



## The Art of Creative Placemaking: An Artspace Report



Residents of Artspace Everett Lofts in Everett, WA (Photo: Annie Mulligan)

LESSONS FROM 30 YEARS IN THE FIELD

# Best practices in affordable artist housing

# Dear Friends of Artspace:



When Artspace was founded in 1979, our role was to help artists find affordable places to live and work, which was largely achievable as long as artists were willing to move every six to twelve months. But we believed that **artists sacrifice a tremendous amount** in order to create their work, and that the work they create adds value and meaning to our lives. We believed that **artists deserve better** than living under constant threat of eviction, and that the only way we could provide greater stability was to create and own affordable housing specifically dedicated for artists. And we believed these art spaces should remain **permanently affordable**.

A beautiful vision, but the truth is back then we had a skeletal staff, no money, and, at times, no clue! We progressed slowly, with lots of trial and error, and incredible help from a broad network of people who knew a lot more than we did — about real estate, financing, city politics, design and construction, the space needs of artists, and property management. When we started, the federal Low Income Housing Tax Credit law had just been enacted, and our Northern Warehouse project in St. Paul was the first project to use this new resource specifically to address the needs of artists.

Although the Northern was a huge organizational leap, it worked — and 30 years later it remains a **vibrant, affordable home for artists** at the center of a dynamic neighborhood. Building on what we learned, we tried it again (and again) in Minnesota, learning as we grew. With a few successes under our belt, we began to expand beyond Minnesota, discovering how to be “local” in a wide range of communities. With each new project in each new city, we learned a little more.

In this report, we share some of the best practices that we have developed over 30 years in the field. The expertise we’ve gained over the years results in projects that **reflect the community** through their design, culture, and diversity; connect with and contribute to the neighborhood’s **economic and cultural vitality**; engage **diverse partners**, allowing multiple, complementary agendas to be served; ensure that the significant **community investment** in the project is kept financially stable and strong over time; and facilitate **long-term creative sustainability** for neighborhoods.

Our goal in sharing our best practices is to help orient other practitioners and communities that are interested in artist-led community transformation. Through collaboration and sharing of ideas, we can all impact the future and success of creative placemaking.

Sincerely,

A handwritten signature in blue ink that reads "Kelley Lindquist".

**Kelley Lindquist**  
PRESIDENT



# artspace best practices

## LESSONS FROM 30 YEARS IN THE FIELD

Since the late 1980s, Artspace has participated in hundreds of planning efforts that have included affordable living space for low-income artists. Artspace has been the lead developer on 35 completed projects and has consulted both formally and informally on many others. We have developed projects in cities as large as Houston and Chicago, and as small as Fergus Falls, Minnesota, and Minot, North Dakota.

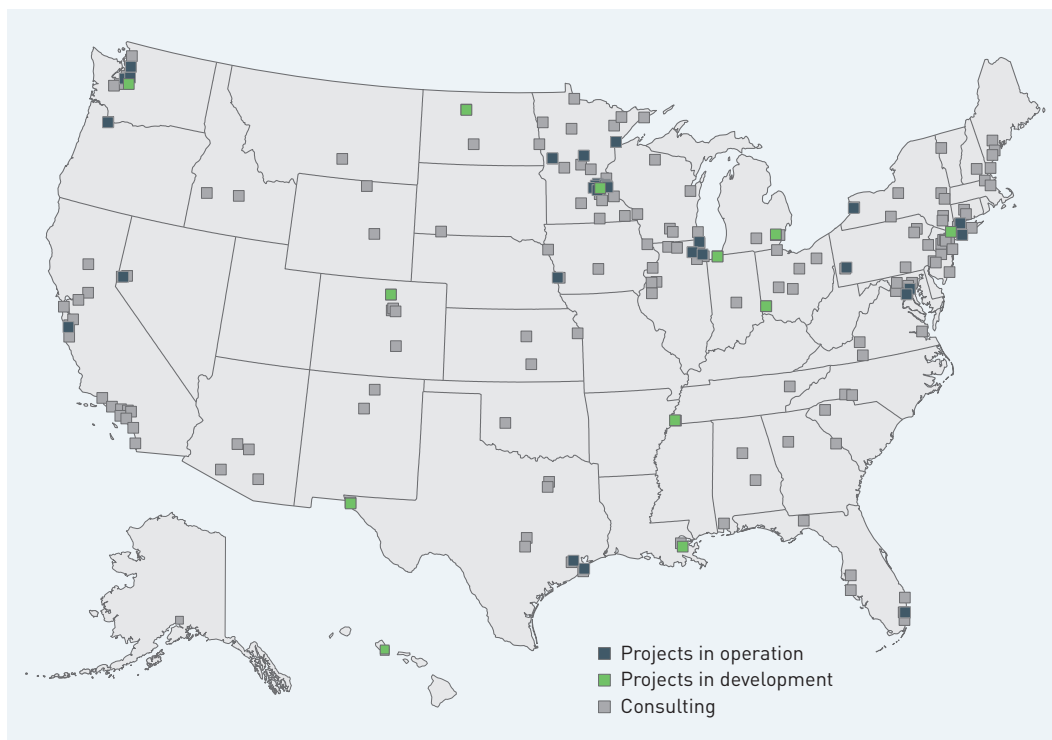
We work in communities with strong cultural identities, such as New York's El Barrio and New Orleans' Tremé, and in communities that are striving to redevelop a distinct sense of place through the arts. Our work has brought us into partnership with thousands of artists as well as architects, planners, city leaders, contractors,

