

PRELIMINARY FEASIBILITY STUDY

Helena, Montana | October 2023



Cover Photos (clockwise from upper left): The Archie Bray Foundation, Aunt Bonnie's and the External Façade of the Iron Front Building, and The Painted Pot and Montana Book Company // Photo Credit: Artspace



Prepared at the request of the Montana Business Assistance Connection (MBAC)

ACKNOWLEDGMENTS

Artspace would like to thank the Montana Business Assistance Connection (MBAC) for inviting us into your community, especially Brian Obert and Katherine Anderson, for leading this initiative. The visit would not have been possible without the leadership, coordination, and support of the Helena Core Group members. We would also like to thank the 50+ focus group and public meeting attendees who shared their voices over the course of this study. The Core Group and community participants offered invaluable insight, hospitality, and feedback throughout the process.

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HELENA CORE GROUP

- Andrea Oplitz** // Tourism Business Improvement District, Executive Director
- Brandon Pendergast** // Tourism Business Improvement District, Sales & Marketing Manager
- Brian Obert** // Montana Business Assistance Connection, Executive Director
- Callie Aschim** // Helena Chamber of Commerce, President and CEO
- Corinne Woods** // Grandstreet Theater, Managing Director
- Ellie Ray** // City of Helena, Senior Planner
- John Dendy** // Helena Business Improvement District, Executive Director
- Katherine Anderson** // Montana Business Assistance Connection, Community and Economic Development Coordinator
- Krys Holmes** // Myrna Loy Theater, Executive Director
- Rebecca Harvey** // Archie Bray Foundation for the Ceramic Arts (The Bray), Executive Director



AMERICA'S LEADER IN ARTIST-LED COMMUNITY TRANSFORMATION

Artspace is a nonprofit organization that uses the tools of real estate development to create affordable, appropriate places where artists can live and work. Because Artspace owns each of the projects it develops, we are able to ensure that they remain affordable and accessible to artists in perpetuity. Over the last three decades, Artspace has led an accelerating national movement of artist-led community transformation. While embracing the value the arts bring to individual lives, Artspace has championed the once-radical idea that artists living on the edge of poverty and chronically underfunded arts organizations can leverage fundamental social change. With headquarters in Minneapolis and offices in New York and Washington, D.C., Artspace is America's leading developer of arts facilities with 57 completed projects to date, and has provided consulting services to more than 350 communities and arts organizations nationwide.

WWW.ARTSPACE.ORG

FOCUS GROUP ATTENDEES

A series of virtual and in-person focus groups and meetings were held with community stakeholders. We appreciate everyone who took the time to share their ideas and perspectives throughout this engagement.

VIRTUAL MEETING OF INDIVIDUAL ARTISTS AND ARTS ORGANIZATIONS

- Maureen Shaughnessy** // Formerly 1+1 = 1, Gallery Owner; Art Educator; Printmaker; Painter
- Tim Carney** // Furniture Maker
- John Dendy** // Helena Business Improvement District, Executive Director (Core Group)
- Amanda Reese** // Montana Lottery, Graphic Designer; Rodney Street Is, Artist-in-Resident; Public Art Committee, Chair
- Ashley Moon** // Rodney Street Is, Artist-in-Resident; Integrated Designer; Woodworker
- Errol Koch** // Muddcatt Productions, Composer/Lyricist/Director
- Delaney Cummins** // Visual Artist; Rodney St. Radio, Founder
- Dr. Jeff Buscher** // United Way, Community Impact Coordinator
- Jen Stepleton** // Montana Department of Commerce, Community Housing Program Specialist
- Katherine Anderson** // Montana Business Assistance Connection, Community and Economic Development Coordinator (Core Group)
- Krys Holmes** // Myrna Loy Theater, Executive Director (Core Group)
- Leah Cupino** // Omertà Arts, Co-Founder
- Max Hay** // Musician; Helena Public Art Committee, Vice-Chair; Open Mike Host; Voice-Over Actor
- Megan Malkin** // Mae & June, Owner
- Melonie Weismann** // Embroidery; Printmaking
- Mia Crivello** // The Myrna Loy, Social Media Maven; Writer & Producer
- Patrice Anderson** // SMA Architecture + Design
- Rebecca Harvey** // Archie Bray Foundation for the Ceramic Arts (The Bray), Executive Director (Core Group)
- Rebecca Ryland** // Experimental Theatre Cooperative, Founder; Last Chance New Play Fest, Co-Producer
- Ross Nelson** // Raven's Feather Productions, Playwright/Producer/Director; Photographer

EQUITY IN SPACE - DIVERSE LEADERS

- Brandon Pendergast** // Tourism Business Improvement District, Sales & Marketing Manager (Core Group)
- Brian Obert** // Montana Business Assistance Connection, Executive Director
- Ellie Ray** // City of Helena, Senior Planner (Core Group)
- Katelyn Gripp** // Helena Indian Alliance, Manager, Administration
- Katherine Anderson** // Montana Business Assistance Connection, Community and Economic Development Coordinator (Core Group)
- Krys Holmes** // Myrna Loy Theater, Executive Director (Core Group)
- Melonie Weismann** // Embroidery; Printmaking
- Ross Nelson** // Raven's Feather Productions, Playwright/Producer/Director; Photographer
- Steven Young Lee** // Archie Bray Foundation for the Ceramic Arts (The Bray), Director Emeritus and Special Projects Manager
- Todd Verrill** // Helena Public Schools, Facilities Director

Continued on following page

CIVIC AND FINANCE LEADERS

Andrew Chanania // North Fork Development; Potter
Brandon Pendergast // Tourism Business Improvement District, Sales & Marketing Manager (Core Group)
Callie Aschim // Helena Chamber of Commerce, President and CEO (Core Group)
Chandler Rowling // Montana Housing, Community Housing Program Specialist
Elise Perpignano // Artist
Ellie Ray // City of Helena, Senior Planner (Core Group)
Jen Stepleton // Montana Housing, Community Housing Program Specialist

Jenny Buddenborg // Preserve Montana
Kalina Vander Poel // Mosaic Architecture
Katherine Anderson // Montana Business Assistance Connection, Community and Economic Development Coordinator (Core Group)
Rachel Ballweber // Mosaic Architecture
Rebecca Ryland // Experimental Theatre Cooperative, Founder; Last Chance New Play Fest, Co-Producer
Tim Burton // City of Helena, City Manager
Tony Perpignano // CWG Architecture
Wilmot Collins // City of Helena, Mayor; Singer

PUBLIC MEETING

Andrea Opitz // Tourism Business Improvement District, Executive Director (Core Group)
Breana Buettner // Real Estate Broker; Omertà Arts, Member/Artist
Brian Obert // Montana Business Assistance Connection, Executive Director (Core Group)
Corinne Woods // Grandstreet Theater, Managing Director (Core Group)

Dr. Jeff Busher // United Way, Community Impact Coordinator
James Knoske // Artist
Katherine Anderson // Montana Business Assistance Connection, Community and Economic Development Coordinator (Core Group)
Max Har // Helena Public Art Committee; Artist

Attendees are identified to the best of our abilities. We apologize for any omissions or misspellings.

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Artspace Community Engagement Signage // Photo Credit: Artspace



Downtown Mural on Last Chance Gulch by Adam Riggs // Photo Credit: Artspace

I. INTRODUCTION

Background

Helena, Montana's state capital and "home" of the Gold Rush, is set in the Big Belt Mountains of the Northern Rockies. An awe-inspiring location, its access to natural resources for manufacturing and mining have created jobs and prosperity for the community. With a population of nearly 86,000 in Jefferson and Lewis and Clark Counties, Helena centers this valley region with 33,000 residents in the city limits¹. Helena's growth has been modest at 1% annually since 2010, but anecdotally, since the pandemic the community feels like there has been a 25% increase in population with newcomers rushing in. This rural gold rush town belies the sophistication of the public and private sector leaders who participated in the Artspace study. Similarly, the creative community and its high quality institutions and individual artists rival their larger peers in bigger cities. Notably, [The Archie Bray](#) is a world-class ceramic arts organization that stands out as a cultural influencer and has helped define excellence in the Helena creative community for over seventy years.

Over the past two years, Artspace has had a chance to learn about the current opportunities and challenges in Helena through conversations with Montana Business Assistance Connection (MBAC). Chief among those challenges and related to this feasibility study is a growing population causing an increase in demand for all housing types along with elevated property values for both commercial and residential properties. This recent population growth and affordability challenges has an out-sized impact on the creative sector. The new population that is moving to Helena is also significantly younger than the median age would indicate of this community, bringing in new perspectives from out of state as people seek a more rural idyllic place to live.

While a hallmark of the community, its historic downtown has become unaffordable for many of the users who made it the "award-winning" district. The historic downtown and the Helena Business Improvement District (HBID) were given the highest tier of recognition by Main Street America in 2022.

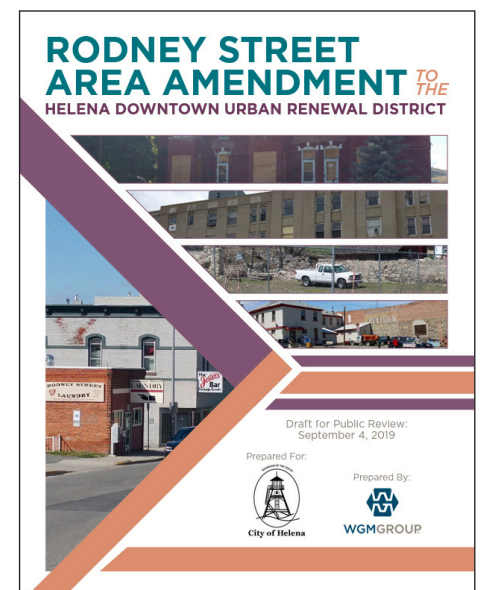
Helena's arts and culture identity is evident by the number of excellent and world-class organizations, but is of minimal note in its strategic plans. If arts and culture truly want to be at the forefront of Helena's future, more identification and reference to its impact should be noted.

This Artspace Preliminary Feasibility Study is well-timed to understand whether the Helena community supports an affordable mixed-use artist live/work housing project and is willing to put the resources behind supporting such a project.

Past Planning

The 2016 Downtown Neighborhood Plan and amendment to the City's Growth Policy guides future development and planning downtown. This plan spurred the development of the Downtown Urban Renewal District (DURD) and subsequently Tax Increment Financing provision. Upon initiating the district in late 2017, the 2018 Helena Downtown Urban Renewal Plan was created to advance the objectives of downtown revitalization. The 2019 Rodney Street Area Amendment focuses on formalizing the downtown boundaries to include the nearby Rodney Street District, the informal, organically grown creative district that was a priority area for Artspace's site tour and where Artspace sees the most potential at this time.

The Rodney Street area encompasses the neighborhood between Pine Street and East 6th Avenue. This neighborhood is also the Helena South-Central Historic District, which characterizes the 1865-1940 historical and architectural



Source: [City of Helena](#)

¹Esri Community Analyst, 2023 ² <https://tinyurl.com/548pwf4n>

significance of the area. As Helena's first permanent residential neighborhood and commercial district, the area was once filled with lower value single-family homes, a hospital, and a school district. Change in the Rodney Street area has come slowly over the past three decades. As a result, transition from rough to revitalized has not been swift nor entirely successful, but the area has retained its neighborhood integrity and a funky feel². The neighborhood grew in popularity in the early to mid 2000s with creative businesses and artist families, and has continued to advocate for the preservation of its historic homes and iconic buildings.

