

# Stealth Gentrification: Camouflage and Commerce on the Lower East Side

LARA BELKIND

This article describes current adaptations of the traditional environment of New York's Lower East Side. It examines how global factors such as expanding "content" industries, market differentiation, and the Internet have reinforced perceptions of the area as real and authentic while opening it to dramatic change. Specifically, the article considers a recent trend of commercial camouflage — hidden shops, restaurants and clubs that "re-present" tradition by meticulously preserving defunct facades, signage, and other physical traces of the neighborhood's working-class and immigrant past. Urban camouflage, in various guises, has played a role in the transformation of the Lower East Side since the late 1970s, and has been employed by a succession of actors, from squatters to global retailers. As a cultural strategy, it has been inherent to the economic restructuring of the area, helping to overcome barriers to redevelopment that have persisted for more than five decades.

In 1995 I visited a friend who had just rented a studio apartment on Manhattan's Lower East Side — an area strongly associated with some of the city's main immigrant communities: European Jews, Italians, and more recently, Asians and Hispanics. The apartment was on the ground floor, in a derelict-looking converted storefront on Elizabeth Street, near the flophouses of the Bowery. Adjacent storefronts appeared vacant or defensively sealed, but we crossed the street to a restaurant that, in typical New York fashion, appeared to have no name. Its awning and facade instead advertised a previous, long-departed tenant — the brittle plastic letters on the marquis reading simply "M & R."

(FIG. 1) As it turned out, the restaurant was known as Marion's, and it was an offshoot of a fashionable, yet funky establishment a few blocks north. In later years, it would mostly be known as the M & R bar. By the late 1990s, it would also be encircled by the thriving shops of an emerging district, dubbed NoLiTa (or North Little Italy) by merchants and real estate agents. By then, however, my friend had moved on to a more affordable apartment

*Lara Belkind is an architect and urban planner and a Ph.D. candidate at the Graduate School of Design at Harvard University.*



FIGURE 1. *M & R Bar*. Source: *urban75.org*.

in Brooklyn. Finally, in 2005, the M & R bar was gutted and replaced with a sleek, minimalist restaurant named Plate.

This story of transformation has become familiar on the Lower East Side, where hip new shops, clubs and eateries have meticulously preserved the facades, and even the interiors, of the neighborhood's working-class and immigrant past. At the Arlene Grocery, for example, bands play in a former *bodega*, or neighborhood convenience store. Yet, down the street is a still-functioning *bodega*, with identical décor. Occasionally, more than décor has been preserved. At the Beauty Bar, patrons can sip cocktails seated in the hair dryers of a recently transformed beauty parlor, while the salon's former owner and manicurist — in her eighties — paints their fingernails. Other reclaimed spaces include a dress shop, a pharmacy, a massage parlor, a piano store, and a shop for religious articles.

Recycled storefronts are just one manifestation of the stealth aesthetics and strategies of camouflage that have helped transform the Lower East Side over the last several decades. Such tactics have been deployed by a diverse succession of actors — from squatters and artists, to local entrepreneurs and hipsters, to real estate investors and brand-name retailers. Each has adapted the area's found terrain of old buildings and shops for their purposes, or sought to re-create the aesthetics of this environment from scratch. In the early 1980s, for instance, squatters and artists formed collectives concealed from authorities within a landscape of abandoned buildings. They were followed by middle-class "pioneers" who sought home-ownership opportunities and a bohemian atmosphere in its crumbling tenements and warehouses. In the 1990s, local entrepreneurs claimed the neighborhood's defunct storefronts as sites for hidden bars, theaters and restaurants. More recently, larger commercial entities have moved in, borrowing the area's image and mythology to sell a range of goods and experiences. But whether stealthy occupation has been an expression of coun-

terculture, of solidarity with working-class activism and ethnic diversity, or of social exclusivity and the themed celebration of salvaged material culture, it has been translated by the market into real estate value. This new value has sharpened the struggle for space between new and existing resident groups and land uses.

This article examines stealth practices and their relationship to the transformation of the Lower East Side from the 1980s to the present. It argues that, while general urban restructuring and city policy have been important contributors to this process, cultural phenomena have been most responsible for opening the area to dramatic transformation — even while enhancing perceptions of neighborhood tradition and authenticity. The result is a pattern of gentrification slightly different from that in other Manhattan neighborhoods. The increasingly sophisticated production of information and culture, targeted to specialized consumers, has now made it possible to sell local histories and urban "edge" in a global market — with less mediation by art dealers, and without "good bone structure" (the intrinsic assets such as spacious loft buildings and good public-transit access that were key to the upscaling of other nearby neighborhoods such as SoHo, TriBeCa, and the East Village).

On the Lower East Side, stealth aesthetics and camouflage have evolved and contributed to gentrification by generating value in at least three ways: first, as an expression of bohemian cultural identity; second, as content for cultural consumption and entertainment; and third, as a market-differentiation strategy by global commercial entities.<sup>1</sup> Compared to the experience of other neighborhoods, commerce and entertainment have also been more significant as catalysts for gentrification than art production. One reason is that the growth of New York's information and cultural-production industries has eroded older boundaries between art and commerce. This is well-illustrated on the Lower East Side by the rise of the artist-entrepreneur and by the transition of urban camouflage from an expression of counterculture to a tool for niche marketing.

The geographic focus of this study is the area south of Houston Street and east of the Bowery (FIG. 2). Areas to the north and west, such as the East Village and NoLIta, were once included in the designation "Lower East Side," but, as a byproduct of earlier periods of gentrification, they were carved away and renamed. Unlike those areas, however, the remaining portion of the Lower East Side will likely keep its designation, because the name now connotes authenticity and has been used to create brand identity for new developments and businesses.<sup>2</sup>

This analysis also roughly delineates three periods of stealth phenomena as they relate to the neighborhood's transformation: 1980 to 1994, 1995 to 2002, and 2003 to 2005. 1980 is chosen as a starting point because in that year it became clear that real estate values were once again rising in the area, after a fifty-year decline that culminated in the dra-



FIGURE 2. Manhattan's Lower East side and surrounding neighborhoods.

matic disinvestment of the 1970s. 1995 is chosen as the next watershed year because it marked the end of a national recession and the beginning of a cultural trend that brought new entertainment and commercial uses to the area. 2003 is a final temporal divide, marking a tapering off of new locally based “camouflage” businesses and the appearance of commercial ventures and development proposals by outside investors. The progressive shortening of these intervals suggests that the pace of change, at first slow and harder to perceive, has become more rapid and disorienting. This is particularly the case at present, as successful businesses close and entire blocks are demolished to make way for new developments serving higher-income residents.

