For years The Hotel Kaddatz was the leading hostelry in Fergus Falls, a west central Minnesota community of 13,000. But in the 1960s, when Interstate 94 opened on the south edge of town, Fergus Falls expanded to the south, and in 1975, the Kaddatz closed its doors. Although many thought the building should be torn down, a strong local preservation movement kept the historic structure standing until Artspace agreed to redevelop it as a live/work project.

The $2.4 million renovation created 10 units of mixed-income housing on the building’s upper two floors (it is Artspace’s smallest live/work project), more than 7,000 square feet of commercial space on the ground floor and community space on the lower level. The hotel’s grand staircase, sealed off by an earlier remodeling, was restored and extended to the lower level as well.

Fergus Falls is home to many artists — the most prominent being printmaker Charles Beck. In 2009,
the community recognized Beck by establishing a nonprofit art gallery, the Kaddatz Galleries, to exhibit his works and those of other regional artists.

“I think this building will act as a real example of what communities can do with reuse of historic buildings for economic development.”

— Chris Schuelke, Executive Director, Otter Tail County Historical Society

Artspace is a nonprofit organization that uses the tools of real estate development to create affordable places where artists can live and work. Artspace consistently develops these projects in ways that support stable, healthy communities, anchored in existing assets. Because Artspace owns each of the projects it develops, they are able to ensure that the spaces remain affordable and accessible to artists in perpetuity. With 50+ projects developed over the last three decades, Artspace has supported artist-led community transformation, representing a $653 million investment in America’s arts infrastructure. While embracing the value the arts bring to individual lives, Artspace has championed the once-radical idea that both artists living with financial hardship, and chronically underfunded arts organizations, can leverage fundamental social change. With headquarters in Minneapolis and offices in Denver, New York, Seattle, and Washington D.C., Artspace is America’s leading developer of arts facilities; and has served as a consultant to hundreds of communities and arts organizations nationwide.

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