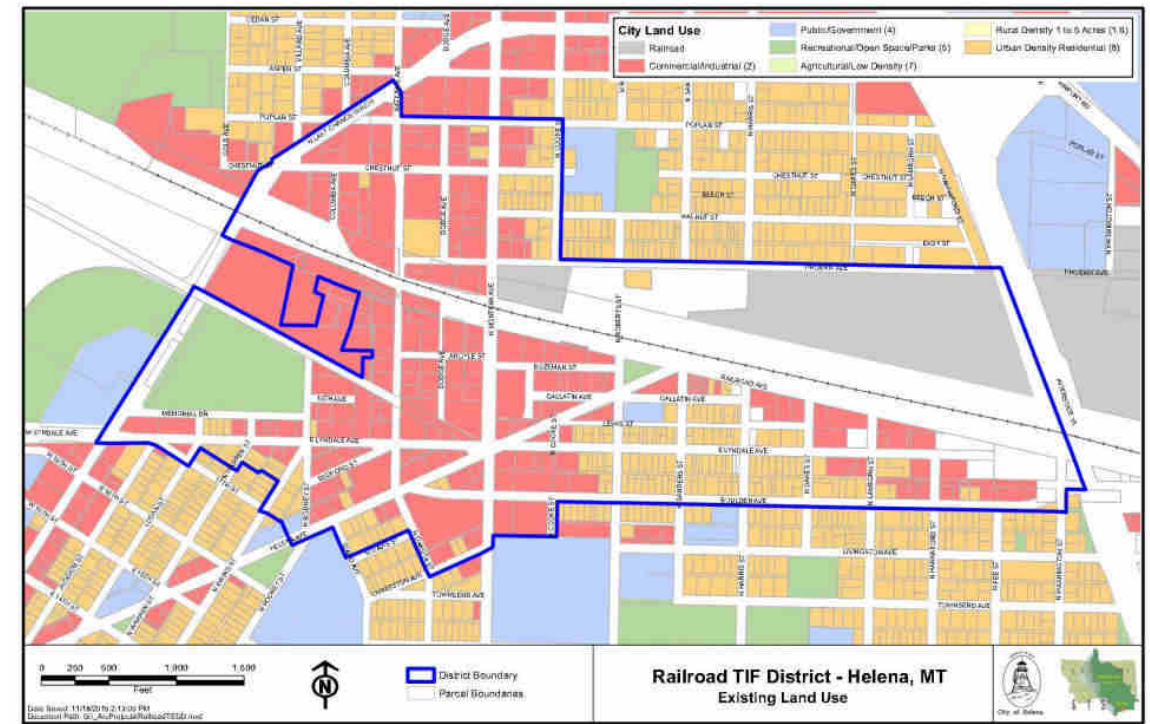
One of the successful community-driven revitalization efforts is the “Rodney Street is...” project. This recent creative placemaking project has infused the neighborhood with a new found connection to its history. Spearheaded by The Myrna Loy, in collaboration with the City, the project began in 2021 with a series of artist residencies and lasted a full year into mid-2022. Bringing forth local artists of a variety of mediums, the stories and history of the neighborhood was captured through photography, community art projects, neighborhood walkabouts, murals, sculptures, and even a documentary. Artists were commissioned to transform the area's garbage bins, benches, and planters into works of art. The [Rodney Neighborhood Walking Tour](#) maps the project's impact and highlights the unique and historic assets of the Rodney Arts District or RAD which was established in 2021.

The past planning in the Rodney Street area led to its incorporation into the Downtown Urban Renewal District (DURD) and enabled the area to establish Tax Increment Financing (TIF), creating access to financial resources and incentives when needed. The plan also indicated a need for more housing and a community interest in seeing the neighborhood business district become a dynamic mix of uses.

Another priority investment area is the 6th Ward, commonly known as the Railroad District. The City put in place the Railroad Tax Increment Financing (TIF) District in 2016, which roughly extends from North Last Chance Gulch east to Interstate I-15 and includes land for several blocks on either side of the railroad. The URD/TIF District's goals are to revitalize the area by improving economic vitality, creating jobs, and encouraging investment in targeted neighborhoods.³ The City is currently working on a neighborhood plan for this area, which should be adopted as an amendment to the Growth Policy in late 2023 or early 2024. The district's history is intertwined with the “boom and bust” story of the Northern Pacific Railroad, which came to Helena in the early 1880's. Though only about a mile and a half east of downtown, the noticeable decrease in density and impact of 50+ years of disinvestment creates a distinct feeling of separateness.

Today, the 6th Ward is known for its working class feel. Land use defines two distinct sections within the district, with parks, light industrial and commercial use characterizing the broader western side. To the east of North Montana Avenue a creative influx of businesses and arts organizations have spurred activity over the past two decades, including several culinary spaces, artisan retailers, and a dance studio. This section of the district is also home to several academic institutions and an array of housing opportunities. The URD plan seeks to expand the district's economy by attracting and supporting businesses, while preserving and highlighting the historic importance of the district.⁴

While Artspace did not tour a potential development site in this area specifically, the plan does call out the potential for live/work housing for artists. Throughout our conversations with community members, the Railroad District was mentioned as a desired location for private studio space, shared makerspace, and affordable housing.



Railroad TIF District, Existing Land Use

Source: [Railroad Urban Renewal District Plan](#)

For either of these areas to be a success in light of rising real estate costs, it is important for future plans to underscore the need for long-term, sustainable, affordable spaces for its creative community – defined broadly and including “makers,” as well as cultural workers.

HELENA, MONTANA AT A GLANCE	
Population (2023 est.)	32,944
Households (2023 est.)	15,502
Population % Change 2010-2023	+12.7%
Est. Population Growth 2022-2028	+3%
Vacant Housing Units (2022)	6.2%
Rental Vacancy Rate (2022)	4.6%
Median Age (2022 est.)	43.3
Median Household Income (2022 est.)	\$63,329
Median Gross Rent (Monthly) (2021)	\$880
Renter-Occupied Households (2022 est.)	45.2%
Race/Ethnicity (Top 5, 2022 est.)	<p>White: 587.6%</p> <p>Two or More Races: 7.4%</p> <p>Hispanic/Latino (of any race): 4.6%</p> <p>American Indian: 2.0%</p> <p>Asian: 1.1%</p>

Source: Esri Business Analyst, US Census, 2022

³<https://www.helenamt.gov/Departments/Community-Development/Planning/Urban-Renewal-and-TIF-Districts>

⁴https://www.helenamt.gov/files/assets/helena/v/1/government/departments/community-development/documents/railroad_urban_renewal_district_plan.pdf



Artist Lyle Schwabauer's Works Displayed at the Mountain Sage Gallery // Photo Credit: Artspace

II. PRELIMINARY FEASIBILITY STUDY

A Preliminary Feasibility Study (PFS) is the first step that Artspace takes to determine whether an affordable arts development project can move forward within the context of a community's unique needs, assets, sites, leaders, and resources.

Since the pandemic, Artspace approaches the PFS study in a hybrid form. We begin with a virtual focus group to allow more people to attend. We kicked off on July 18, 2023 with a virtual focus group for artists and arts organizations to get to know the community and gain context before we arrived. The Artspace Consulting team then visited the community in-person from July 25-27, 2023 to gather information, tour potential sites, connect with local stakeholders, and share information around how these projects come together. With this hybrid approach, we were able to collect community feedback in a variety of formats and elicit general support for the creation of affordable space for the arts sector.

A strong indication of the desire and need for this kind of project in Helena was the number of attendees who participated in multiple meetings facilitated by Artspace Consulting during the course of our study. There was a wide mix of attendees at our meetings in terms of ages, art forms, and longevity in the city. This engagement included the Alive at Five event where Artspace shared a table with the Helena Tourism Business Improvement District/Visit Helena and talked to passersby for several hours to further assess interest in this type of initiative.

The local Core Group, initiated by Brian Obert and Katherine Anderson with Montana Business Assistance Connection (MBAC), was instrumental in planning the tours and inviting the community and public to the various meetings. At every meeting we had thoughtful conversations with community members about their excitement for an Artspace-style project and how it has the potential to bring the community together. Several members of the Core Group commented on how Artspace was invited into the community at the right time – when there is a strong sense of forward momentum and optimism. That was apparent in all our conversations. We met many Helena “boosters” who showed so much love for the city they call home.

Artspace was represented in person by Wendy Holmes, Senior Vice President, and Kelli Miles, Consulting Coordinator, both from the Artspace Consulting Department. Teri Deaver, Artspace Consulting Vice President also participated in the planning and in the virtual focus group, as did Aneesha Marwah, Director, Artspace Consulting, who helped cultivate the relationship with MBAC since 2021.

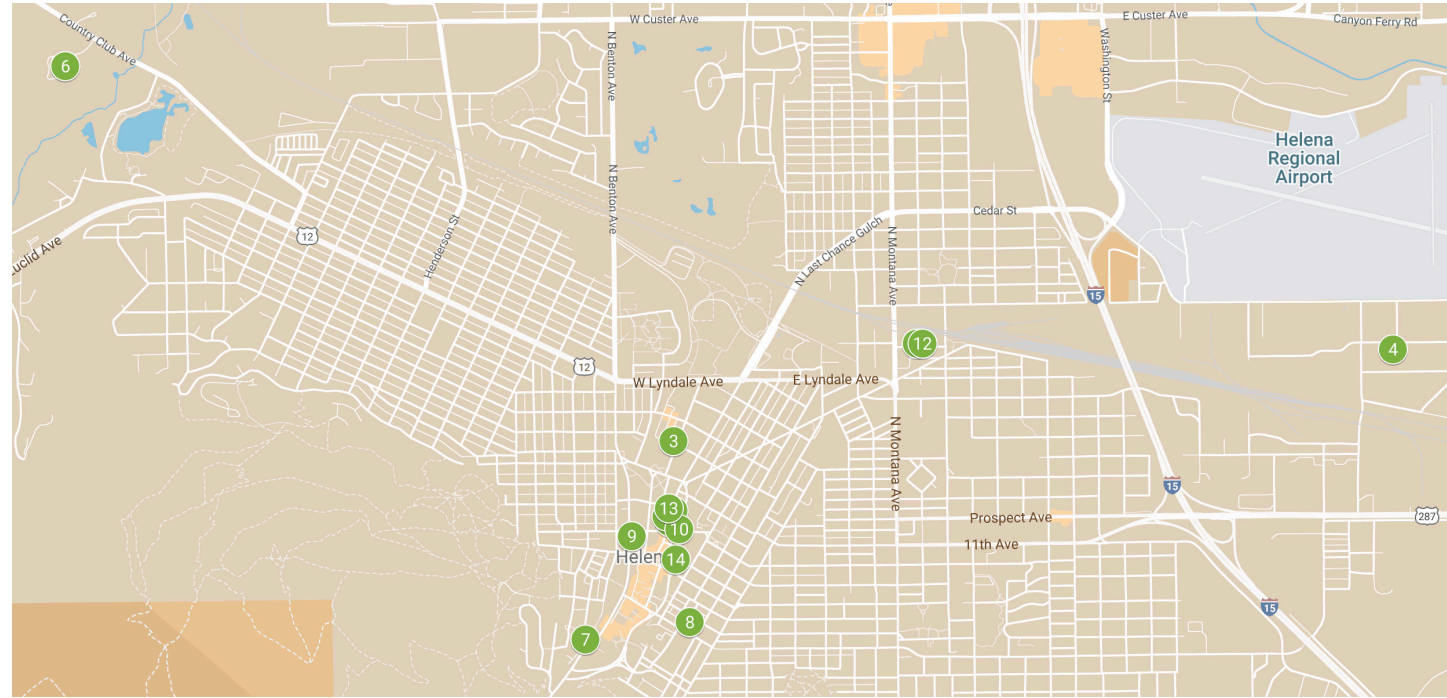
PRELIMINARY FEASIBILITY ENGAGEMENT

During the Helena study, the Artspace team:

- Facilitated four focus group meetings:
 - Artists and Arts Organizations (Virtual)
 - Equity in Space Conversation (In-Person at Lewis and Clark Brewery Power Room)
 - Finance and Civic Leaders (In-Person at Reeder's Alley Conference Center)
- Community tour of area arts and cultural assets and businesses in the heart of downtown and in several other neighborhoods
- Toured five potential sites in or nearby downtown
- Hosted a Public Meeting at the Lewis and Clark Library
- Attended Alive at Five event at Pioneer Park with information booth
- Dinner with the Core Group at Brewhouse
- Breakfast wrap-up meeting with the Core Group at MBAC's office
- Zoom conversation with Austin Trunckle of Mountain Plains Equity Group to gain insight into the Low Income Housing Tax Credit program at the State and its applicability for a project like this (see Funding and Financing section on page 36 for more information)

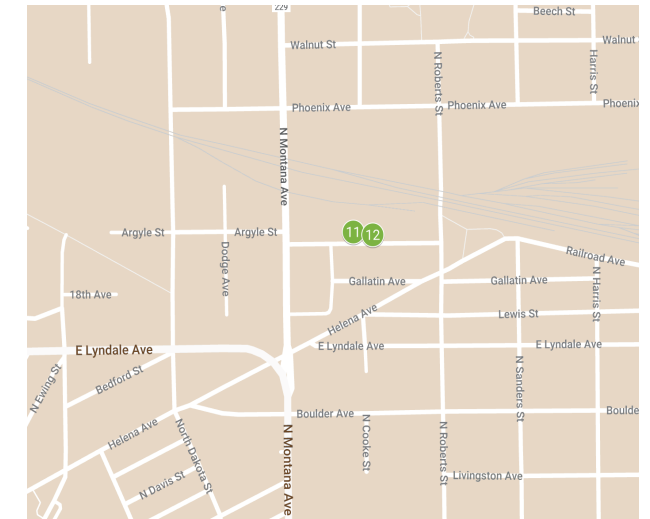
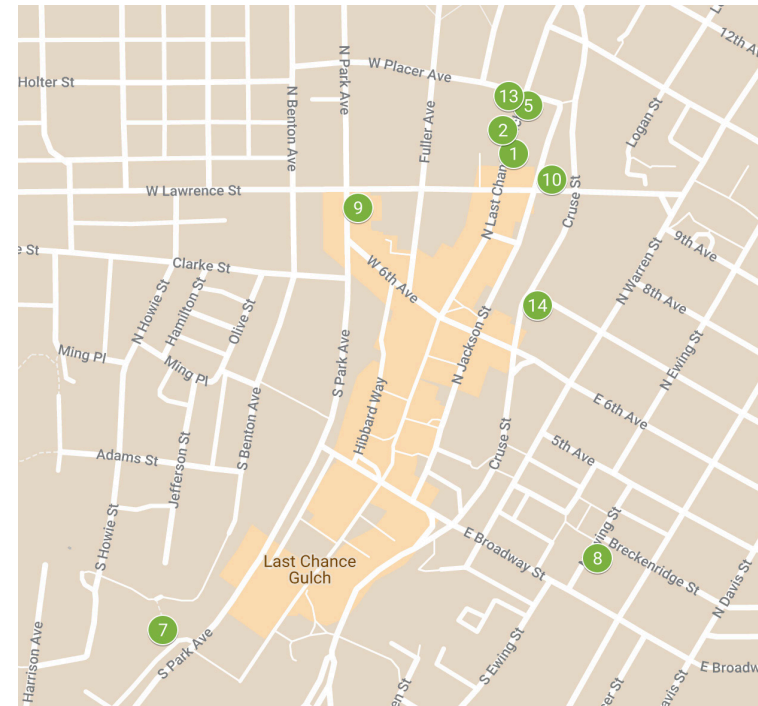
Community Tour

Artspace was impressed by the breadth of creative spaces and eclectic retail in Helena. At a time where retail has been hard to operate across the nation, Helena has many creative businesses and established arts organizations. The creative spaces we toured spoke of experiencing rich artist engagement, with several noting their growing memberships, a need for additional space, and a robust sense of community. Artspace's community tour included:



- | | |
|-----------------------------|------------------------------|
| 1 General Mercantile | 8 The Myrna Loy |
| 2 Firetower Coffee | 9 Grandstreet Theatre |
| 3 Omertà Arts | 10 Holter Museum of Art |
| 4 Clay Arts Guild of Helena | 11 Mae & June Vintage Market |
| 5 Mountain Sage Gallery | 12 The Railyard |
| 6 Archie Bray Foundation | 13 Wild Child Collective |
| 7 Reeder's Alley | 14 Montago Coffee Co |

A Closer Look at downtown sites (left) and East Helena/6th Ward sites (right)



Source: Artspace via Google Maps

Downtown has a diverse array of businesses and creative happenings. We visited several of these businesses on our tour. Most of the downtown buildings are 2-3 story historic buildings with ground floor commercial and office above the first floor. While there are some housing units on the upper floors of the historic buildings, downtown has limited "urban" higher density housing of three or more stories. The exceptions include the 7-story Placer Condominiums on the Last Chance Gulch, which was converted from market rate apartments to condominiums in 2008, and the 6-story ME Anderson public housing project operated through Helena Housing Authority.

Creativity can be seen all around Helena through its public art projects. This [digital tour](#) showcases the 50+ installations and murals around City-owned spaces, as well as publicly visible artwork on private or state-owned property.

The Last Chance Gulch pedestrian "Walking Mall" has created a lively epicenter for live music, craft fairs, and culinary experiences. The larger downtown arts institutions are all located within walking distance of one another, creating a sense of a cultural hub. Several, like the Holter Museum of Art and the Helena Symphony, are situated on or alongside Last Chance Gulch. These are complemented by the many creative businesses on Helena's main street, Wild Child Collective, General Mercantile, Mountain Sage Gallery, and the Montana Book Company. The Archie Bray Foundation mentioned they, too, would like to have an "outpost" downtown to engage the community more actively and directly. Having these cultural assets near to one another enhances the visibility for this sector.

Initial Reflections From the Visit

Artspace Consulting learned a great deal of history and context from our Core Group. Helena's position as the capital city and the mark of its "boom and bust" history has imprinted on the City's urban form.

We kicked off with the Core Group a discussion on what they hope to gain from this study, and wrapped with having them share something new they learned, or a new opportunity they saw for the creative community. These responses include:

- Affordable spaces for artists to live and work in a rapidly changing environment with increased property values (including both long-term housing and short-term residential spaces for artist-in-residency programs) is paramount to the sector's future success.
- More support for individual artists and new creative businesses through the creation of a local arts council or other entity to play that role is needed. Artspace Input: See examples of these types of organizations [Springboard for the Arts](#) in St. Paul, MN and [Artist Trust](#) in Seattle, WA
- Raise the visibility of local and regional artists and educate new potential patrons to become arts supporters.
- Create more visible and affordable creative space for nonprofit organizations and small businesses.
- Retain arts students and graduates of Carroll College and Helena College.
- Surprised to learn how interconnected the arts community is, including the larger arts institutions - quite unique!
- Seeing educators as artists and better leveraging their role with youth as an opportunity to bring more arts to children, teens and young adults.
- Learn more about the amazing programs being organized and facilitated by Helena arts organizations. Core Group members noted how this will enhance the work they do. For example, this new awareness will shape how Visit Helena talks about the community. Visit Helena plans to add a "creative" calendar or arts events calendar to their current offerings.
- Rural artists get more support (funding, resources, capacity-building programs), with the thought that urban artists are doing fine. Have now heard an articulated need for more attention and support for Helena-based artists, such as small business development education for artists.
- Although the Equity in Space focus group was small, it was clear that more diverse voices were important for the community to have at the table, as well as those of the LGBTQIA+ residents.



Pieces on Display at The Archie Bray, Artists Include Janina Myronova (Center) and Rebecca Harvey (Left) // Photo Credit: Artspace

The Artspace Approach

Based on three decades of experience, Artspace has identified six key components of community-led development that every community needs to have in place to make a grassroots arts project feasible. For the Preliminary Feasibility Study, Artspace organizes information through the lens of these **six components**, defined below:



ALIGNMENT WITH BROADER COMMUNITY GOALS. A potential project can help achieve other civic goals, such as economic development or historic preservation. Artspace considers strategies and partnerships that can leverage impact so that the operating project can be greater than the sum of its parts. Focus group attendees were asked to rank their top priorities during the meetings with Artspace.

PROJECT CONCEPT. What type(s) of space would the community like to see created? Although many communities have a well-developed project concept in mind before embarking on this study, Artspace's first step is to ask different stakeholders, "What type of creative spaces are needed and wanted in your community?"

ARTS MARKET. Is there a sufficiently strong creative sector to support an arts facility? To answer that question, qualitative data is collected through focus group meetings. Specifically, Artspace seeks to better understand the existing arts community, its assets, challenges and opportunities. It lays the groundwork for an Arts Market Study, the second step on the path to an Artspace project, which provides quantitative data about the creative community's space needs.

LOCAL LEADERSHIP. Are there leaders on the ground in Helena who are willing and able to advocate for the project, open doors, and keep lines of communication flowing between a developer and the community? These leaders come to the project from all industries, from elected officials who hold the keys to program dollars to citizens who are passionate about making their community a better place to live, work, and create.

FUNDING AND FINANCING. Arts facilities typically represent significant investments of civic resources. Although a variety of state and federal programs can be used to generate revenue for construction, Artspace relies on local funding and financing programs to support predevelopment expenses and gap funding. The Preliminary Feasibility Study considers the community's interest and capacity to commit resources to an arts facility. Basic information is gathered about local funding and financing options from both private and public institutions as well as philanthropic donations.

SITE ANALYSIS. At this stage, the primary goal is not to select the final site, but rather to identify candidates for further study. The factors under consideration include: location, size, ease of acquisition, and potential for sustained positive impact. As a project moves into predevelopment, these (and perhaps other) candidate sites will be evaluated in the context of a refined Project Concept, Arts Market Study data, and a deeper understanding of local development priorities and funding sources.

While these six components are not the only factors Artspace considers in making a recommendation to move a project forward, they help frame the discussion and our findings – especially in the preliminary feasibility stage.

Commitment to Equity in Creative Space

At Artspace, we are committed to using our platform as consultants and nonprofit developers to elevate the voices of those who all too often are not included in real estate decisions. Every community has room to improve in addressing diversity, equity, inclusion, and access (DEIA) issues, and Helena is no exception. Creative space is not developed in a vacuum, and communities like Helena have historic imbalances of power that need to be further evaluated for all parties to truly feel welcome in any future community driven space.

One method we use to identify DEIA challenges is inviting artists and cultural leaders who identify as BIPOC – black, indigenous, or a person of color or LGBTQIA+ – to share their challenges and issues around creative space to an Equity in Space discussion to offer their perspectives. Reflections from those conversations are included throughout the report, most notably in the section devoted to alignment with broader community goals section.

Bringing Artspace's National Experience to Helena

In addition to the information gathered about Helena, this report is informed by Artspace's experience working in other micropolitan cities that have invested in affordable facilities for artists and arts organizations. The following thoughts provide context for evaluating the feasibility and demonstrating the importance of creative spaces:

Mixed-use arts facilities with long-term affordability have been shown to:

GENERATE ECONOMIC REVITALIZATION AND DEVELOPMENT. Each development provides indirect, direct, and induced economic impact, as well as job opportunities before, during, and after construction.

PRESERVE OLD BUILDINGS, STABILIZE NEIGHBORHOODS, AND REVITALIZE VACANT AND UNDERUTILIZED PROPERTIES. They help create activity and foot traffic in areas devoid of creativity.

CATALYZE PRIVATE AND PUBLIC INVESTMENT, such as façade improvements and general beautification in the surrounding area.