#### THEORIES OF GENTRIFICATION IN NEW YORK CITY

A number of scholars have addressed the processes of gentrification that, since the 1950s, have dramatically altered downtown Manhattan neighborhoods such as SoHo, TriBeCa, the East Village, and the Lower East Side. The range of perspectives includes urban ecology, political economy, close analysis of public policy and private investment behavior, and the ethnography of population overlap.

Writing in the 1980s, both James Hudson and Sharon Zukin examined the widespread conversion of manufacturing lofts to residential use in SoHo and TriBeCa. Hudson

applied a framework of human ecology and the invasion-succession sequence outlined by the Chicago School of Urban Sociology to describe the occupation of vacant industrial lofts by artists in the 1950s.<sup>3</sup> He recounted the initial opportunity of these artists, who rented small-floor-area lofts for which landlords were having difficulty finding commercial tenants. The artists were followed by galleries, which were in turn followed by restaurants, shops, and tourists — which displaced the artists. Hudson’s perspective was of an environment, “in which social systems operate,” that was “neither static nor deterministic, but rather a changing set of limiting conditions to which a population adapts.”<sup>4</sup>

Zukin presented a less environmental and more political view of the gentrification of old manufacturing districts. She described loft conversions as involving a larger contest between social groups for urban space and control of the city’s political-economic future. She theorized the emergence of an “artistic mode of production (AMP),” a subtle form of redevelopment that emerged following resistance to the more brutal practices of demolition and displacement supported in the 1950s and 1960s by urban-renewal agencies and private real estate speculators. In the AMP scenario, city rezoning policies and the real estate sector support artists’ permanent occupation of terrain formerly dedicated to the production economy as a way to reformulate it as a zone for higher-value residences and a new service economy.<sup>5</sup>

Other authors have focused on the gentrification of New York’s working-class residential zones, primarily the East Village area of the Lower East Side. William Sites, in 2003, argued that the public sector had been overlooked as a major actor in this urban transformation. He cited policy decisions and incentives which spurred private-sector redevelopment, at the same time that city government was passing up opportunities to stabilize existing communities through the directed use of publicly held properties and a more rational land-clearance strategy.<sup>6</sup> Janet Abu-Lughod, writing in the early 1990s, also analyzed the political-economic shifts and social polarization that framed the ongoing gentrification of Lower Manhattan. Her ethnographic work followed the transformation of neighborhoods such as the East Village from cohesive cultural enclaves to spaces where diverse groups live parallel lives with competing objectives.<sup>7</sup>

In the 1990s, Neil Smith’s work also carefully charted patterns of private-sector disinvestment and reinvestment in the East Village. Demonstrating a link between the two (one traces the path of the other), he argued that dramatic devaluation and abandonment were preconditions for urban redevelopment.<sup>8</sup> Finally, Christopher Mele, writing in the late 1990s, closely examined the nature and behavior of private real estate investors and their impacts on the urban environment. He compared the subtle, longer-term effects of independent property “flippers” to the more dramatic urban change brought on by larger developers with institutional backing.<sup>9</sup> Mele also studied the role that neighborhood images and public dis-

courses played in promoting disinvestment or redevelopment in the East Village throughout the twentieth century.<sup>10</sup>

My approach here is related to Mele's. I argue that camouflage strategies of spatial occupation on the Lower East Side stem from targeted cultural messages that bohemian communities and entrepreneurs communicate among themselves or to the market. My interest is how the value created by these messages — as leveraged by the actions of the public sector, private real estate investors, and larger commercial entities — creates the basis for neighborhood transformation. Under new conditions of market differentiation related to larger shifts in patterns of production and consumption, such cultural messages have overcome more than fifty years of continuous decline and neighborhood resistance to upscaling and urban renewal. My interest also lies in better understanding how value can now make an almost instantaneous jump from culture to commerce, and how commerce on the Lower East Side has become a primary producer of culture.

Taking the opportunity to push deeper from Mele's hypothesis (which is overarching and covers a century of change), my approach is also more ethnographic. Focusing on a specific precinct and time period, I have sought to identify the immediate, local participants and mechanisms of stealth gentrification.

#### INVISIBLE STORIES, 1980–1994

Known for its history of immigration, social ferment, and bohemian culture, by the 1970s, the Lower East Side was in rough shape. Both its population and building stock had been in steady decline for a half century, ever since the Immigration Act of 1924 curtailed the influx of Eastern European Jews, Italians, and others who flooded into New York during the peak period of immigration from 1880 to 1924. Although a new wave of Puerto Rican immigrants arrived in the 1950s, recruited to work in New York's garment industry, they were soon caught in a cycle of structural poverty, as the jobs they had been promised were transferred overseas.

As a neighborhood, the Lower East Side and its residents also suffered severely from structural challenges that had faced New York City as a whole since the 1960s. Among these were middle-class suburbanization and the loss of manufacturing industries. This cut into metropolitan tax revenues and pushed unemployment ever higher. Then, in 1973, several events combined to push the city even deeper into crisis: a national recession, a sharp rise in the price of oil, and a drop in real estate values. City efforts to raise funds quickly by shortening the grace period for paying delinquent property taxes backfired, provoking an epidemic of property abandonment and arson. The city suddenly found itself in possession of nearly eight thousand abandoned (*in rem*) properties, with approximately five hundred located on the Lower East Side.<sup>11</sup>

In response, New York implemented fiscal austerity measures and an economic-growth strategy that focused on service industries and the white-collar professional class, while infamous “planned shrinkage” policies cut back services to depopulated, low-income neighborhoods. And although the city's economy began to recover at the end of the 1970s, such “dual city” policies continued. Among the long-term impacts was an increased polarization between high-wage service workers and an expanding number of very low-wage, unskilled workers who were forced to compete for space in increasingly run-down areas.

Despite its declining fortunes through the 1950s, 60s and 70s, the Lower East Side remained a home to Jewish and Puerto Rican institutions, cultural traditions, and political activism. Its bohemian tradition had also become firmly established, first with the beatnik, or “beat,” underground of the 1950s, and a decade later with the hippie counterculture. Then, in 1980, a historic turning point arrived. After fifty years of nearly continuous decline, property values on the Lower East Side began to rise. One cause was intense real estate speculation in SoHo and the East Village, which pushed artists, squatters, and middle-class “pioneers” to seek cheaper space on its nearby blocks. Stealth aesthetics emerged almost immediately as an expression of this new bohemian movement, signifying authenticity, membership in the downtown avant-garde, and a condition of being “underground,” or beyond the realm of middle-class consumerism. This signification contained an inherent contradiction, however, because many of these new residents arrived with very middle-class objectives. In particular, they were seeking to buy property or to create small businesses — opportunities they were finding increasingly out of reach in other Manhattan neighborhoods.

