
- [MaKen Studios | Philadelphia, PA](#)

Anna Smukowski, Senior Director of Capital Programs, Enterprise Community Loan Fund

Anna Smukowski serves as ECLF's senior director of capital programs, assisting ECLF's capital and lending teams with capital raising and fund structuring. Prior to this position, she led LISC's \$200 million retail note offering, coordinated LISC investor relations and positioned LISC's capital raising within ESG, impact and social bond frameworks. Anna also managed \$50 million in LISC's Paycheck Protection Program deployment and has structured and managed affordable-housing and economic-development funds as well as

pay-for-success work through a Social Innovation Fund grant award. Anna is passionate about values-aligned investing from the individual to the institutional level and has worked on updating and implementing mission-aligned investment policy statements at LISC and ECLF.



Anna started her career as a strategy and operations consultant at Deloitte. Anna holds a bachelor of science degree from New York University Stern School of Business and an MBA from Columbia Business School.

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