

The Artist Dividend

JEFFREY SPIVAK

Cities large and small, urban and suburban, from one end of the country to the other, are courting painters, dancers, and others in the arts as potential saviors of abandoned buildings and run-down parts of town.

THE IDEA OF ARTISTS AS urban pioneers is nothing new—for decades, they have been moving in and stabilizing neglected neighborhoods in places like New York's SoHo district. What *is* new is the idea that more artists currently are choosing to live outside the hubs of New York and Los Angeles, and that more communities are taking advantage of the opportunity to use that pioneering spirit. Artists have become a hot commodity in development circles, and drawing artists to communities has become a redevelopment strategy. A unique housing tool—the live/work space—is being developed specifically for them.

Exactly what it implies, the live/work space is a single place where an artist can live as well as work. It is a low-cost and logical way for many artists to survive economically. Usually, a few dozen such spaces are bundled together into one building, and in recent years buildings like this have been opening all over the country. In the same way that vacant office buildings have been converted into downtown lofts, old buildings like warehouses, factories, and even hospitals are being transformed into affordable, loftlike, live/work spaces for artists.

Private real estate developers have created these spaces in cities like Boston and Providence, Rhode Island. Nonprofit community development corporations have done the same in cities such as Pittsburgh, Milwaukee, and Indianapolis. Artists and cultural coalitions have undertaken such projects themselves in places like Chicago and Sacramento. But perhaps no single development agency has taken on as many of these ventures as Minneapolis's Artspace Projects Inc.

From humble beginnings within its home state of Minnesota, Artspace has branched out this decade to develop live/work buildings for artists in a half-dozen other states. It converted a vacant hospital outside downtown Houston. It transformed a closed-up riverfront hotel in Reno, Nevada. It renovated an old department store in Bridgeport, Connecticut. In all, Artspace has produced close to 650 live/work units in 16 projects costing more than \$125 million, and it is currently working on another 15 projects.



ARTSPACE PROJECTS



ARTSPACE PROJECTS

Today, live/work projects are making artists the key catch in the revitalization process in a number of cities. In St. Paul, the revival of a downtown riverfront warehouse district, known as Lowertown, was jump-started by the conversion of two adjoining red-brick warehouses into 118 live/work lofts.

Artspace, which had its beginnings in Minnesota, has branched out and developed live/work buildings for artists in a half-dozen other states, including Texas, where a vacant hospital outside downtown Houston was converted to live/work units.

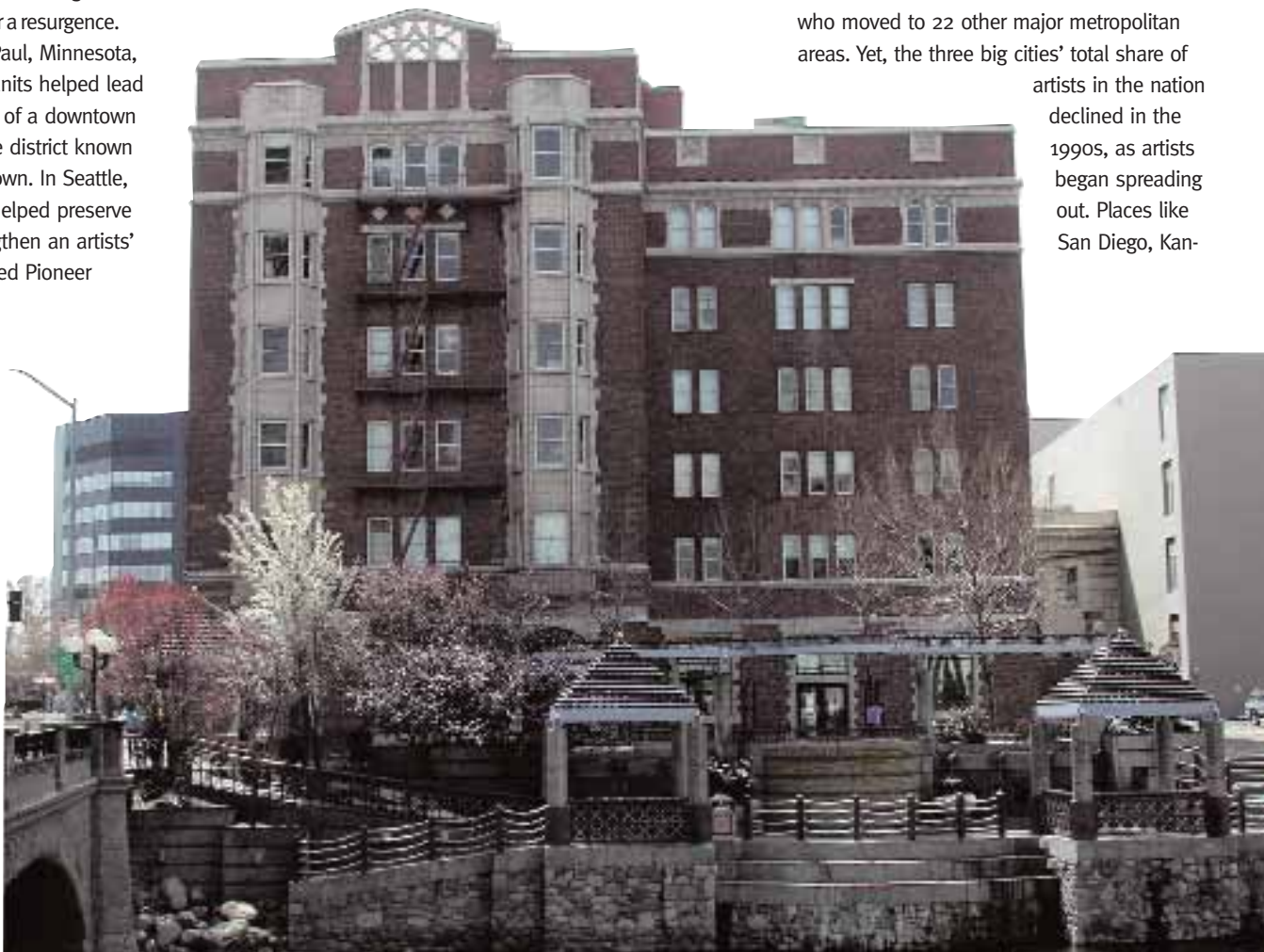
“The calls we get from communities (to develop projects) have increased rapidly,” says Wendy Holmes, Artspace’s vice president of consulting and resource development. “There’s much more visibility and understanding about how artists can be catalysts for economic development. It’s become the development *tool du jour*. It’s very, very trendy.”