The relationship between this first wave of middle-class pioneers and the area's existing low-income community was complex and contradictory. On one hand, artist-activists were successful in publicizing the hardships imposed on older residents by the city's pro-growth policies and the practices of private landlords. On the other, the new Lower East Side scene attracted young, middle-class residents who themselves became the cause of property speculation and rent hikes. Nonetheless, significant barriers remained at this time in the Lower East Side to the dream among developers (realized in other neighborhoods nearby) of remaking such downtown areas into havens for white-collar workers. Among these were its culture of opposition, the perceived marginality of its ethnic communities, an ongoing drug trade, and gang activities. Realization of this vision would need to wait for a process of market differentiation that would only appear in the next decade.

Many new arrivals to the Lower East Side in the early 1980s were artists. Some purchased buildings at low cost, which they fixed up themselves, and a few started small businesses. They joined a growing community of squatters and artists' collectives, active in the area since the late 1970s.

From the beginning, stealth aesthetics were a trademark of this population. The squatters had occupied abandoned buildings transferred to city ownership during the fiscal crisis. For them, stealth was a means of survival that required maintaining dilapidated facades and blacking out windows to avoid detection by the authorities. But to newer arrivals, such aesthetics also expressed a spirit of adventure. They considered themselves pioneers, and urban fabric that had “gone to seed” seemed a transliteration of the idea of wilderness. Making a home in found terrain expressed toughness and creativity.

Squatters and community gardeners had been tolerated and even institutionalized by city agencies in the 1970s, when they were regarded as a counterweight to drug trafficking and other problems endemic to the city’s depopulated and abandoned areas. But as the real estate market rebounded in the 1980s, a pro-growth city administration dismantled urban-homesteading programs and placed a moratorium on the creation of new community gardens on city-owned vacant lots.<sup>12</sup> As the city looked to privatize its portfolio of *in rem* properties to collect revenue and promote development, squatters also came under siege.

Some squatters were influential organizers for the community as a whole. The artists’ collective ABC No Rio, for example, broke into a vacant city-owned building in 1980 and installed an exhibition entitled “The Real Estate Show,” which drew attention to the evictions, harassment, and other challenges faced by neighborhood residents. Its intent and impact were later described by one of its organizers:

*The housing stock in this traditional immigrant neighborhood had greatly deteriorated, the result of bank redlining and landlord disinvestment, epidemic arson and abandonment. But at the same time a new group of real estate speculators were moving on the neighborhood, abetted by the city government’s planning and policy, setting the stage for a new wave of gentrification. The “Real Estate Show” was organized in response to the harsh economic realities facing tenants in New York. . . .*

*The “Real Estate Show” was the most publicized group exhibition of this period. A street corner press conference outside the padlocked show drew reporters from three newspapers and two magazines as well as the visiting German artist Joseph Beuys. The city felt compelled to negotiate with a group of artists who appeared to represent a political force.<sup>13</sup>*

After the show, ABC No Rio established an arts and community-service center in another abandoned building nearby. The group’s name was taken from a worn sign across the street. It had once read “Abogado Con Notario Publico,” or “lawyer and notary public,” but only the letters “Ab C No rio” remained.<sup>14</sup> This wry adoption of ethnic working-class identity as well as an urban found object was typical of the aesthetic sensibility of artists and pioneers of the period.

Another figure who set a countercultural tone for the neighborhood was Adam Purple, an artist who unwittingly became a squatter when his landlord abandoned the building in which he was living in the late 1970s. As adjacent tenements were likewise abandoned by their owners and then demolished, he sorted their brick rubble and reused it on site to create The Garden of Eden, one of New York’s largest and most elaborate community gardens. Adam Purple remained in his building without heat, electricity or running water for eighteen years, often subsisting on vegetables from the garden and \$2,000 per year earned recycling found materials. An urban Thoreau and prominent neighborhood personality, he was known for dressing in purple from head to toe. His garden was bulldozed by the city in 1986, despite demonstrations and legal action taken by community residents.<sup>15</sup>

Recycling and foregrounding the discarded remains of an urban environment in ruin had been central to the aesthetics of New York punk culture and art production in the late 1970s. It was carried on by the East Village art scene of the early 1980s, and was central to exhibits such as the “New York/New Wave” show at P.S. 1 in 1981, which featured graffiti and junk sculpture.<sup>16</sup> Several of the artists who converted spaces on the Lower East Side at this time were active in these circles.<sup>17</sup>

The found terrain of the neighborhood emblemized the political attitude of this new group. Many admired its legacy of working-class activism and its ethnic diversity. Influenced by conceptual artists of the 1960s, including Claes Oldenburg, who had created happenings in storefront installations on the Lower East Side, they aimed to produce art outside the realm of elite galleries and the mainstream commercialism of SoHo and even the East Village.<sup>18</sup> The vacant storefronts and immigrant community they found below Houston Street facilitated this sense of being an “outsider.” In particular, the neighborhood provided authenticity, or distance from the mass culture and mediated experience of other Manhattan districts.

Clayton Patterson, an artist who, in 1983, bought a small storefront building that once housed a garment workshop, shared this opinion:

*Being socialized, uniformity. . . . The good thing about the drugs was that they kept that attitude out: the middle and upper middle classes and shi—y values. This was a [working-class, ethnic] community. Though it was less safe, it was a trade-off. . . . [Today] there is no inspiration; it’s no longer possible in this neighborhood, or in New York, to be an outsider. Art comes from the outside.<sup>19</sup>*

Patterson’s storefront is his home and studio. He had been renting nearby, on the Bowery and on Broome Street, when he decided the neighborhood offered the opportunity to own his own space. But, instead of renovating, he left the building he bought much as he had found it, eventually only replacing windows when they leaked. He also hired a sign



FIGURE 3. Clayton Patterson home and studio

painter who had lived in the neighborhood for thirty years to stencil his front display window, using the same neat gold lettering that might have identified a law office in the 1940s, “Clayton Gallery & Outlaw Art Museum.” Today, a padlocked security grill crisscrosses his storefront, making it feel closed and forlorn, and the studio is hardly noticeable within the bleak frontage of the rest of the block. On his front door is the familiar tag of a local graffiti artist, the white spray-paint outline of an octopus. (FIG. 3)

On different terms, the found landscape of the Lower East Side also facilitated a sense of being an “insider.” The fact that new artists, residents and businesses were camouflaged behind old facades and storefronts meant that simply knowing their locations gave one membership in a small, adventurous, progressive community. And not only did the new arrivals belong to a tight group of pioneers, but preserving the appearance of their spaces helped them feel they were blending in with an existing low-income ethnic community.