CREATE COMMUNITY SPACES that give the public opportunities to interact with the artist tenants through gallery events, demonstrations, performances, and installations. They also provide opportunities for other local artists to showcase their work.

SUPPORT INDEPENDENT ARTISTS who are each, in effect, cottage industry business owners, generating economic activity by selling products or services, purchasing equipment and supplies, and paying taxes.

BUILD COMMUNITY. Artists and creatives are active neighbors and community members. Many collaborate with the educational, cultural, and business communities as teachers, community conveners, and volunteers. The spaces provide a place where cultural art forms can be passed from one generation to the next.

CORE GOALS

At the heart of every Artspace development are these goals:

- Meet the creative sector's space needs
- Ensure long-term affordability
- Reflect the unique culture and character of the community
- Include diverse BIPOC, LGBTQIA+, and other underrepresented voices at the table
- Exemplify sustainable and efficient design
- Operate in the black
- Hire a local property management firm trained in affordable housing management to maintain, support, and manage the rental facility



"The Lady Beckons" by Artist Richard Swanson at The Myrna Loy // Photo Credit: Artspace

III. FINDINGS

Alignment with Broader Community Goals

Successful arts buildings serve not only their residents and other tenants but also the surrounding community. They accomplish this by aligning with as many complementary goals as possible, effectively becoming more than the sum of their parts. When multiple goals, such as preserving affordability and downtown revitalization, can be addressed by an Artspace initiative, it has greater potential to foster long-term, sustainable impact. The coalescence of several community goals also helps to bring more stakeholders to the table who are eager to see the project succeed.

To help us determine the goals that matter most in a community, Artspace gathers input from a broad cross-section of community stakeholders. Once we understand their priorities, we look for ways to bring these goals into alignment. During the Helena focus groups and public meeting, Artspace outlined the mission-driven goals that we know could be met through creative space development. Participants were then asked to choose their top three goals from the list in the table below. The top choices are shaded.

ALIGNMENT WITH BROADER GOALS RESULTS					
Community Goal	Artists/ Orgs (Virtual)	Equity in Space (In-Person)	Civic/ Finance Leaders (In-Person)	Public Meeting (In-Person)	Total
Preserving Affordability	13	8	4	4	29
Downtown Revitalization	7	7	1	1	16
Sustaining Creative Businesses and Nonprofits	5	4	4	1	14
Activating Vacant Lots	5	4	2	3	14
Historic Preservation	5	4	2	1	12
Strengthening City's Arts Identity and Brand	5	4	0	3	12
Anchoring an Arts District	5	2	2	1	10
Addressing Inequities and Disparities	3	2	3	1	9
Increasing Residential Density	0	2	0	2	4
Retaining Recent Graduates	2	1	0	0	3
Boosting Tourism	1	0	0	1	2

In Helena, the top goals were:

- 1. Preserving Affordability.** Long-term affordability was identified as the leading goal in the minds of Helena residents engaged during the study; preserving affordability is a core value of every Artspace project. We heard repeatedly from Helena artists that they are increasingly challenged to find affordable space to both live and work. Institutions with artist-in-residency programs, such as The Bray, Helena Indian Alliance, and the Myrna Loy, also voiced a notable decline in the affordability and overall availability of short-term residential spaces for their visiting artists. Artspace heard that visiting artists seeking housing are paying nearly \$5,000/month for Airbnb options.

Helena is considered “more affordable” than other communities in Montana but wages tend to be lower. The housing vacancy rate is somewhat tight at 6.4% overall with 4.6% for rentals⁵, and the housing market is getting more expensive. Artspace learned from the City that since about 2018 when the Tri-County Housing Need Assessment was completed, the vacancy rates have been at a functional zero across all housing front. Artspace reflected that, while the community is still relatively affordable now, it has all the makings of a place on the cusp of an affordability crisis. Very little housing turnover or available housing stock, coupled with a growing reputation and people moving to Helena during the pandemic can impact a community quickly. Affordable housing solutions are needed - especially for artists who have made Helena a desirable place to live, raise a family, work, and retire.

- 2. Downtown Revitalization.** With its history and eclectic buzz of creative businesses, it is no surprise that investment in downtown was a leading goal. Many of the artists we spoke with expressed excitement about the creation of the “Walking Mall” and support for the businesses in Last Chance Gulch. Additionally, the downtown-centric and adjacent arts institutions, such as those we visited during our tour (see page xx), have played a vital role in aligning an arts and cultural identity with downtown.

Historic single-family neighborhoods surround downtown. The core currently lacks sufficient supply of higher residential density in the form of multi-family rental properties of more than 8-10 units. Adding housing downtown would promote the Guiding Principles articulated in the Downtown Helena Master Plan 2016-2036. At present, the downtown area between Last Chance Gulch and the Great Northern District feels disconnected, due to the Federal Reserve Bank and the sparser commercial business.

Omertá Arts, a gallery and studio space on Front and West 13th Street, shared that during this year's art crawl only sixty people made their way north to their side, while hundreds gathered within the Fire Tower District and Last Chance Gulch. This area of downtown is mentioned in the Master Plan as a target for redevelopment with a priority on multi-family, higher density housing around Women's Park and Hill Park.

Beyond a live/work project, a community space (or “third space”) would also be well-situated downtown.

- 3. Sustaining Creative Businesses and Nonprofits.** An affordable, self-sustaining mixed-use art facility helps to ensure a long-term home for creative businesses and nonprofits, as well as individual artists. A critical mass of creatives also offers increased visibility to the buying public and an opportunity for artists to share networks, materials, and ideas. Helena's shared makerspaces and private studio spaces foster the many unincorporated arts businesses and artists creating independently; these are exceptional examples of supportive infrastructure for the creative sector. Additionally, having an organization or foundation that can act as a fiscal sponsor can be one solution to growing the financial and organizational capacity of smaller arts and cultural entities so that they may eventually take on leases, which can have a stabilizing effect for their future.

Centralized gathering spaces that can offer opportunities for networking and collaborating, as well as pop-up events, classes and markets, are also valuable in the capacity-building and scaling phases of creative businesses and nonprofits. Conversations throughout our visit noted the current lack of community spaces. Artspace learned about one co-working space, The Sidecar, where some artists go to work and collaborate.

The Montana Business Assistance Connection (MBAC) is an asset to Helena's businesses and organizations. In reflecting on our visit, MBAC shared they heard new perspectives on the needs and interests of local artists and creatives. The MBAC team plans to strategize around the broader capacity-building opportunities and ideas brought forth during this work. They plan to make available more services and resources for the "heartbeat" of the community - the creative sector.

4. Activating Vacant Lots. In the case of Helena, the goal of activating vacant lots and underutilized buildings is a complementary strategy to the larger object of downtown revitalization. In alignment with the intersection of these two goals, artists and arts organizations' top areas of interest for a potential project were downtown, specifically along Rodney Street. A new mixed-use arts facility development can anchor a redevelopment project or an arts-focused district, like the Rodney Art District.

A sense of place can be reinforced through a well-designed building, and people living and working on site, and inevitable creative placemaking activities. This goal aligns with much of the thoughts and actionable items articulated in the Downtown Helena Master Plan.

Equity in Space Conversation

While it did not rank in the top four, one of the goals of the Artspace visit is to hear from marginalized communities and creatives and see how any future project can be inclusive and welcoming. The Equity in Space conversation drew both freelance artists involved in embroidery, printmaking, photography, and leaders from the Helena Indian Alliance, The Bray, Raven's Feather Productions, and Helena Public Schools. Artist and former Archie Bray Executive Director, Steven Lee, described his experience moving to Helena for the artist-in-residency program. He recalled a sense of openness from the community and believes this still exists today for BIPOC artists looking to stay in Helena long-term. However, Steven, and other focus group attendees, noted the challenges around securing affordable housing and difficulties in acquiring a stable job after the residency program. Katelyn Griep, Administrative Manager of Helena Indian Alliance, spoke specifically about the way in which Native American artists traveling to Helena for work often bring their families and Helena Indian Alliance has had an increasingly challenging time finding right-sized, affordable accommodations.

Attendees also stressed the need for a centralized community center, where artists could take business development courses, host workshops, network, gather with friends and family, and create pop-up events. The artists also voiced a desire for more grant funding and business development services be made available to individual artists. We hope this study is only the beginning of conversations with Helena's BIPOC and LGBTQIA+ community.



Artist and Co-Founder of Omertà Arts Leah Cupino // Photo Credit: Artspace 20

ARAB-AMERICAN MUSEUM AND BLACK LIVES MATTER 360 EXHIBITION PARTNERSHIP IN DEARBORN, MICHIGAN

CITY HALL ARTSPACE LOFTS // DEARBORN, MI

City Hall Artspace Lofts in Dearborn, Michigan is a great example of how an Artspace project can foster relationships between artists in and out of the building. During the development process as early as 2010, the Arab-American Museum, which is located directly across the street from the property, was an early partner. City Hall Artspace Lofts now houses an artist in residency unit for visiting artists who are exhibiting at the museum, and have welcomed artists from Lebanon, Palestine, Saudi Arabia and beyond. Artspace Consulting also coached the Arab American Museum through our Immersion program on their expansion and incubator space.

The artists in the building, led by original resident Julia Denguhlanga, also have transformed the ground floor into a community gallery space. The Black Lives Matter 360 Exhibition that went up in response to the death of George Floyd showcases work from artists within the building, and from other mission-driven community organizations.



Photo Credit: Artspace

INVESTING IN CREATIVE INDUSTRIES

Taking a measure of creative placemaking

The Artspace live/work model has been proven to benefit communities by:

- Animating deteriorated historic structures and/or underutilized spaces.
- Bringing vacant and/or underutilized spaces back on the tax rolls and boosting area property values.
- Fostering the safety and livability of neighborhoods without evidence of gentrification-led displacement.
- Anchoring arts districts and expanding public access to the art.
- Attracting additional artists, arts businesses, organizations, and supporting non-arts businesses to the area.
- <https://www.artspace.org/taking-measure-creative-placemaking>

Project Concept

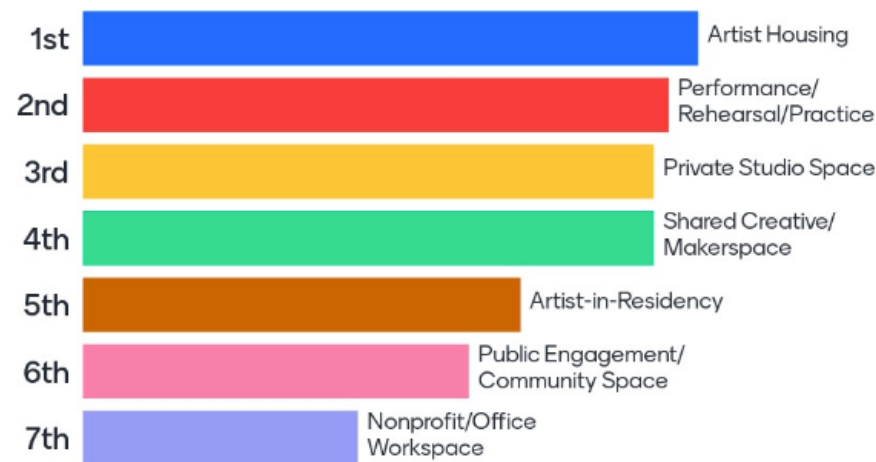
Some communities are clear about what they hope to achieve; others are starting from scratch. They look to Artspace to guide them through the process of determining whether a new facility makes sense for them – and, if so, what kind of space. While the space needs of creatives in each community are different, Artspace has learned from more than 30 years of conversations with artists, arts organizations, and creative businesses and entrepreneurs that there are commonalities across the types of spaces that are needed to live, create, and present creative work. From our very first conversation with Helena artists in July, it was evident that artist live/work housing and studio space (both private and shared) are central to the vision. As conversations continued in-person, both organizations and individuals alike also spoke to the need for community space.