Artists are a desirable population to attract because they tend to be pioneers, outgoing, and active. They often cluster together—in effect, forming a critical mass. Although artist housing projects are not large-scale enterprises, they appear to be making a difference. In many cases, Artspace buildings have become anchors that initially help stabilize a neighborhood or district and then trigger a resurgence.

In St. Paul, Minnesota, Artspace units helped lead the revival of a downtown warehouse district known as Lowertown. In Seattle, Artspace helped preserve and strengthen an artists’ haven called Pioneer

Having produced close to 650 live/work units in 16 projects, Artspace is currently working on another 15 projects. One project in Reno, Nevada, involves transforming a closed riverfront hotel into artist lofts.

ARTSPACE PROJECTS



ARTSPACE PROJECTS

Square by offering an alternative to the city’s rising rents. In the Washington, D.C., suburbs of Maryland, a live/work Artspace building is part of an effort to revitalize a decaying shopping strip.

The experiences of an organization like Artspace offer lessons to communities in how housing projects for artists come to-

gether and how such projects represent an expanding role for the arts in overall economic development.

During the 1990s, the cities of New York, Los Angeles, and San Francisco created more new arts-oriented jobs than any other U.S. cities. In response, more artists moved to these metropolitan areas from 1995 to 2000 than the total number of artists combined who moved to 22 other major metropolitan areas. Yet, the three big cities’ total share of

artists in the nation declined in the 1990s, as artists began spreading out. Places like San Diego, Kan-

sas City, Dallas, and Seattle saw more artists move into their communities than move out in the last half of the 1990s. A few other metropolises, like Atlanta, Minneapolis, and Portland, Oregon, experienced during the 1990s more than a 10 percent growth in occupations in the arts ranging from authors to painters. Basically, more artists live in more places today, which provides hope to a greater number of communities that they can also attract creative people.

In this climate, lots of cities have jumped on the “creative class” bandwagon and started to carve out niches for artists. Big cities ranging from Denver to Buffalo have formed task forces or completed downtown market analyses that call for developing more “creative spaces” for artists. Communities from Rhode Island to California created or proposed arts districts with special tax breaks allowing artists to sell their works tax free. Even rural towns such as Paducah, Kentucky, and Hot Springs, Arkansas, have hinged urban revivals on drawing artists and opening galleries, with Paducah even offering free lots for new construction for artists.

But, what most attracts artists to places other than New York City or Los Angeles? Studies and surveys point to several common factors, among them: supportive environments, ranging from cultural amenities to philanthropic investments; character, whether it is small-town charm or vintage downtown architecture; and affordable neighborhoods, because artists generally still do not make a lot of money.

One way all these factors are coming together for artists and communities is with live/work space. The common ingredients are open floor plans, high ceilings, large windows, adequate power supplies—and reasonable monthly rents. Such projects are often undertaken in architecturally distinctive old buildings and require public/private funding partnerships.