When asked why they maintained facades as they had found them, many artist-owners simply reply that they liked them, and that they liked the character of the neighborhood. But several also emphasized that they “know everyone, all the families.”<sup>20</sup> Maggie McDermott is a dancer, rock musician, and seamstress who moved to the area in 1981. She had a sewing studio in her apartment until she opened a storefront in 1998. “It looks like a punk rock hippie-gear fetish blender exploded in here,” she said, describing her creations. But she added:

*I love my neighborhood, there's a closeness and old-school feel here. . . . [N]ew merchants, they blend right in. Everyone knows everyone, it's lovely. There's a synagogue across the street, and I'm making the dresses for the Rabbi's daughters. . . . I'm making a dress for the Rabbi's*

*wife, because they wanted to keep it in the neighborhood. It hasn't changed that much yet.*<sup>21</sup>

Yet, despite such expressions of solidarity with the local working-class, and despite positioning themselves as activists or bohemian outsiders, the motivations of many artists who moved to the Lower East Side were essentially middle class. By contrast, the very opportunities that attracted them to the area, to own property or start a small enterprise, were beyond the reach of most of their neighbors. Indeed, the concept of “pioneering” in a residential community, even a battered one, inherently separated new residents from existing ones.

As a result, although the activism of ABC No Rio and others helped publicize the plight of the existing low-income population, neighborhood organizations were largely ambivalent about the influx of artists. In 1982, they vehemently opposed a proposal by the Koch administration to set aside city-owned property for moderate-income artist housing, calling it a strategy to promote gentrification.<sup>22</sup>

In an attempt to bolster the neighborhood against destabilization and displacement, in the 1980s, local organizations also tried to halt auctions of the city's *in rem* properties to private developers. And fearing that extensive privatization of city-owned sites would erode any opportunity to ensure affordable housing on the Lower East Side in the long term, community groups organized mass demonstrations on the steps of City Hall in 1983.<sup>23</sup>

Another factor which increased the neighborhood's vulnerability to gentrification was the city's crackdown on the drug trade and the increased policing of public space. From 1984 to 1986, the New York City Police mounted “Operation Pressure Point,” an intensive campaign to break up the concentrated drug market on the Lower East Side.<sup>24</sup>

Given these larger pressures and policies, the gentrification of the area was perhaps inevitable. But, as had been the case with earlier downtown bohemia (Greenwich Village in the 1920s, and the East Village from the 1950s to the 1980s), it was the Lower East Side's avant-garde atmosphere in the 1980s that set the stage first for place consumption, then for broader gentrification in the 1990s.

Max Fish, a bar which became the first hangout for a growing community of artists in the area, illustrates a middle ground, or point of transition, between these two worlds. It was opened in 1989 by Ulli Rimkus, a performance artist with ties to ABC No Rio and a number of prominent New York artists. The space had once been “Max Fisch,” a store selling religious articles, but it was closed when Rimkus found it with many of the articles still inside. She did little in the way of renovations. She left “Max Fisch” stenciled on the glass above the door, and invited local artists to install work there. She also created an adjoining cafe with a back room for screening experimental films. Both establishments are informal and inexpensive (FIG. 4).<sup>25</sup>

Max Fish quickly became a destination for consumers of the downtown scene. It also became the cornerstone of a



FIGURE 4. Max Fish bar and washroom art installation detail.

night-time entertainment district that emerged on its Ludlow Street block in the mid-1990s. And it made Ulli Rimkus one of the first of a set of successful local artist-entrepreneurs.

Although the bohemian community on the Lower East Side in the 1980s shared many characteristics with earlier downtown bohemias, it differed in important respects. The bohemians of the 1920s, the beats of the 1950s, and the hippies of the 1960s all sought to make a home in an “authentic” working-class community outside the dominant culture. Each of these avant-garde subcultures had a different effect on local real estate values and demographics, however. The beat “underground,” for example, had little immediate impact because the beats were relatively few in number and were primarily focused on art production in literature, music and theater. The hippies, on the other hand, were more influential, and established a large public presence as they sought to transform the East Village into a zone of counterculture. The hippie scene was also more commercial, attracting lifestyle consumers and tourists from outside the neighborhood. Yet, the hippies did not come to the East Village to buy property or start businesses, and most had not been displaced from other areas by rising rents.

In contrast, many of the bohemians who arrived on the Lower East Side in the 1980s adopted countercultural elements as a commercial strategy. Stealth tactics had first emerged entirely outside the commercial realm, in such “decommodified” spaces as abandoned buildings, defunct storefronts, and vacant lots. But art that borrowed the found qualities of these spaces quickly evolved into a trademark aesthetic that was used to attract middle-class consumers. Distinctions between art and commerce were inevitably less clear in a community where many had relocated not just to be outside the mainstream, but because other bohemias had become too expensive.

#### HIP OPERATIONS, 1995–2002

In the economic recovery following the recession of the late 1980s and early 1990s, the Lower East Side underwent significant changes in land use and demographics.

Performance spaces and bars proliferated, while young, bohemian middle-class renters increasingly displaced working-class families. Such changes were ushered in by the growth of information and culture-based industries in New York and a city administration focused on land privatization and the policing of public space. As the neighborhood gradually became safer, new businesses and realtors also marketed “difference” to urban culture workers, who gained social capital for living and recreating in a “fringe” area.<sup>26</sup> Although the neighborhood’s low-income community included strong local organizations with active political representation, they were largely unable to stem the tide of change brought on by privatization, a strong economy, and the marketing of marginality.

During this period, the stealth aesthetics and camouflage strategies that had been characteristic of counterculture and dissent — largely the purview of squatters and downtown artists — were adopted by a growing number of local artist-entrepreneurs who blurred boundaries between art, resistance and commerce. Stealth was also adopted by the area’s new entertainment venues, and the Lower East Side became an incubator of content for the city’s growing media, fashion, culture and entertainment sectors. Stealth was integral to the way these local businesses drew clientele, and it created cachet for Lower East Side real estate.

“Black Monday,” the abrupt stock market downturn of 1987, marked a shift away from the dominance of mainstream corporate values in New York City. When the economy revived in the mid-1990s, it brought a boom culture of dot-com companies, small entrepreneurs, and a vast expansion of content industries. City government and business organizations helped facilitate this shift, emphasizing “creative-class” development strategies and providing incentives to high-tech firms.<sup>27</sup>

As a global center of cultural production, New York experienced a surge of employment in information, entertainment, media, and culture-based industries. This intensified competition for space in the 1990s, but also created opportunities for entrepreneurial artists. In addition, it helped transform the Lower East Side from a principally resi-

dential neighborhood into a space of intensive entertainment and cultural consumption.