Priority Concepts

The first questions Artspace asked the Artist and Arts Organization Focus Group participants were “What types of affordable creative spaces are most needed in Helena?” and subsequently, beyond the categories we had offered “What other types of creative spaces are needed in Helena?” We then asked similar questions during the public meeting at the Lewis and Clark Library. **Affordable live/work housing** was the leading expressed need, with performance/rehearsal space and both private/shared studio/maker space close in line. While it ranked 6th, we anecdotally heard there is a desire for a dedicated community gathering space from many conversations beyond this poll. Such types of non-residential creative spaces can be accommodated in the ground floor of an Artspace-style mixed-use project. We also strongly recommend that standalone projects also be explored by local developers to address the depth of the needs shared.

What the Helena artist and arts organizations said...

What types of artist spaces are most needed in Helena? Rank these in order of importance.



Virtual Artist/Art Organization Focus Group Space Rankings

Here's a more detailed look at the top five space categories:



LIVE/WORK ARTIST HOUSING is residential space where artists can work, as well as live. Artspace live/work units meet standard residential codes. They are rental units that are typically financed in part by federal Low Income Housing Tax Credits (LIHTC) and are subject, therefore, to certain restrictions. A common restriction limits units to households whose annual incomes (from any type of work) are between 30% and 60% (sometimes 80%) of the Area Median Income. Artspace live/work units include artist-friendly design features, such as durable surfaces, large windows, high ceilings, and wide doorways. There was a clear consensus of the critical need for housing for Helena's artists. We know if artists cannot afford to live in their community they will not create there either.



PRIVATE ARTIST STUDIO SPACE is commercial space specifically designed for the creation or practice of art. Studio space is rented under an annual lease agreement or on an occasional or short-term basis by individual artists or small businesses. Uses can include fine arts studios, industrial work space, teaching, offices, recording studios, soundproof rooms, etc. Keeping the sizes and price points flexible ensures greater market applicability; we generally consider affordable to mean \$1/SF/month.

Two exemplary private studio facilities in Helena include, The Bray and Omertà Arts. Known as the birthplace of modern ceramics, The Bray offers an established studio model that has been shaped by its 72 years of supporting individual artists and their work, as well as the broader community through a range of programming. In addition to dedicated spaces for long and short-term artist-in-residences, the campus also features retail, exhibition space, and a factory for material creation. With their focus on clay arts, the center houses a variety of equipment, supplies, and resources, categorizing it as a shared makerspace, as well.

Omertà Arts, located in the Great Northern District, is a new private studio facility with a gallery space and classroom. The organization offers a variety of membership prices including \$120/month for use of common space, \$200/month for a small studio and \$500/month for the larger spaces. In the eight months since opening, Omertà Arts already needs additional space for artists interested in renting studios and its growing mailing list of prospective art buyers and class attendees.

Additional private studio space is needed to truly foster Helena's creative potential. This market is an opportunity for both a future Artspace project, as well as other new development projects that could incorporate working studio space.



SHARED CREATIVE SPACE offers shared equipment, education, and community for working creatively or producing art and goods. These spaces are usually run by nonprofits or businesses and traditionally can be accessed on a membership basis. They often include co-working and makerspaces and can be designed for specific purposes, such as ceramics, printmaking, community kitchens, and woodworking. These types of spaces provide access to equipment that is expensive, impractical, or in some cases, hazardous. Interest in these types of spaces has increased nationally in the last few years. Shared creative space is a growing trend that is rooted in many traditional and contemporary art forms.

Helena is home to the Clay Art Guild, a volunteer-run nonprofit organization with over 100 practicing artists of all levels. In addition to ceramics, the Guild features a woodworking shop. Like The Bray, The Clay Art Guild offers attributes of both private studio and shared creative space. The center is at capacity (with an extensive waitlist) for both its studio and basic memberships. Members have 24/7 access to the facilities, including a variety of wheels, kilns and shared materials, such as clay, glaze, and tools. The Guild's membership model charges by space size, for example \$65/month for three shelves, with options for “half studio” and “full studio” memberships, as well.

Omertà Arts mentioned requests for space from welders, large scale installation artists, and printmakers, which they can't accommodate due to current space limitations. These mediums typically create within the context of a shared makerspace where large scale equipment and resources are mutually invested in and accessed.

Shared Creative Space Continued. The seeming need for additional makerspace is a valuable opportunity for other locally-driven development projects to support the creative sector beyond an Artspace one.



PUBLIC ENGAGEMENT/MEETING SPACE was identified as a space currently lacking in Helena. Those expressing interest in community space noted the following types of activities: pop-up performances/workshops, creative events, gatherings, marketplace, and community garden. Arts education for children and networking for individual artists could also be accommodated in community space. The Helena Indian Alliance, a nonprofit dedicated to advocating for and serving the mental, physical, spiritual, and social wellbeing of the Native American population and broader community, is in planning phases to reimagine their downtown space on Last Chance Gulch into a mixed-use facility that includes a community space. This space was originally the location of the organization's [Leo Pocha Memorial Clinic](#), which was relocated to Euclid Avenue in 2013 and recently celebrated the grand opening of an expansion at this facility.

Helena will also soon be home to the new \$104 million [Montana Heritage Center](#) that will house the Montana Historical Society and provide space for other organizations and the general public.

Artspace residential projects invariably have community rooms that can serve these functions not only for residents but for the community, as well. The kinds of spaces mentioned above can be created beyond an Artspace development by local entrepreneurs and developers who are situated to act upon the insights and data Artspace collects, particularly that of the next feasibility step, the Arts Market Study.



PERFORMANCE SPACE serve organizations and individuals looking to rent space for private events, performances, rehearsals, or community gatherings, usually for a fee or hourly rate. A typical performance space could take the form of a proscenium theater, black box, concert hall, or flexible event space, while rehearsal spaces may vary in size and often include mirrors, marley flooring, barres, and sound proofing. Artspace has a number of smaller flexible performance, rehearsal, and event spaces in our buildings. If such a space were included in Helena, partnering with an organization interested in running/renting/programming on a consistent basis would be key.

Artspace was impressed by the number and quality of existing performing arts spaces in Helena, but also witnessed how these spaces are falling short of the operating organizations' needs. We toured both the Grandstreet Theater and The Myrna Loy. The City and the County leased space for \$1/year to both these organizations. Given this financially secure lease, both have grown their programming and are a notable presence. The Grandstreet Theater offers: a beautiful 200-seat theater, large classroom, audio and literary library, and an additional annex space featuring two studios (which double as a black box space, as well as dressing rooms), and storage space. Running over eight professional shows a year, numerous youth camps, and a pre-professional theater school, the Grandstreet Theater currently lacks the appropriate space size and useability, especially around their rehearsal and storage needs, to meet their full potential.

A multifunctional facility, The Myrna Loy features a visual art gallery, pub area for 50-75 people (such as happy hours, meetings, receptions, and book clubs), 50-seat small screening room/black box theater, 230-seat theater for live performance and screenings with a flexible orchestra pit, dressing rooms, and a work/gathering space for meetings. The stages feature all mediums of performing arts, from dance and theater to live music and comedy shows. In response to the community's expressed need over the recent few years for audio production space, The Myrna Loy is exploring the feasibility of renovating the dressing rooms for podcast recording during the day when they are not in use.

The old Ming Theater and Light and Traction House are slated to be redeveloped. Combined, the two buildings are 28,000 SF and are being studied as a potential home for the Helena Symphony. Artspace spoke with several of the principals with the consulting group, Theatre Projects, currently conducting a feasibility study to assess reuse options (as well as potential capital and operating models) for the Symphony.

The talent, capacity, and passion of Helena's performing arts leaders have truly propelled these venues. We encourage the City and County to continue finding ways to support the work of the local performing arts organizations by making both programmatic and capital funding available to invest in their spaces.

Other Spaces of Interest

Both the virtual artist/arts organizations focus group and the public meeting participants were asked what other spaces are needed in Helena. The spaces we heard the most about included flexible community space for pop-up events (markets, performances, exhibitions) and other short-term uses/rentals, short and long-term artist housing, audio production/recording studio, industrial kitchen, studio spaces for visual arts, and makerspaces for large scale work (installations, set design, etc.) and equipment (printmaking, screen printing, etc.).

Their freeform responses included:

- Acoustically pleasing and isolated space for recording/performance
- All ages performance spaces
- An "open" gallery - no requirements, just rent a day and display/perform
- Artist residence: light, low maintenance, connection to nature (gardens), fresh air, quiet
- Arts education spaces for children (free or low cost) and spaces to connect with public schools
- Audio production facility with good gear and knowledgeable engineers
- Audio recording studio
- Better management (public availability) of existing spaces
- Community garden
- Computer lab for artists
- Cooperative music recording space
- Equipment library
- For any venue - accessibility, long term parking, low cost, easy rentability/scheduling
- Helena needs more art galleries - places that exhibit art and space for collaborations such as visual art + performing art
- I second the DOWNTOWN space!
- Industrial kitchen for culinary classes/pop-ups
- Large open studio/shop for large scale projects
- Maker/studio spaces and artist housing close to downtown core
- Marketplace for work product
- Mid-sized (40-100 seats) venues for ticketed performance
- More gathering spaces
- Multi-use community space/third space
- Performance spaces
- Photo studio with lighting
- Podcast studio
- Pop-up show spaces and creative event spaces
- Pop-up spaces with multiple organizations operating
- Printmaking/screen printing studio
- Props and set design creation space
- Recording booth/studio space
- Recording room for musicians
- Shared kitchen space
- Short-term housing for visiting artists and performers
- Studio/retail small rentable spaces
- (I am operating an experimental project right now;) We are full with a waiting list. I'd love to operate more spaces in the Railroad District!
- Theater spaces where you don't have to worry about messing up the floor
- Video production studio
- Visiting artist housing
- Visual art studio: light, high ceilings, ability to get messy, close to downtown, privacy or community

Several of the arts and cultural organizations in the City, The Bray, for one, need visiting [artist-in-residence spaces](#). The Bray hosts approximately 20 national and international artists a year, both short-term summer residencies and longer term (up to two years) residencies and is in constant need of temporary housing.

Although **no project can be all things to all people**, understanding how the community views these concepts and what spaces creatives need is extremely valuable. Other local space initiatives can incorporate some of these or may already have them.

Defining a Project Concept in Helena

There is a clear local desire for a facility that provides sustainable, affordable space for the creative sector, acts as a gathering space for creatives and the broader community alike, and enhances the vibrancy of downtown Helena.

Based on the information gathered during this study, **Artspace recommends the exploration of a mixed-use, live/work artist housing development as the priority project concept for Helena.** A development with affordable live/work housing for artists on its upper floors and private studio/shared creative space/commercial space on the ground floor would be appropriate to pursue in the downtown core or within walking distance of it. The mixed-use development examples shared on page 42 showcase this type of project concept.

It is our hope that the information shared in this report will help prioritize creative space needs and advance conversations with civic leaders to support the creative sector.

ARTSPACE & TENANT PARTNERSHIPS

BUFFALO, NY - The Buffalo Arts and Technology Center (BATC) is an anchor tenant in our mixed-use affordable artist housing project in Buffalo. The BATC occupies 15,000 sq. ft. of space on the first and lower level of the historic electric car factory that houses 36 units of artist housing on floors 2-5. The focus of the BATC is two-fold: 1. To provide high quality art instruction to low-income children in the neighborhood, with an eye toward potential art careers and 2. To provide medical technology training to low-income adults in the neighborhood and assist with job placement at the nearby medical campus. There is a synergistic relationship with both the nearby hospital and the artist residents, some of whom act as faculty in the BATC program.