community development organizations, neighbors, and visionaries in a sustained dialogue about how to create the best affordable artist housing on the market, with the highest impact for artists and communities.

Through this work, Artspace has developed a catalog of best practices for the creation of affordable artist housing. At its core is our belief that the best artist housing emerges from a holistic, consistent process. While there are many ways to manage an artist selection process, for example, the most critical piece is understanding that artist selection is simply one step in a comprehensive approach that drives site selection and initial planning, design, construction, and lease up, as well as the ongoing management and governance of the project.

### The Artspace Mission

Artspace's mission is to create, foster, and preserve affordable space for artists and arts organizations.



**\$582 million**

Total dollars spent  
in development

**3,440,962**

Total square footage

**35**

Projects in operation

**14**

Projects in development

**1,168**

Live/work units

**125**

Working studios

**29**

States with Artspace projects  
in operation or development

**37**

Cities with Artspace projects  
in operation or development

**45**

States in which Artspace  
has consulted

(all figures as of February 2014)



# planning & vision

Artspace Jackson Flats Event, Minneapolis, MN. Photo: Emily Taylor

## 1. Do your homework!

In order to develop a solid plan for artist housing, you must ask questions, investigate the needs of the artists and goals of the community, and incorporate that knowledge into your vision. Artist housing, like any multi-family real estate transaction, is costly and difficult to create. The first step is to understand the feasibility of a potential project. As a start, consider these questions:

**COMMUNITY:** Is there a market, a creative community that needs affordable space to live and work? What are the demographics of that community? What are the predominant artistic genres? What percentage of the artists have partners or children? What are they currently paying in rent for live and/or work space? Are there cultural practitioners and art forms that might stretch traditional definitions of “artists”?

**SITE:** Are there sites and/or buildings in areas attractive to your creative community? Who currently controls those sites? Are they in areas that are important for redevelopment or that align with city planning? Are they suitable for the proposed uses?

**LEADERSHIP:** Is there sufficient political leadership — at the neighborhood, city, county, state, and congressional levels — to sustain a project through its inevitable challenges?

**FUNDING:** Are there financial resources — public, philanthropic, private — to properly capitalize a development? What kinds of competition exist for these resources? Will an investment in artist housing have sufficient impact to justify the expense? Will it help attract and foster other creative enterprises and entrepreneurs? Will it create new opportunities for people beyond the building’s walls?

**Getting these answers right through disciplined research, including formal artist market surveys, sets a project on a healthy path.**

## 2. Involve artists early and throughout the entire process.

Early on, artists can help you understand a community’s needs, shape a project’s vision, advocate for your work with community leaders and the media, and sometimes identify creative design solutions. During planning and construction, artists can help animate the site, and in so doing build public excitement and support. As you advance toward opening, artists can help connect you with potential residents and commercial tenants. Create opportunities for artists to use their strengths to contribute to the success of the project that go beyond presentations and structured conversation. Involving artists in the planning and predevelopment process sets the stage for sustained creativity throughout the life of the project.

## 3. Create a project vision that attracts a diverse coalition beyond the arts community.

The most viable artist housing projects are those that serve both an arts agenda and complementary public goals, such as transit oriented development, economic development and job creation, historic preservation, cultural preservation, and public safety. By overlapping your work with these complementary efforts, you can build a broader stakeholder team, and you will create opportunities to tap into multiple funding sources.

## 4. Select a site that maximizes your capacity for impact.

Preferred sites should be close to places where artists are living or working, as well as near complementary spaces like studios, galleries, theaters, and supply stores, when possible. The site should be accessible, especially through public transit. As in any multi-family development, the site should be near schools, transportation, shopping, services, and parks. The site itself should be adaptable to the specific spatial needs of artists. The site should overlap with local redevelopment agendas, thereby making it competitive for public support. It is also helpful to identify a site owned by either the city or a “patient seller,” that is an owner who will give you the time to put together your capital, which may take several years.