The rise of content industries ushered in a new era of hyperconsumerism. In this milieu, bohemian concepts of the “avant-garde,” “underground,” and even “authenticity” were increasingly considered lifestyle options indicative of social identity, rather than political choices. In addition, with the declining importance of large-scale industrial production, cultural intermediaries, often members of urban subcultures, became essential to the search for new niche markets and marketable differences. This process depended on continuous diversification and the discovery of new source material. It also meant that cultures once thought to be peripheral — including that of the ghetto and the urban disenfranchised — could be appropriated within the culture industry as sources of content. New York’s ample pool of creative talent was tapped to uncover this new material, and the bars, cafes and restaurants of bohemian neighborhoods, such as the Lower East Side, became its production zones.<sup>28</sup>

Meanwhile, a booming economy meant greater competition for space across the entire city, and a trend to renovate or replace older housing with new structures for the luxury market further constricted middle-class residential opportunities. On the one hand, this increased the flow of residential “pioneers” into Manhattan’s low-rent neighborhoods, making it even more difficult for artists and low-income service workers to afford to live there. On the other, the expansion of advertising, media, Web design, entertainment, and culture-based activities created opportunities for entrepreneurial artists. Interpreting and selling cultural trends became a core activity of many new firms. And artists already installed on the Lower East Side sought ways to engage this activity by starting small businesses to profit from the increased flow of disposable income into entertainment and the consumption of atmosphere. In the years that followed, many opened hip restaurants, bars, and small boutiques that catered to an expanding population of youthful residents.

For the owners of these businesses, recycling an existing storefront was generally cheaper than a full renovation; but it was, more importantly, an expression of cultural identity. Most of the new Lower East Side entrepreneurs saw themselves as operating outside mainstream corporate culture, and preserving the built environment was a way to identify themselves as locals. Nonetheless, they consciously engaged in “new-economy” activities, creating and selling trends of cultural consumption, content and hipness.<sup>29</sup>

Denise Carbonell is one such entrepreneur. A pioneer who arrived in the 1980s, she had been a textile designer with her own midtown clothing-production firm. However, she closed that business in the 1980s to become a full-time artist. She bought a corner building with several units and a storefront, and today she lives in one of the units and rents the others. Originally, she used the storefront as her studio, but in the mid-1990s she transformed it into a retail space to sell her work: retro-futurist clothing, textiles, jewelry and



FIGURE 5. Denise Carbonell shop: exterior and interior.

mobiles. The store had once been a men’s clothing store, Louis Zufflacht, which closed in 1964. Making few renovations, Carbonell has been careful to maintain the exterior, occasionally reinforcing unstable portions of the facade and the “Louis Zufflacht” sign while being meticulous not to change its worn appearance. Still, she decided, for instance, to retain its storefront windows, which were covered with a film, yellow with age. Today, no sign indicates her business; one becomes aware of it only as a glimpse through the open door. She feels her design decisions have helped maintain connections to the neighborhood’s past (FIG. 5).<sup>30</sup>

Carbonell’s store illustrates the fine line in stealth aesthetics between preservation and theming. In fact, she was criticized in an article in the Leisure section of the *New York Times* for her lack of a more themed approach:

*The backdrop for [the] cultural mix [on the Lower East Side] remains generally shabby, with tenements overshadowing the re-dos, some of which deliberately retain run-down exteriors to save money or preserve the area’s character. . . . A case in point is Denise Carbonell’s shop; . . . it’s cheerful by day but dismal at night when the security*

*gates are locked and the only sign reads “Louis Zuflacht,” a ghostly bygone haberdasher. Most depressing are the graffiti-splashed corrugated metal shutters that hide bars and restaurants by day and shops at night.<sup>31</sup>*

Unlike this *Times* reporter, many young bohemians in the neighborhood seem attracted by the edgy allure of “graffiti-splashed” shutters. And Carbonell’s aesthetic was, by intention, close to that of the squatters and artists of the 1970s and 1980s: it foregrounds the found object and the urban ruin, and is more subtle than most retail concepts, negotiating between art and commerce.

Joe Manuse is another local merchant. A painter and printmaker who formerly worked in graphic production, he lives around the corner from the low-key, inexpensive cafe he runs with his brother. The pair opened the cafe in 1997, in a well-worn storefront with no sign. Instead, a single scrawl of graffiti on the security grill reads “Lotus Club,” the café’s name. Across the street is the “Poor People in Action of the Lower East Side” community garden, whose members hold their meetings at the Lotus Club. Here, camouflage was employed to attract middle-class hipsters, but it also created a space without overt class associations.<sup>32</sup>

In contrast, Mary Beth Nelson, another artist turned entrepreneur, has been more direct in courting an upscale clientele. She moved to the neighborhood in the early 1980s after attending art school and renting an apartment in Greenwich Village. Together with a group of friends from school, she bought a building, which they renovated bit-by-bit, not unlike a squatter’s collective. She got the idea from an artist friend who had done the same. Later, she started a business as a graphic designer.

In 1999, she and several partners, all from the neighborhood, opened a gourmet restaurant, 71 Clinton Fresh Food. One of her partners, the chef’s father, had lived for a decade in the building where they opened the restaurant, and Nelson designed the restaurant’s facade and interior.

Originally intended as a neighborhood destination to improve dining options for a growing middle-class community, it quickly became a destination for outsiders. With her partners, Nelson then opened two more restaurants on Clinton Street: aKa in 2001, and Alias in 2002. Both are aptly named because they preserve the facades of their previous occupants, a ladies’ dress shop and a Puerto Rican diner. Ironically, Alias had already been the name of the Puerto Rican diner. Originally, it had been “Elias Restaurant,” but the prior owner had replaced the “E” with an “A” (FIG. 6).

Nelson made minimal changes to these facades, too — and not just because it was cheaper to do so. In fact, not altering them probably decreased her revenue, because the older storefronts encroach on interior square footage and seating capacity. This is particularly the case at aKa. Formerly Kupersmith’s, a ladies’ wear outlet, it maintains the old recessed entry where the name “Kupersmith’s” is still embedded in the exterior terrazzo paving. Nelson explained the design was based on a “recycling aesthetic — of grafting onto and transforming.” Her intent was to identify the restaurant with the existing character of the neighborhood and create a spot for locals. Besides, she said, camouflage is the “ultimate New York insider” design strategy.<sup>33</sup> Indeed, New York has a long history of downtown establishments that have promoted exclusivity and secretiveness — from the “member’s only” clubs once operated by the Jewish and Italian mafias to more recent bars and restaurants that conceal their identities to appeal to an insider clientele or create mystique.

The group’s three restaurants have also sparked the formation of a restaurant row on Clinton Street. In the last several years the street has come to be lined with sleek, upscale establishments. And, as a catalyst for high-end urban renewal, these Clinton Street restaurants have now attracted developers of luxury residential properties and boutique hotels to the area.