TRINIDAD, CO - The commercial space in Artspace's Trinidad Space to Create project is home to the City's own cultural facility, The Commons. The facility spans over three storefronts that are combined into an expansive, open space of approximately 20,000 sq ft. Featuring a gallery, retail space, community/co-working space, and kitchen amenities, the facility offers space for artists to show and sell work, as well as host events, workshops and community gatherings.



Photo Sources: Buffalo Arts Tech Center // Visit Trinidad

Creative Sector

One of the purposes of this Preliminary Feasibility Study is to understand the creative sector in Helena and offer guidance on how to strengthen it ahead of pursuing an Artspace-style development and Arts Market Study. In addition to the questions around desired space types, we look to understand the broader needs, characteristics, and experiences of the individuals, arts and cultural nonprofits, and creative businesses that make up the region's creative sector. What challenges are they facing? What opportunities can be leveraged? What are the existing or planned creative assets and what supportive infrastructure is in place? Our conversations help frame Artspace's understanding of the arts scene to determine if the grassroots support and local need for the proposed project concept exists. This scope also sets the stage for an Arts Market Study, the subsequent step towards an Artspace project (see Step 2 on the Path to an Artspace Project in Appendix A).

To begin, it is useful to have a shared understanding of who makes up the arts/creative sector. Artspace intentionally keeps its definitions of "artist" and "creative" broad in order to be as inclusive as possible. Residents of Artspace buildings range from veterans, recent graduates, formerly homeless, retirees, service workers, educators, and parents – and they also happen to be creative. They are likely to earn a portion of their income from something other than their art. In fact, a look across the Arts Market Studies that Artspace has completed in the past 15 years shows that only about 10% of artist respondents make between 75%-100% of their income through their art.

Within the context of Helena, Artspace observed an interconnectedness between established arts organizations and nonprofits that is rare in a sector facing such resource scarcity. On the other hand, individual artists shared their perspectives of feeling isolated and siloed, yet optimistic within the vibrant and "expanding" creative sector. The supportive culture overall offers a strong foundation from which to generate grassroots support and build lasting partnerships.

WHO IS AN ARTIST?

Artspace's definition of a creative is very broad. An "artist" is a person who has a demonstrable commitment to the arts or a creative pursuit? While the term is broad and varies from community to community, if affordable housing is utilized in a project, all "artists" must still qualify for that housing by income. An artist is:

- A person who works in or is skilled in any of the fine arts, including but not limited to **painting, drawing, sculpture, book art, mixed-media and print-making.**
- A person who creates imaginative works of aesthetic value, including but not limited to **film, video, digital media works, literature, costume design, photography, architecture and music composition.**
- A person who creates functional art, including but not limited to **jewelry, rugs, decorative screens and grates, furniture, pottery, toys and quilts.**
- A performer, including but not limited to **singers, musicians, dancers, actors and performance artists.**
- In all culturally significant practices, including a **designer, technician, tattoo artist, hairdresser, chef/culinary artist, craftsperson, culture bearer, teacher or administrator** who is dedicated to using their expertise within the community to support, promote, present, and/or teach and propagate their art form through events, activities, performances and classes.

Arts Community Profile

Feedback: Describe the Arts/Culture Sector in Helena



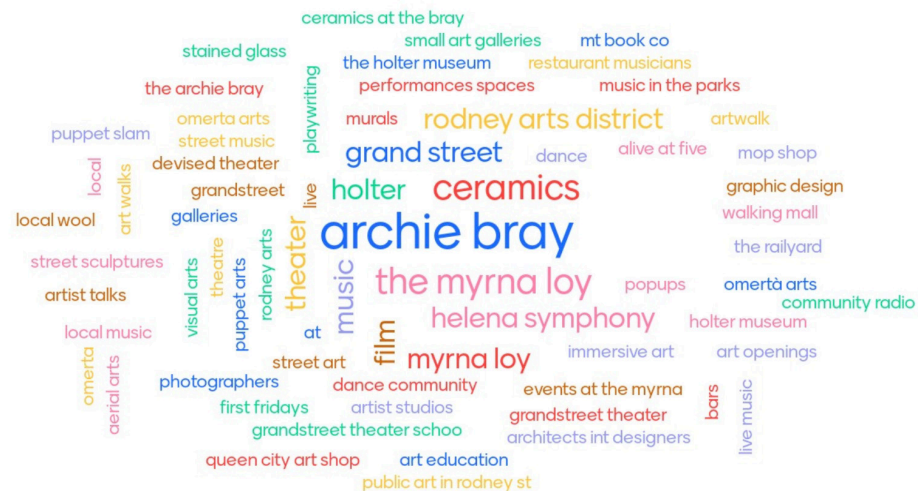
Artist and Arts Organizations Focus Group Menti Word Cloud

We asked attendees to describe the arts and cultural sector in Helena. A commonly found sentiment was that the sector was “siloeed” and “sometimes insular.” However, Artspace’s overall impression aligns with the words and phrases “community-oriented,” “vibrant,” “small but mighty,” “passionate,” and “engaged.” Local artists expressed a desire to “keep Helena weird” and affordable to local artists, especially with new people moving to the City at a rapid rate since the pandemic.

Helena’s creative sector is particularly known for its clay arts through the presence of the world-class Archie Bray and Clay Arts Guild, but its strength is also underscored by the caliber of its theater, symphony, visual arts, woodworking, audio production, music scenes and more. Additional art forms represented in the community that we did not directly see include culinary and literary arts. Future conversations should engage representatives from these fields.

CREATIVE ASSETS

The resulting word cloud sourced from participants demonstrates the vast range of mediums, organizations, businesses and art forms that exist in Helena. In addition to those located in and around the downtown districts of Last Chance Gulch, Fire Tower, and the Great Northern, the budding Rodney Arts District and Railroad District are also experiencing an influx of creative development. Over the past two decades, restaurants, coffee shops, a brewery, barbershops, artisan retailers, and a dance school have found homes in the Railroad District, creating an energetic corridor of creative businesses and arts organizations.



Artist and Arts Organizations Focus Group Menti Word Cloud

CREATIVE RESOURCES

Artspace asked focus group attendees to rate the availability of a range of services for the creative sector. Networking opportunities were rated highest by the 20 attendees.

How would you rate the availability of the following for the creative sector in Helena? Rank on a scale of 1-5



Artist and Arts Organizations Focus Group Menti Word Cloud

A number of these resources are often provided by a local arts-focused service organization. While the Montana Arts Council is an important resource, a state arts agency cannot supplant the need for a local entity. Situated at the city-level, these entities can play a larger role in place and project-specific initiatives and can act as an advocate for support from other governmental, as well as private entities. Examples of types of service organizations include: [Springboard for the Arts](#) in St. Paul, MN and [Artist Trust](#) in Seattle, WA.

MBAC is an asset to Helena’s businesses and organizations and has the potential to provide greater technical assistance for the creative sector. In reflecting on our visit, MBAC shared their team plans to strategize around the broader capacity-building opportunities and ideas brought forth during this work and see what larger role they can play.



(From Left to Right) General Mercantile, Artist Karlie Efinger’s Studio at Omerta Arts, Shops at The Railyard // Photo Credit: Artspace 29

Challenges and Opportunities

Artists and arts organizations shared the barriers and threats facing the creative sector. This feedback helps civic leaders and advocates better understand the

current challenges and plan action steps to support it, these responses also help frame the recommendations from Artspace, beginning on page 54.

The **top challenges** mentioned were:

- Affordable housing x2
- Although Helenans are passionate about art, it is difficult to make a living with art. The economy is an issue right now. **Cost of living, uncertainty about the financial markets, lack of funding.**
- Bureaucracy
- Complacency in the community
- Creatives and artists are often left out of funding opportunities that are classically geared towards for-profit small businesses
- Day jobs
- Everything costs money
- Expensive to advertise
- **Funding for artists to make and sell art as a living x3**
- Getting people engaged in critical thinking
- Grants for projects
- Growing population
- Lack of appreciation for good design + cost of art
- Lack of buyers for art x2
- Lack of business development services for artists
- Lack of local arts council as a resource for independent artists and smaller arts organizations
- **Lack of support in public schools for arts**
- Laws and politics
- **Limited spaces**
- **No common place for public to hear about events**
- Outlets
- Public understanding
- Reaching a broader audience
- Recent grads, from Carroll College and Helena College, with arts degrees need space to continue their practice or are at risk of moving away
- Remote location
- Rising housing costs
- Shortage of creative jobs/careers
- Tight-knit local bar crowd for shows
- Value of real estate has escalated since the pandemic
- We need tourists, too



The Clay Arts Guild // Photo Credit: Artspace

Similarly, we asked artists to share their perspectives and ideas around opportunities that exist for creatives in the community. Space-specific needs are discussed in the Project Concept section on page 22. Opportunities mentioned include:

- A growing downtown
- A lot of small business support
- Actors & directors
- All ages
- Artist residency programs for neighborhood art
- Charlie (the informal mayor of Rodney street) and Jeannie and Zaq Warden (Wardens of Rodney street) big supporters of the arts in town
- Collaborations across multiple sectors
- Community events!
- **Community loves artists of all types**
- Easy access to nature
- Enthusiasm
- **Fantastic talent**
- General community engagement
- Helena is surrounded by an incredible natural environment and THAT is an incredible opportunity for artists of all kinds
- Helena public art committee projects
- Institutions like the Bray, Grandstreet, Myrna and Holter
- Last Chance New Play Fest produces works by Montana Playwrights
- Last Chance Public Radio
- Less competition
- Lots of wealth
- Makers markets
- Opportunities to collaborate
- Opportunities to support residencies with visiting artists if we could house them
- **Opportunity to create a new method of publicizing/communicating about creative work/ events in Helena**
- Organizations such as the Bray, Myrna, Holter, Grand Street, make Helena a destination for art lovers
- **Outdoor spaces x2**
- Plenty of space in WINTER for arts events
- Pop up markets with existing businesses
- "Progressive" festivals - engaging existing arts organizations and individual artists in different places
- **Rodney Arts District**
- Seems to be a lot of grant opportunities
- Songwriters and composers can collaborate on marketable, sellable work
- The Rodney St. project really showed us what murals and other aesthetic improvements can do for a neighborhood
- Strong market for downtown businesses and residential spaces above storefronts - very few vacancies currently for these types of downtown spaces
- **There are a lot of existing nonprofit organizations, some might make good partners**
- Tight-knit bar crowd passionate about local music
- Tourist trickle
- VA hospital and reserve in Helena creates strong veteran community
- Volunteers
- Very philanthropic community with a strong community foundation
- We can't ignore the north part of town either!
- We need a centralized advertising info-board
- **Working with the City**
- World class artists

We heard the decades-long trend of artists moving to the area for a residency program and finding a home in Helena. This was especially true for The Bray, and provides a unique opportunity for Helena to think about a way to house these artists for the long-term.

Several artists and non-artists alike mentioned the need for a centralized calendar of City-wide arts activities. Visit Helena does currently offer an entertainment-based event calendar on their website. Core Group members with Visit Helena noted that this resources seems to still be gaining traction and visibility but would encourage artists to take advantage of the platform. The Visit Helena team is also in discussion around adding an arts-specific events calendar and is open to feedback from the community on what they would like to see included. This could also be the role of a new arts service organization or local arts council.

Key Takeaways

A mixed-use concept with housing for artists could make an immense impact in fostering Helena's creative landscape. Evidenced by the responses to the question around opportunities, artists are optimistic and willing to put forth effort to activate future initiatives. In the post-pandemic funding landscape, the City should lean into the organic momentum being cultivated by the arts ecosystem and fully embrace their rich arts and cultural identity as part of their future.

Arts Market Study

The next step in Artspace's feasibility process is to more precisely quantify the market for an affordable mixed-use project. Through the Arts Market Study, we conduct an online survey of the area's artists and creatives to determine if there is sufficient demand, and if so, how many residential units should be planned and what other kinds of creative spaces the project should contain. The survey also begins creating a list of interested artists who need space.