# design & construction

Resident Painter at Brookland Artspace Lofts, DC. Photo: Anice Hoachlander

## 1. Design space to suit the distinct needs of artists.

Successful artist housing is not just housing made available to artists; it is housing designed to support the distinct needs of artists. When it comes to residential units themselves, we strive to create live/work units that have enough additional space (typically 100–150 square feet) to double as a working studio, thereby freeing the resident artists from the burden of renting separate studios. We build around a flexible, open floor plan and lighting systems that allow artists to manipulate space to suit their needs. Durability is key, with materials in flooring, counters, sinks and other surfaces that can withstand spills, frequent cleaning, and more than the usual wear and tear. We push for ceiling heights of at least 10 feet, complemented by large windows with abundant natural light.

Within the building itself, we create non-revenue producing spaces that support artistic activity: wide hallways that can double as exhibition space, community rooms and other public spaces that can support rehearsals, performances, gatherings and exhibitions. Oversized doorways and elevators are a must.

## 2. Prepare for artist housing to cost more than traditional affordable housing.

Although the pricing may be equal on a square footage basis, quality artist housing generally costs more on a per unit basis, as the units tend to be larger to accommodate working space. The cost difference can be 10% to 15% per unit. This is daunting but not fatal. If properly planned, artist housing projects can access philanthropic dollars that can help cover this gap (and which are less frequently available to traditional affordable housing projects). The scope of benefits generated through these additional costs is substantial.

## 3. Use commercial spaces to bring the building to life.

In most cases, artist housing works best in a mixed-use building with ground floor spaces leased to creative enterprises, such as galleries, art supply stores, arts-oriented nonprofits, coffee shops, education and classroom spaces, and maker spaces. These additions help build a connection between the residents and the neighborhood, and stretch the capacity of the project to influence positive changes beyond its walls.

## 4. Capitalize the project for long-term health.

When using Low Income Housing Tax Credits, you are likely to face pressure from multiple sources to take on the maximum sustainable mortgage. While that may allow you to “build more,” we believe projects should be as debt-free as possible, so that even modest rents and leases are sufficient to pay ongoing operational costs and support modest reinvestment. Projects that maximize their debt frequently have operational challenges; projects with little debt have the best potential for long-term sustainability.

## 5. Embrace green design.

At this time, there are many ways for even modestly funded projects to embrace green design elements, especially those that result in lower ongoing operating costs and increased financial stability. A commitment to green design can produce a better community asset, a more stable project, and a broader network of partnerships. In many communities, special funds are available for projects with green elements.

## 6. If you don't speak the language of development, find someone who does.

An artist housing project will ultimately entail many specialized professions — architects, contractors, and various consultants to conduct environmental work, soil analysis, zoning research, and so on. Having (or finding) the internal expertise to effectively manage these specialists can minimize frustration, save substantial money, and produce a far better project.

## 7. Before putting up doors, bring people in!

The construction period is also full of community and artistic engagement opportunities. Hard hat tours for stakeholders, artists, and the media to create and nurture interest can lead to both enduring support and a quicker lease-up period. Engagement with local artists and arts organizations to create events and exhibits and participation in local events like art crawls can generate excitement within the artistic community.



# operations & sustainability

Grand Opening of the Elgin Artspace Lofts, Elgin, IL. Photo: Emily Taylor

## 1. Carefully manage the artist selection process.

In Low Income Housing Tax Credit-funded projects, all residents must “income qualify” through a regulated IRS process. Beyond that, project owners can specify certain “preferences,” including an artist preference that prioritizes available space for artists. To ensure compliance with Fair Housing Laws, it is extremely important to develop a transparent, well-documented process for screening applicants.

In Artspace’s practice, we begin with an Artist Selection Committee consisting of active artists from the community who are not candidates to live in the project. The committee is facilitated by an Artspace asset manager. In screening potential residents, we are not curatorial: do not judge the quality of work. Instead, we look for three things: individuals who have made a sustained commitment to their craft; individuals who are excited about participating both in the community of the building and the neighboring community; and, finally, individuals who are comfortable living in a building that may be noisier, more lively, and more social than other rental properties.

## 2. Embrace the mess.

A thriving artist housing complex will almost certainly require a different management practice than other affordable housing. We have residents who make noise and work odd hours. The lobby is their living room, and public hallways are an extension of their identities and creativity. Many also need to make physical modifications to their spaces. All these and other acts can test a property manager’s patience. The most successful projects are managed by people who embrace creative exploration.

## 3. Engage residents in the operations.

Although residents are not owners, we encourage them to participate in their communities by serving on working committees that are charged with significant responsibilities, such as the planning of artistic programming (gallery shows, open studio events, etc.). Other committees may address livability issues within the property (e.g., noise management) or the selection of future residents when turnover occurs. In the best projects, residents are invested not just in their own creative exploration but also with one another and the opportunities offered through shared spaces.