Entrepreneurs like Nelson seem ambivalent about neighborhood change; they see it as a constant condition in



FIGURE 6. Alias restaurant in a recycled diner. A real Puerto Rican diner.

New York City. Although conscious of her role in the gentrification process, Nelson explained there is an “effort in the neighborhood not to have a line between communities.” She added that a larger restaurant which opened recently seemed “like a spaceship from outside the neighborhood. I wish things would freeze — it’s sad to see families leave, and I’d rather see small businesses than chains. On the other hand, it’s safer. We used to get mugged and robbed.”<sup>34</sup>

The expanding economy of the 1990s also shaped the Lower East Side not simply as a place to consume the products and services of new entrepreneurs, but as a cultural space which could be consumed for its atmosphere. The sense of the neighborhood as a cultural destination was greatly assisted by a cluster of fringe storefront theaters and music venues that added to a layered experience of working-class authenticity, counterculture, and urban edge — and by a proliferation of bars, the ultimate purveyors of ambiance.

In particular, Ludlow Street became a center for experimental performance and music venues. One of the first theaters there, *Todo Con Nada*, opened in a storefront in 1988. It was, in fact, conceived and subsidized by the building’s owners, local developers who hoped a cultural use would add value to the block. In addition to giving potential tenants and investors the impression that the theaters were bringing the neighborhood “up,” the venues provided middle-class patrons with a frisson of being brought “down,” or at least “out,” on a countercultural, urban fringe.

*“When we first opened in 1993,” said Surf Reality theater founder Robert Prichard, “there was a brothel in our basement and the space now occupied by the Bluestockings Bookstore was a crack deli. The building also featured a pawn shop. It’s like we were a downtown mall for out-laws. Theoretically, one could boost some goods, redeem them for cash at the pawnshop, cop a little blow at the deli, grab a ‘date’ from the basement, and then come upstairs to see a show.”<sup>35</sup>*

Both “up” and “down” sensations could thus be marketed to create image and value. And by 1999, about a dozen storefront theaters were clustered in the area, including Collective Unconscious, an artist’s collective operating as an incubator for experimental performance. But by 2004, all of these had closed, displaced as their buildings were sold for redevelopment.<sup>36</sup> The developers’ gamble with entertainment and culture as a real estate strategy had paid off (FIG. 7).

A rash of music clubs opened in the mid-1990s as well. Some had been forced out of the East Village by high rents; others developed in synergy with the nearby music scene on the Bowery. The Bowery had long been the location of CBGB, a core venue in the 1970s punk and glam scenes. However, in the late 1990s, new Lower East Side clubs, such as Luna Lounge and Arlene Grocery (opened in 1995 and 1996, respectively), helped launch the careers of



FIGURE 7. *Collective Unconscious theater collective and the graffiti response to its displacement.*

successful new musicians like Elliott Smith and the Strokes. Casual and cheap, these venues were staffed and frequented by a regular crowd of musicians. Luna Lounge had its own record label, and Arlene Grocery featured a monthly “punk-rock karaoke” night, well attended by CBGB-era musicians.<sup>37</sup> These venues supplied an experience of authentic fringe culture that for many was the principal attraction of the Lower East Side.

Stealth aesthetics were a key part of this experience. Luna Lounge, for example, preserved the industrial frontage of a defunct Chinese herb warehouse — with no signage, just a large, dark glass window.<sup>38</sup> Arlene Grocery adopted the name and hand-painted sign of the *bodega* it replaced, and at first might be confused with another *bodega* down the street with a sign by the same artist (FIG. 8).

Like the independent theaters, these music venues represented an interim step in the gentrification process. Several have now closed, or are facing closure due to spiking rents. Luna Lounge closed in March 2005, to make way for new condominiums. CBGB and Tonic have also closed.<sup>39</sup> Unlike the restaurants on Clinton Street, which attracted luxury residential development, these music venues often conflicted with residences because of noise issues. Most



FIGURE 8. *Arlene Grocery in a recycled bodega. A real bodega.*

occupied single-story structures that have since become prime targets for higher-density redevelopment.

In addition to performance spaces, in the mid-1990s, the Lower East Side experienced a proliferation of bars. This also created conflict with the existing residents, and drove the Community Board to recommend a moratorium on new liquor licenses.<sup>40</sup> Whereas a decade earlier, working-class residents feared gentrification but shared a desire for quality-of-life improvements with the new middle-class pioneers, in this second wave of stealth development they now faced the prospect of being overrun by bars and entertainment venues. Not only were long-time residents being displaced by rent hikes, but some were now being driven out by noise and nuisance.<sup>41</sup>

Nonetheless, bars were some of the most creative businesses employing camouflage to create image and mystique. For example, in the mid-1990s, one owner opened two theme bars, one which recycled a recently defunct beauty shop, and the other a pharmacy. Named Beauty Bar and Barmacy, they are high-kitsch celebrations of a not-so-distant working-class past. At Beauty Bar, a rockabilly subculture hangs out under the hair dryers while the former owner, in her late eighties, gives happy-hour manicures. Deb Parker, the bar's proprietor, has dubbed her approach to the Lower East Side's built environment "hysterical preservation" (FIG. 9).<sup>42</sup>

Camouflage could also be used to heighten exclusivity. The Milk & Honey bar is located behind a dilapidated facade disguised as a clothing alteration shop, and it seats only a dozen people. Its address and phone number are kept unlisted, so potential patrons must first obtain these from friends. Protocol is to phone when in the neighborhood to request a spot. When space becomes available, the bar phones back with its address and directions. "The service I'm offering is an idiot-free environment safe from celebrity sycophants and frat boys," explained its owner. "Unfortunately, hiding my bar was the only way I could think of to do it these days."<sup>43</sup> This approach is also a means of preserving business longevity; a

bar can quickly lose its following if it is deemed to have been discovered by the wrong crowd (i.e., a suburban "b & t," or "bridge and tunnel," demographic).

Finally, other establishments frame the illicit or voyeuristic. This is the case of Happy Ending, a bar which opened in a Chinese massage parlor shut down by the police. Happy Ending was a euphemism for the "total-release" massage reportedly delivered on the premises, and the bar maintains the awning and frontage of its former occupant, imprinted with Chinese characters. Nothing at all is visible from the street which might reveal its new use. Meanwhile, inside the front door, perched on the reception counter, a video monitor plays a surveillance tape found when the new owners took over the space, which shows the coming and goings of former Johns. Bar patrons proceed downstairs to the old steam and massage rooms to hang out, while a DJ spins grooves (FIG. 10).

