The City of Waukegan commands a strategic Lake Michigan site midway between Milwaukee and Chicago. Shipping and manufacturing were its economic lifeblood for decades, but now the city is reinventing itself in the post-industrial age and turning to the arts to help drive economic revitalization of its downtown area.

For Waukegan, an important step in the process was the renovation of the historic Karcher Hotel into a mixed-use arts facility. This nine-story building, located a block from City Hall, opened in 1928 as a 140-room hotel. But like most of downtown Waukegan, it fell on hard times. By the 1970s it had been turned into a senior citizens’ residence, and had stood vacant since 1984 when Artspace entered the scene.

Artspace has now renovated the Karcher at a cost of $14.6 million to create 36 units of affordable live/work space for artists and their families plus 2,811 square
feet of ground-floor retail and community space for arts-friendly businesses and nonprofit organizations. Other amenities include a two-story gallery and community room, computer learning center and an outdoor patio.

“Any time a group comes in with a zero failure track record, that’s good. It’s an overwhelming undertaking, but... Artspace had unanimous support of City Council members when it was approved under the last city administration, and aldermen still back it.”

— Bob Sabonjian, Mayor of Waukegan

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.