## 4. Commit to permanent affordability and sustained artistic mission.

As a non-profit developer, we’re committed to permanent affordability, permanent financial sustainability, and permanent artistic vitality for our projects. Our model requires that profits generated from the operation of a property are reinvested into the property. We leave dollars in a project by deferring developer fees, by making capital reinvestments, by supporting non-revenue generating community spaces, and by committing to permanent affordability. The best projects create wealth for their host community, not for the developer.



Residents of Elder Street Artist Lofts, Houston, TX. Photo: Monica Kressman





Dance Africa Class, Brookland Artspace Lofts, DC. Photo: Courtesy the artists

## ARTSPACE CORE VALUES

### • WEALTH BUILDING

Artspace helps organize and direct investments into low-income communities, while protecting local partners from potentially crippling debt. Rather than extracting profits through fees, rents and ultimately sale, we manage to create a sustainable model – minimizing costs to residents and continually reinvesting in our properties. A successful project builds wealth for its community, not Artspace.

### • RISK AND RETURN

Artspace works where the needs are great and the development process difficult, filling a niche many developers cannot. The potential returns – keeping places like East Harlem, New York affordable to artists; expanding the creative economy on the Pine Ridge Reservation; or helping Tremé, New Orleans restore its cultural heritage – justify the inherent risks of under-resourced markets.

### • SOCIAL DENSITY

A developer motivated by profit may think of “density” as the opportunity to maximize the rentable units in a limited space. Artspace thinks of density as the opportunity to create dynamic social exchange. We prioritize non-revenue generating spaces like community rooms; we stretch living space to double as studios; we turn hallways into well-lit galleries. While these enhancements limit income, they help build better communities.

### • SUSTAINED COMMITMENT TO COMMUNITY

Because Artspace projects are as much about trust and understanding as bricks and mortar, we are committed to substantive community engagement and capacity building. Our projects require a deep investment of organizational resources and take a minimum of 3–5 years to complete. While this may be longer than a for-profit equivalent, it is balanced by decades of impact after opening.

### • SUSTAINED COMMITMENT TO ARTISTS

Artists can help create economic opportunity and make communities more livable, but in some cases they are displaced by the very processes they set in motion. Artspace helps artists share in the value they create by ensuring that our properties remain permanently affordable to artists and cultural organizations, even as neighborhoods evolve.



Artspace Jackson Flats Event, Minneapolis, MN. Photo: Emily Taylor



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Artspace Loveland Arts Campus, Photo: Greg Handberg

## ARTSPACE: Building better communities through the arts

**Third-party research by Metris Arts Consulting documents how adherence to these best practices allows affordable artist housing to generate substantial benefits — both for individual artists and for the surrounding neighborhood.**

The Metris report found that artists experienced increased stability, increased collaboration, increased recognition as artists, increased production, and increased financial earnings from their artistic work.

The far-ranging community benefits of successful artist housing include the reanimation of deteriorated historic structures and/or underutilized spaces, and the reintroduction of these spaces onto public tax rolls; fostering the safety and livability of neighborhoods without driving gentrification-led displacement; expanding public access to the arts; and attracting additional artists, creative enterprises, and even non-arts businesses to the area.

### Metris concluded that keys to successful artist housing projects include:

- Affordable, stable space that is physically appropriate for artists and arts organizations
- Governance structures that foster involvement and effectively manage potential conflicts
- An emergent sense of community within the facility, frequently driven by individual leaders who catalyze engagement
- Building features (exhibition space, community rooms), anchor tenants (arts businesses and organizations) and special programs (art crawls and open studio events) that connect with the broader community
- Physical proximity to existing artists and arts organizations as well as to complementary revitalization initiatives

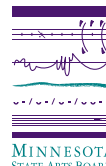
**THANK YOU** Artspace wishes to thank the McKnight Foundation, Ford Foundation, the Kresge Foundation and the Minnesota State Arts Board for their ongoing support of our work in Minnesota and across the country.



FORD  
FOUNDATION

THE MCKNIGHT FOUNDATION

THE KRESGE FOUNDATION



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Artspace Consulting is a division of Artspace that helps communities identify effective, affordable ways to incorporate the arts into their civic agendas. Our practice builds on Artspace's expertise as America's leading real estate developer for the arts and operator of more than 30 successful arts facilities around the country.

Our community-based approach bridges the traditional gap between the arts and the civic arena. We help communities revitalize downtown areas and inner city neighborhoods, reanimate historic properties, develop arts districts, and create and preserve affordable space for artists.

To learn more about the ways in which Artspace Consulting works with communities, please visit [artspace.org/consulting](http://artspace.org/consulting) or contact us at [consulting@artspace.org](mailto:consulting@artspace.org)