Happy Ending also illustrates the subtle visual language of insider hip. According to the manager, from time to time



FIGURE 9. *Beauty Bar.*



FIGURE 10. Happy Ending bar.

a group of middle-aged Chinese men will come through the front door and seem puzzled. Yet they appear to be the only ones. Though “invisible” to an uninitiated neighborhood resident, the bar is highly visible among global trend-setters. It has an elaborate website and is recommended on a number of Internet culture sites and weblogs. This is its description on Superfuture.com, a site with listings for New York, Tokyo, Sydney, and Shanghai that describes itself as “urban cartography for global shopping experts”:

*converted massage parlour and hot lower east night spot . . . best on tuesdays and fridays. [hard line hipsters]. total wild shenanigans down here. gets shut down by the cops at least once a month which is always a good sign.*<sup>44</sup>

Happy Ending’s strategies of camouflage, voyeurism, and urban edge work in several ways. First, they provide a folklore likely to be spread by word of mouth and picked up by diverse media. Its owner, Oliver Pihlar, described it this way: “In New York, there is so much competition that a bar can have a great location, great food, and great atmosphere and will invariably fail. It needs something else to make it stand out — a good story.”<sup>45</sup> Second, Happy Ending can be invisible from the street because it depends on nontraditional forms of advertising. The expansion of information technology and communications — and the number of New Yorkers employed in these sectors — has given rise to powerful new methods of attracting clientele. In particular, “viral marketing” — word of mouth transmitted via Internet, email, cell phones, and pagers — can now be highly efficient. Unlike traditional forms of advertising, it contains an implied endorsement because it is conveyed through personal contacts.<sup>46</sup> Using such intimate networks, a business like Happy Ending can reach a specific consumer group and attract an “in-crowd” that enhances its reputation.

Viral marketing has now become widespread as a way to publicize events in New York. A free concert by a popular indie performer was recently held for which no public announcement was made; nonetheless, through electronic word of mouth, all entry passes were claimed within twenty minutes. Similarly, one local musician no longer advertises her perfor-

mances in advance, but simply sends out text messages that say, “I’m doing a show at club x right now. Come see me.”<sup>47</sup>

#### THE NEW VISIBILITY, 2003–2005

*As the culture industry reaches deep into the urban milieu of street corners, alleyways, basement bars and clubs to appropriate content to merchandise to consumers across the globe, it presents new opportunities for the urban redevelopment of neighborhoods where such forms originate.*

— Christopher Mele<sup>48</sup>

As the examples in the last section illustrate, in the 1990s, the Lower East Side became a key source of “content” for new networks of communication. It also became influential in shaping patterns of cultural production and spatial consumption. In physical terms, this translated into new value for local commercial and real estate ventures and further gentrification.

City policies during this period reinforced these trends. The priorities of the Giuliani administration were to make New York attractive to mainstream commerce, entertainment and tourism. This meant lowering crime and restricting the uses of public space.

To many residents of the Lower East Side, however, these policies seemed primarily aimed at restricting the activities of the poor. Although they were happy with the increased pressure on the drug trade, they were concerned about the potential for rapid gentrification. In addition, the attempt to establishing a more ordered public realm also limited informal uses of public space, such as street vending and hanging out, which had long been part of neighborhood culture.

Countercultural activities that were inclusive of both middle-class bohemians and the local working class also came under attack. This was especially true with the sale and demolition of community gardens. In 1999, after the destruction of a number of well-loved gardens, the Giuliani administration announced the scheduled auction of 112 more. Responding to critics in a weekly radio address, the mayor stated, “This is a free-market economy. The era of communism is over.”<sup>49</sup>

Such policies increasingly pushed bohemian culture indoors, isolating it from its host ethnic community. And with private clubs and bars becoming the principal sites of cultural experimentation, bohemian culture, by default, became more commercial, controlled and packaged as a lifestyle for culture-industry workers.

Community organizations and Lower East Side City Council member Margarita Lopez did make minor headway at the end of the 1990s in stemming the area's gentrification. They persuaded the city to allocate some publicly held sites for nonprofit housing and social services. State Attorney General Eliot Spitzer also sued the city to prevent further garden auctions. Nonetheless, the administration's determination to sell the vast majority of city-owned properties to private developers undermined residents' efforts to secure a long-term stock of affordable housing. This destabilized the low-income community and drove real estate values even higher.

Currently, in the most recent phase of the Lower East Side's transformation, larger commercial players have entered the scene. Two new trends typify new transformation. On one hand, larger retail and entertainment ventures have begun to appropriate and reconfigure the stealth strategies that were once the trademark of neighborhood bohemians and local entrepreneurs, and they have begun to "theme" the neighborhood's heritage of working-class activism and ethnic diversity to promote their products. On the other, previously hidden processes of capital accumulation have now become overt in the form of luxury condominiums, boutique hotels, and sleek, high-end restaurants. These new narratives have added to the play of visibility and invisibility that still dominates the experience of the neighborhood.

Market differentiation is behind the first trend. Larger commercial entities have chosen to locate on the Lower East Side and adopt its imagery in order to reach downtown niche consumers. But their presence has driven up local retail rents, threatening to displace the small businesses they emulated.

Recent retail trends now aim to create "member's-only" exclusivity, to inexpensively reach new urban niche markets, and to create media buzz. They frequently depend on viral marketing — email lists and word of mouth — rather than conventional advertising.<sup>30</sup>

One new-generation stealth retailer on the Lower East Side, Alife, has partnered with multinational companies such as Levi's and Nike to reach a young urban niche market. Alife is referred to as a "hipster think tank" and specializes in the sale of limited-edition sneakers, such as those commissioned from a graffiti artist by Nike. Tucked into the center of a rough block, the store is only just visible from the sidewalk if one peers through a locked glass door and down a corridor. The interior appears elegant from the street, but the store is almost impossible to find or enter. If you get the staff's attention, they will eventually buzz you in. Even the website requires a member ID. Alife communicates to cus-

tomers through an email list of insiders and through urban culture websites such as Superfuture.com.<sup>31</sup>

In addition to this practice of "massclusivity," Alife has branched into "guerrilla retail," collaborating with Levi's on a store designed to remain open for only one month and be advertised exclusively by word of mouth. This concept was initiated by a high-end retailer, Vacant, which has succeeded by opening improvised shops in empty storefronts on the fringes of gentrifying areas of global cities. Comme des Garçons has followed suit, positioning the idea as a 1960s-era art "happening."<sup>32</sup> Ironically, the intention of storefront happenings, such as those at Claes Oldenburg's 1961 "The Store," was to remove art from the realm of commercialism and place it in relation to the city.<sup>33</sup> By contrast, the Comme des Garçons iteration recontextualizes the city as a thematic concept for retail.