Quantifying the market need for these spaces helps attract funders and operators, and the data can be used to plan spaces and programs that are both affordable and self-sustaining, whether in an Artspace project or independent development in the area.

STEP 2: Arts Market Study

The Arts Market Study (AMS) will enable Artspace to test the priority project concept, a mixed-use affordable arts facility. The data collected helps refine the project concept, influence site selection, and guide future creative space development. The AMS Study gathers information about:

- Amount artists can pay for studio/work space
- Amount artists can pay for housing
- Types of shared or community spaces that are most important
- Types of private studio workspaces that are most important
- Location preference
- Types of amenities that are important

In addition to providing key information about the need for space within the possible context of a future Artspace project, this survey also provides valuable information for other developers and organizations who might consider carving out space for artists in their buildings and planned projects. **Not every type of needed space can be accommodated in a single project.** Having arts market information available to multiple interested parties is important to supporting new creative space opportunities.

ARTIST PREFERENCE IN AFFORDABLE HOUSING

Artspace live/work projects are unlike most affordable housing in that we use an "artist preference" policy to fill vacancies.

For each project, we appoint a committee that includes diverse artists who are not applying to live in that project. The committee interviews income-qualified applicants to determine their commitment to their chosen art form or creative pursuit. It does not pass judgment on the quality of an applicant's work, nor is it permitted to define what is or is not art. Artists do not need to earn any of their income from their art form.

Although the IRS challenged the "artist preference" policy in 2007, it dropped the challenge after the Housing and Economic Recovery Act of 2008 became law. That law states: "A project does not fail to meet the general public use requirement solely because of occupancy restrictions or preferences that favor tenants...who are involved in artistic or literary activities." This clause was threatened again in December 2017, but through broad reaching advocacy efforts, the new Tax Cuts and Jobs Act retains the artist preference language in the final signed version of the law.



(Clockwise From the Left) Archie Bray Artists-in-Residents Janina Myronova, Austin Riddle, and Amelia Lockwood // Photo Credit: Artspace

Local Leadership

Strong local leadership is essential to the success of any community-led development. Ensuring there is a groundswell of support and readiness to dedicate resources and prioritize a project amidst broader community initiatives is a critical component of the feasibility study. Cross-sector stakeholders must act in partnership to advocate effectively for the project, hosting community conversations and continuing to emphasize the broader community goals complimentary to a project. Without voices on the ground locally to keep communication flowing between Artspace and the community, there is little chance of success.

Artspace invests time and effort at the very beginning of a proposed project to work with the community to identify local leaders well-equipped by position, experience, and influence to serve as members of the Core Group.

Core Group

HELENA CORE GROUP

Andrea Oplitz // Tourism Business Improvement District, Executive Director

Brandon Pendergast // Tourism Business Improvement District, Sales & Marketing Manager

Brian Obert // Montana Business Assistance Connection, Executive Director

Callie Aschim // Helena Chamber of Commerce, President and CEO

Corinne Woods // Grandstreet Theater, Managing Director

Ellie Ray // City of Helena, Senior Planner

John Dendy // Helena Business Improvement District, Executive Director

Katherine Anderson // Montana Business Assistance Connection, Community and Economic Development Coordinator

Krys Holmes // Myrna Loy Theater, Executive Director

Rebecca Harvey // Archie Bray Foundation for the Ceramic Arts (The Bray), Executive Director

The local leaders who make creative projects possible come from many sectors but must share a willingness to work towards a common vision. The Core Group met for months prior to Artspace's first virtual focus group on July 18th and in-person visit. MBAC took the lead and worked alongside the Core Group which included the Chamber of Commerce, Business Improvement District (BID), Grandstreet Theater, Montana Arts Council, Myrna Loy Theater, The Bray, and City of Helena Planning Department.

Civic Leaders

Artspace's Civic Leaders Focus Group had fourteen community leaders, including Mayor Wilmot Collins and City Manager Tim Burton. This engaging group of civic and funding/financing leaders shared potential partnerships, preferred sites, probable funding sources (outlined in the funding and financing section on page 36) and current civic priorities.

Our overall impression is that there is space downtown or near downtown to accommodate a project and that the City is enthusiastic about making it happen.

When asked about specific sites, leaders mentioned choosing a site that hits multiple goals for the City will be important. The Rodney Arts District was noted as a high priority.

In terms of goals, Preserving Affordability and Downtown Revitalization were the top community goals for this focus group. The full results are on page 13. Interestingly, promoting tourism ranked lowest for civic leaders, which is highly unusual.

Potential Partnerships

Both formal and informal partnerships help Artspace-style projects address multiple community goals. We rely on local leaders to spearhead partnerships and make introductions.

Participants were asked to identify potential partners that could enrich an arts facility project or be complementary. These could be organizations who need space or advocates during the Arts Market Study phase. Responses included:

- Art clubs from both high schools
- Arts grads coming out of Carroll College and nearby junior colleges
- Aspen Adult Services
- Big Sky Pride
- Bumblebee Aerial
- City of Helena Parks and Rec
- Civic Center
- Department of Tourism
- Developers who did the new Ascension Brewing/ Montago building
- Fairgrounds
- Helena Indian Alliance
- Helena Symphony
- Holly Hamper at SpaceOne11
- Holter Museum of Art
- Hometown Helena
- Jason O'Neil, owner of Sidecar
- Kev Hamm, Folks with Montana Pride
- Last Chance Public Radio
- Lee Pocha Clinic
- Montana Book Company
- Montana Heritage Commission
- Montana Made Fair
- Montana Pride
- MT Arts Council
- Omertà Arts
- Preserve Montana
- Queen City Art Shop
- Staggering Ox
- The Bray
- The IR - local paper
- The Myrna Loy
- The Railyard
- The Windsor Ballroom
- Vanessa Nasset, Bloom Montessori



Sculpture Outside ExplorationWorks // Photo Credit: Artspace

Funding and Financing

An Artspace project represents a substantial financial investment for the community where it is located. Strong city and state leaders often identify and prioritize funding for projects they feel strongly align with their community goals. A typical project of 50 to 70 units of affordable housing for artists plus community and commercial space costs \$15 to \$20 million. Predevelopment expenses, the “soft” costs, such as architects’ fees, that must be met before construction can begin, are usually about \$800,000 regardless of the size of the project.

In most cases, however, only a small portion of the capital investment comes directly from the community itself. This is because Artspace relies on its track record and 40+ years of experience in 23 states to tap into federal programs, such as Low-Income Housing Tax Credits (LIHTC), Historic Tax Credits (HTC), HOME and Community Development Block Grants (CDBG), and Federal Home Loan Bank grants to provide long-term equity for development projects. These programs, and others like them, exist to encourage the development of affordable housing, the rehabilitation of historic buildings, economic revitalization of neighborhoods, and other public purposes.

HOUSEHOLD SIZE	INCOME (30-60% AMI)	# OF BEDROOMS	MAX. RENT (30-60% AMI)
1	\$21,870-\$43,740	Efficiency	\$546-\$1,093
2	\$24,990-\$49,980	1	\$585-\$1,171
3	\$28,110-\$56,220	2	\$702-\$1,405
4	\$31,230-\$62,460	3	\$812-\$1,624

Source: novoco.com

The local community plays a significant role in the broader funding and fundraising effort, especially during the early steps of the process. We look to the community for the donation of land or buildings as well as private and public predevelopment funds and commitments of affordable housing allocations in a combination of CDBG, HOME funds, and private philanthropic support.

Philanthropy

In addition to the public funding sources identified on the following pages, philanthropy is an important tool for funding Artspace developments. This comes in the form of gifts from foundations, corporations, and in some cases, individuals. Several of the key people we met during the course of this study are important connectors to the private funding community. Major funders and individual donors to the arts should be considered as well as the private and foundation funders listed on the following pages.

BRAINSTORMING POTENTIAL FUNDERS

As previously stated, MBAC hosted a robust group of civic leaders at a Civic and Finance Leaders Focus Group. Participants included Mayor Wilmot Collins, City Manager Tim Burton, two staff from the Department of Commerce (that oversees the Low Income Housing Tax Credit (LIHTC) program), Chamber of Commerce, several architectural firm representatives, as well as other artists and nonprofit arts organizations.

We asked the attendees to identify possibilities of public, private, and philanthropic resources for a potential Helena project and share ideas about where it should be located. Downtown and Rodney Arts District were discussed as priority locations, as a project has the potential to add vibrancy, energy and diversity to the core of the City. The group expressed confidence in identifying resources for projects that are a priority for the community. Potential funding sources that were identified include:

- [Helena Area Community Foundation](#)
- [Treacy Foundation](#)
- [E.L. Wiegand Foundation](#)
- [Montana Arts Council](#)
- [Dennis and Phyllis Washington Foundation](#)
- [Arthur M. Blank Foundation](#) (which has a connection to Memphis where Artspace owns and operates South Main Artspace Lofts)
- [Montana Historic Preservation](#) (up to \$500,000 preservation grants for registered properties that qualify for Historic Tax Credits)
- [State Historic Tax Credit](#) (See public sources)
- [Helena Affordable Housing Trust Fund](#) (approximately \$1M currently available, with a \$100,000 infusion each fiscal year)(See public sources)

Potential Public Sources

LOW INCOME HOUSING TAX CREDITS

The largest source of funding for most Artspace mixed-use residential projects is the federal Low Income Housing Tax Credit (LIHTC) program, administered by the U.S. Department of Housing and Urban Development (HUD) and state housing agencies in accordance with Section 42 of the IRS Code.

LIHTCs come in two varieties, known as 9% credits and 4% credits after the variable in the formula used to calculate them. Of these, 9% credits are much more popular with developers because they can pay for up to two-thirds of a project’s construction budget, more than twice as much as 4% credits. They are therefore extremely competitive, and it is not uncommon for a developer to have to apply two or more times before receiving an award; 4% credits, which take the form of tax-exempt bonds, are easier to obtain.

In Montana, LIHTCs are administered by the Montana Board of Housing (MBH) through the Montana Department of Commerce (MDC). To apply for 9% LIHTC, developers must first submit a Letter of Intent (LOI) in May and if invited, submit the full application in late August of each year. In 2023, there were 9 applications of which 8 proceeded to full applications. The final awards will be made in October.

The current cap or limit of 9% LIHTC dollars is \$650K per project which is making smaller projects more competitive – in the 24-35 unit range.

Recent LIHTC awards in Lewis and Clark and Jefferson Counties bode well for an Artspace initiative. While an Artspace project would probably be a mixed-use facility, with non-residential uses (which cannot be paid for with LIHTC-generated funds) on the ground floor and housing above, we encountered no resistance to this concept in any of our meetings and believe it is a viable model for Helena.

Rocky Mountain Development Council (RMDC) is a tri-county Community Action Agency well versed in the development and management of affordable housing in the region. In addition to LIHTCs, their projects leverage Community Development Block Grants, Housing Trust Fund, and Home Investment Partnership Program grants. The agency’s properties range from 8 to 85 units, with a portfolio totaling 382 units. Among their significant Helena projects is the Red Alder, which was completed in 2020. The project features 85-units of affordable housing (30-50% AMI), a community center and a community garden. The project received both 4% and 9% tax credits.

Missoula-based Housing Solutions is another leader in the creation of affordable housing in the region, with projects throughout Montana, North Dakota, and Wyoming. Skyview, their most recently completed project, brings 36-units of affordable housing for seniors to Missoula. Financing partners in this project included Montana Board of Housing, Mountain Plains Equity Group, First Security Bank, and Rocky Mountain Community Reinvestment Corporation. Housing Solutions has not successfully completed a project in Helena, though attempts to secure 9% LIHTC have been made. Their most recent application was submitted for a 31-unit senior housing project, totalling \$6.5 million in development costs.