Ironically, artists have long been victims of urban revitalization—a process in which they moved into run-down urban sections that eventually attracted commercial investors who drove them out in favor of professionals who could afford higher rents. Today, live/work projects are reversing this scenario and making artists the key catch in the revitalization process.



ARTSPACE PROJECTS

In Bridgeport, Connecticut, Artspace renovated an old department store, turning it into Sterling Market Lofts, which has spurred renovations in other downtown buildings.

For Artspace, getting into the development business grew out of a certain desperation. After starting up in 1979 to help artists find space, Artspace was drawn into St. Paul, Minnesota’s riverfront warehouse district. Called Lowertown, this district had been the city’s steamboat landing, but more than a century later, artists were squatting in abandoned buildings, warming themselves with space heaters. In the mid-1980s, Artspace was brought in to help plan an artists’ housing cooperative. By the early 1990s, Artspace itself had gotten into the development side and was putting together deals such as the renovation of two adjoining red-brick warehouses into 118 live/work lofts.

Galleries and dance academies soon followed, more buildings were rehabbed, and the momentum grew. Technology startups flocked in. The city started a farmers market. Overall, the district’s population swelled from 750 in 1990 to upwards of 5,000 today. “The importance of artists isn’t necessarily in their numbers, but in the social and cultural role they play in a community,” says Weiming Lu, the longtime president of the Lowertown Redevelopment Corp. before it disbanded last year. “They’re visible, they attract other arts organizations, and they generate traffic.”

Other Artspace projects are located in some of the following cities:



ARTSPACE PROJECTS

In Seattle, Artspace developed Tashiro Kaplan Artist Lofts in the artist colony of Pioneer Square and lured several galleries from nearby neighborhoods to its ground-floor storefronts.

▷ Bridgeport, Connecticut. Mayor John M. Fabrizi called Artspace’s Sterling Market Lofts “the best thing that’s happened in this city in years.” Since then, it has spurred renovations in other downtown buildings.

▷ Seattle, Washington. Artspace went into the artist colony of Pioneer Square that had been harrassed by fire, an earthquake, and rising rents, and reestablished the identity of artists with the development of Tashiro Kaplan Artist Lofts. This, in turn, lured several galleries from



In Fergus Falls, Minnesota, the town's landmark building, the Hotel Kaddatz, was converted into live/work units for artists. Since then, a gallery opened in the building's lower level.

nearby neighborhoods to its ground-floor storefronts.

▷ Fergus Falls, Minnesota. Artspace transformed the town's landmark building, the Hotel Kaddatz. Since then, a gallery set up shop in the building's lower level, a bistro opened across the street, and a few shops moved downtown from an outlying mall.

▷ Mt. Rainier, Maryland, and the adjoining inner suburbs on the border of Washington, D.C., have attempted to create an artists' district from scratch. Artspace's Mt. Rainier Artists Lofts replaced a row of boarded-up shops. Last year, a café featuring live music opened in the Artspace building, and a

gallery has set up shop next door. Down the road, a brew pub and a dance center opened. But change has been slow. Artspace's building was the first of four pioneering projects. The others, including an African American cultural center, are still under construction or in development. Overall, the Gateway Community Development Corp. has plans to revamp a two-mile stretch of the Route 1 corridor, which has been home to used-car lots and dilapidated strip malls.

"We don't quite have a 'there' yet," concedes Nick Francis, Gateway's executive director. "The notion is that you bring artists into a neighborhood and good things happen. But

it's not enough to pick a building somewhere and expect other things to follow. You have to keep putting pieces together."

Of course, that is true with any revitalization plan. Still, live/work spaces for artists offer an innovative development opportunity, and other communities can learn from Artspace's experiences.

First and foremost, artist housing projects require partnerships. Artspace projects that were completed this decade averaged 11.5 different equity partners, such as philanthropic foundations. Second, the partners made use of myriad local, state, and federal government loan programs.

In addition, the most successful projects do not happen in isolation. They jump-start or contribute to a neighborhood's resurgence. Building on this momentum, development corporations or private sector investors then develop even more housing and retail.

Artists are a mobile class and they are decentralizing across the country. As more cities try to attract artists, housing for them is gaining popularity as a revitalization tool. In short, there is greater understanding today of artist-driven development. **U**

In the Washington, D.C., suburbs of Mt. Rainier, Maryland, a live/work Artspace project, Mt. Rainier Artists Lofts, replaced a row of boarded-up shops as part of an effort to revitalize the block.



ARTSPACE PROJECTS

ARTSPACE PROJECTS

ARTSPACE PROJECTS