Another indication that larger investment entities have arrived is the replacement of built-environment preservation with its re-creation. One example is Schiller's Liquor Bar, a new restaurant opened by the owner of Balthazar and Pastis, upscale theme restaurants in SoHo and the Meatpacking district. Originally a theater set-designer, the owner, Keith McNally, designed Schiller's as the re-enactment of a typical Lower East Side blue-collar eatery, calling it a "low-life bar and restaurant."<sup>34</sup> Its unassuming white tile, copper plumbing, and industrial glass recall a neighborhood restaurant from the 1930s.

Such theming of place is a growing local phenomenon. The renaming of Allen Street in 2004 as the "Avenue of the Immigrants," as well as the 2003 dedication of "Joey Ramone Place" on the Bowery in front of the former site of the CBGB music club are telling signs that immigrants and punk rockers may not be visible on the rapidly gentrifying Lower East Side much longer.<sup>35</sup>

Also characteristic of a new era is the expansion of the role of artist-entrepreneur to artist-CEO. Two prominent cultural personae who have recently adopted the cultural identity of the neighborhood are Dov Charney, the CEO of LA-based, "sweatshop-free," American Apparel, a t-shirt and jean clothing chain, and Moby, a globally successful pop musician and political activist. Both have apartments in the area and have recently opened local retail stores. Moby's shop, TeaNY, sells vegan food and tea, while the Lower East Side branch of American Apparel calls itself a "gallery" and displays photographs Charney himself has taken of a variety of working-class neighborhoods and of Hispanic factory employees modeling clothing. The store has a pro-labor statement carefully stenciled on its minimalist picture window (FIG. 11). It reads:

*We are committed to making clothing of the highest quality while pioneering industry standards of social responsibility in the workplace. Our goal is that everyone touched by the business process has a positive experience.*<sup>36</sup>



FIGURE 11. American Apparel's Lower East Side store window and a 2005 print ad for its products.

Making direct reference to the Lower East Side's history as a center of garment production and the labor movement, as well as the local Hispanic population once employed in the garment industry, American Apparel utilizes the neighborhood as a brand. Meanwhile, the chain's presence has driven up local rents, suggesting that small area businesses "touched by the business process" (to quote the current euphemism) may not currently be having a positive experience. These are the sentiments of one local *bodega* owner:

*I've been living here about 21 years, in this building. That's why we started the business here. . . . I plan to stay here but rent is crazy now. . . . The worst, this is what happens right now with the rent. Everybody's scared, because this is going to chase them out.<sup>37</sup>*

Not only does Charney's approach further conflate modes of political activism, art and commerce, but the company might be said to practice a politics of "thinking locally but acting globally." While American Apparel has created a domestic manufacturing model for its operations which avoids overseas outsourcing, it is potentially displacing local businesses from the very community it has adopted for its working-class identity.

The second trend ongoing in the neighborhood in the most recent phase of its restructuring is a sudden rash of new luxury development. This has begun to reveal another stealthy process that has been ongoing for some time: the accumulation of real estate value, incrementally generated by the developments of bohemians, small entrepreneurs, and larger

commercial entities since the 1980s. The new value has been bolstered by public policies and by property flipping, which gradually changes an area's base economics.

Change of this nature is not easily visible in a built environment of tenements, vacant lots, and low-rise industrial sheds. But successive sales build real estate value with small profit margins, often without disrupting a building's physical condition or tenancy, until values reach a threshold where further profit can only come through major construction or renovation.<sup>38</sup> This threshold is currently becoming visible on the Lower East Side, encouraged by the sales of major publicly owned urban renewal sites to private developers for the construction of luxury condominiums and an upscale Whole Foods grocery.<sup>39</sup>

Unexpectedly, the high-end urban renewal envisioned by the real estate sector since the 1920s is being achieved as an internal neighborhood process, rather than one imposed by such powerful agents of government intervention as Nelson Rockefeller or Robert Moses. Local artists, entrepreneurs, and small speculators have gradually generated value and an opening for outside investors to profit from the creation of a new residential district for the professional class. This opening has been widened by successive pro-growth city administrations and sustained by the expansion of service and culture industries. In the end, stealth aesthetics and camouflage strategies have not simply concealed a world of bohemians and artists, but an underlying increase in real estate value.

## HYBRID ALTERNATIVES

Working-class residential districts such as the Lower East Side present significant barriers to upscaling. Poor-quality housing stock, small lots, and the large number of individual building owners make both conversions and the assembling of parcels for new luxury developments a challenge. Furthermore, existing communities with strong local organizations and political representation are frequently well positioned to oppose or make demands of new development. For this reason, the mechanisms that have increased market value on the Lower East Side have taken a powerfully subtle guise. Cultural images and mythology and new forms of commerce and entertainment have helped create demand for low-quality, inaccessible tenement built fabric with seemingly little intrinsic value. This demand has, in turn, created an opening for larger, more dramatic urban development.

The notion of tradition has been central to the development of such images and mythology. In the earlier stages of this transformation, tradition provided a cultural identity of outsidership to middle-class urban pioneers. Later, the representation of tradition and authenticity supplied an identity of insidership to hip consumers, both locally and globally through websites and other forms of electronic networking. Lastly, local tradition has provided brand identity for larger forms of global niche retail and entertainment.

Yet it is interesting to notice hybrid identities emerging in the course of this process — a fetish-wear seamstress who makes dresses for a neighboring Rabbi's daughters, for example. In addition, several hybrid strategies have emerged which hedge against displacement but are not so far from

the stealth phenomena they resist. Perhaps these approximate a kind of third space or "third place" being negotiated by the Lower East Side's new arrivals — a space between appropriated and found tradition.<sup>60</sup>

In this regard, the emergence of sophisticated information technology and of a large pool of users in New York has both facilitated viral marketing campaigns and created the potential for viral activism and knowledge production. One example is the concentration of bloggers on the Lower East Side who document the neighborhood's transformation. Locals email "tips" to blogs spread the word about the progress of proposed new developments. This information pool helps residents better understand forces of change at work in their neighborhood. And it makes perceptible flows of capital in the landscape that may not yet be obvious.<sup>61</sup>

Another goal of stealth gentrifiers that has become a priority for activists is property ownership. ABC No Rio recently negotiated to purchase its community-service and arts facility from the city, allowing it to retain a foothold for countercultural activism in the neighborhood. Community-garden activists have also received assistance from the state attorney general's office to preserve a number of neighborhood green spaces.<sup>62</sup>

Lastly, one local arts group has helped preserve traditional ethnic uses by finding an expanded role for them, as the area has been transformed into a destination for tourism, entertainment, and culture. The Artists Alliance now manages a gallery called The Matzo Files in the still-active Streit's matzo factory. Streit's is the oldest family-operated matzo bakery in the United States. The Matzo Files gallery is, appropriately, a set of artworks in flat files (FIG. 12).<sup>63</sup>



FIGURE 12. The Matzo Files gallery in Streit's matzo factory.

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