United Housing Partners (UHP), with projects across the Western United States, is in the predevelopment phase of construction on a 45-unit project on a 1.76 acre site at the west corner of Alice and Dorothy Street east of downtown. Twin Creek Apartments will consist of two buildings and the units will serve individuals and families earning between 30% and 70% AMI. As of August 2023, the project may increase to as many as 70 units.

Additionally, Wishcamper Development Partners completed a downtown project that was an acquisition/rehabilitation project called the Fire Tower Apartments, a 44-unit conversion of an existing apartment building at 6 and 8 South Park Avenue in the URD. This project was completed 3 years ago and received an allocation of 9% LIHTC and MT Coal Trust Funds.

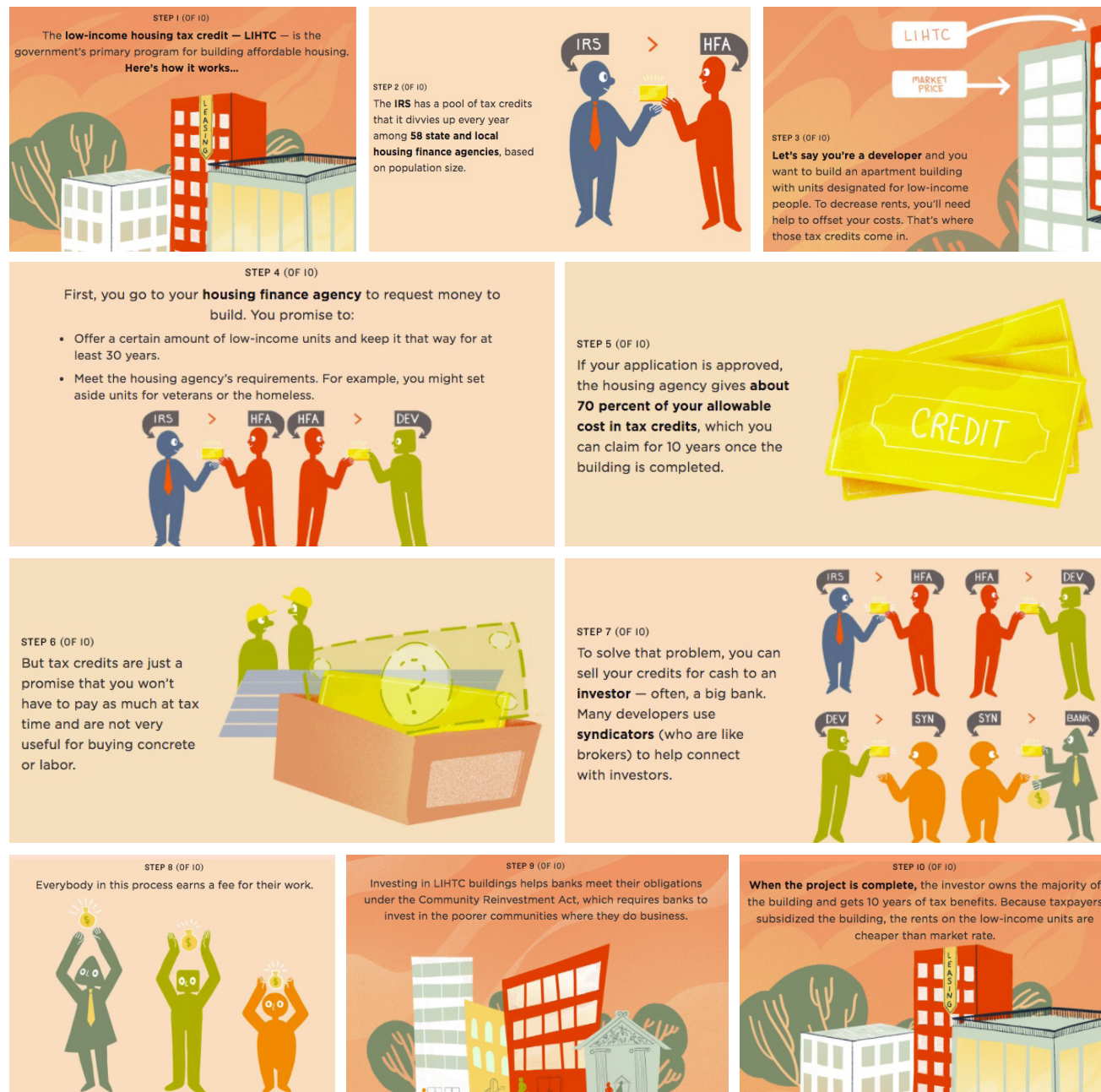
FEDERAL LIHTC

As in all states, the 9% LIHTC awards are highly competitive. The State looks for a 10% match from the local government (typically cities and counties) in the form of a local housing trust fund, CDBG or HOME award to be eligible.

STATE LIHTC

A bill has been pending for several legislative cycles for the creation of a state LIHTC program. It was unsuccessful in 2023 but could be brought forward for consideration again during the 2025 legislative session. Other states where Artspace works, such as Colorado and Michigan, that have State LIHTC programs are able to advance affordable housing projects quickly using this important gap-filling resource.

UNDERSTANDING LOW-INCOME HOUSING TAX CREDITS (LIHTC)



OTHER PUBLIC FUNDING SOURCES

This is a preliminary list of other potential public sources discussed during this study as well as other Montana funding sources that could support a development project.

- **Federal Home Loan Bank.** The Des Moines office serves the state of Montana and is one of twelve government-sponsored Federal Home Loan Banks that provide equity to support housing financing and community investments.
- **State and Federal Historic Tax Credits (HTCs).** To qualify for the federal program, a property must be listed on the National Register of Historic Places either individually or as a contributing member of a designated historic district. Although the state has a state historic tax credit that would offer an additional 5% credit, only one of the properties we visited (St. John's Hospital) could potentially qualify for HTCs.
- **Montana Historic Preservation Grants.** The Montana Historic Preservation Grant (MHPG) Program is a state-funded program created in 2019. Nonprofits are eligible to apply for these funds which are capped at \$500,000 per eligible project.
- **HOME Program.** A federal program that provides funding to state and local governments to fund affordable housing developments. Helena is not an Entitlement Community but receives a dedicated allocation of HOME funds from the State of Montana. Any HOME funds for a potential qualifying project in Helena could come through the State, as well as Lewis and Clark County.
- **Urban Renewal Districts and Tax Increment Financing (TIF).** Tools available to local communities for assisting economic development, redevelopment, and housing. Helena has one of the largest TIFs in the State. TIF funding allow for requests up to 50% of eligible project costs for projects that align with the City's Urban Renewal District Plans and are deemed a priority. In Helena there are three URDs: the Downtown Urban Renewal District, the Railroad Urban Renewal District and the Capital Hill Urban Renewal District. Within the Affordable Housing Trust Fund resolution, "at least 10% of annual tax increment funds generated in urban renewal districts must be prioritized and segregated for the support of affordable housing projects within each respective urban renewal district. Expenditure of tax increment funds must still be approved pursuant to section 7-15-4231 or 4232, Montana Code Annotated."
- **Community Development Block Grants (CDBG)** are tools that cities can use for a range of activities that benefit low- and moderate-income individuals or prevent or eliminate slums and blight. Eligible Helena non-profit entities can qualify for CDBG grant sponsorship through either the City of Helena or Lewis and Clark County in seeking competitive grant funds through the Montana Department of Commerce. The funds vary greatly from year to year since the funding is based on eligibility of projects that qualify for CDBG funding.
- **Helena Affordable Housing Trust Fund.** Established in 2020, the purpose of the fund is to provide gap financing to organizations, both nonprofit and for-profit, that serve beneficiaries of low to moderate income. The Fund was initially created through several investments from the City Commission and will receive \$100,000 each year from the City's General Fund. Since the fund was created, staff have been working with a seven-member advisory board that will provide recommendations to the City Commission, which makes the final decision concerning which projects receive support. Today, the pool of funding stands at \$1 million in 2023.
- **Coal Trust Multifamily Homes Program (CTMH)** is a State program providing low interest loans for affordable multi-family projects in Montana. Originally capitalized with \$15M during the 2019 legislative session, about \$11M has been accounted for to date. Eligible projects must pay real estate taxes and PILOTS (payments in lieu of taxes) are not allowed. The 2023 legislation added \$50 million in CTMH funding. The 2019 legislation put in \$14.2 million that went to 7 locations and 252 units. [Oakland Village](#) in Havre was one of the facilities built with the 2019 money.

Example Projects

ARTSPACE ELGIN LOFTS // ELGIN, IL

Like many railroad communities in Chicagoland in recent years, Elgin has been working hard to preserve and enhance its downtown, with the arts as part of the plan. When City officials were introduced to Artspace at an Illinois Main Street Conference, they asked Artspace to help them achieve their goals. The result is the Elgin Artspace Lofts, a \$15.2 million mixed-use project that created 55 units of affordable live/work space for artists and their families, plus 5,874 square feet of retail and community space for arts-friendly businesses and nonprofit organizations.

The historic Sears structure, occupied most recently by Elgin Community College, has been completely renovated and linked to a new addition. The City of Elgin and the Elgin arts community were the driving forces behind the project, working with Artspace to plan and develop the facility. Elgin's residents and civic leaders believe that permanently affordable space for artists will strengthen an emerging arts and culture cluster in downtown Elgin, serve as a catalyst for continued development, bring vibrancy and activity to the street and increase the number of individuals and families living and working downtown.



As a non-profit developer Artspace can access federal and state grants, tax credits and private donations from numerous local and regionally focused charitable foundations and individuals. This non-profit status does not mean projects are exempt from future property tax. Projects pay property taxes unless the governing municipality has a PILOT or other tax reduction program in place specifically for affordable housing projects. In addition, projects often include commercial spaces with accompanying sales tax and employment opportunities for cities. New activity generated by a project can provide new customers for existing local shops and services.

"The reason I supported [Artspace] is they did this in 30 other communities, and it worked 30 times; can't do any better than that. It improves the community; it improves the tax base; it takes a piece of property that was paying no taxes ... and now it's going to pay tax back into the city."
 — David Kaptain, Mayor of Elgin

OPENED IN 2012

DEVELOPMENT COST: \$14.5M

TOTAL AREA: 80,900 SQUARE FEET

LIVE/WORK UNITS: 55

COMMUNITY SPACE: 1,000 SQUARE FEET

COMMERCIAL SPACE: 5,900 SQUARE FEET

PHILANTHROPIC PARTNERS: Bank of America, Educational Foundation of America, Florence B. & Cornelia A. Palmer Foundation, Nicor Gas, San Lippo Foundation, Seigle Family Foundation, Sherman Health and Several Individuals

TRANSIT-ORIENTED DEVELOPMENT (TOD) PROJECT NEAR METRA STATION TO/FROM CHICAGO

SOURCES OF FUNDING AND FINANCING ARTSPACE ELGIN LOFTS // ELGIN, IL

PUBLIC SOURCES

Low Income Housing Tax Credits (9%)	\$8,346,218	57%
Federal Historic Tax Credits	\$417,650	3%
State HOME Funds	\$1,500,000	10%
State Tax Credits	\$1,097,891	8%

PRIVATE SOURCES

First Mortgage	\$1,365,000	9%
Philanthropic Gifts	\$1,200,000	8%
Artspace (Predevelopment Grant Applied to Capital)	\$350,000	2%
Deferred Developer Fee	\$261,561	2%
TOTAL	\$14,538,320	100%



Photo Credit: James Harvey

Example Projects

ARTSPACE LOVELAND CAMPUS // LOVELAND, CO

Responding to community goals, Artspace acquired the Feed & Grain Building and a neighboring vacant lot in 2014 and constructed the Artspace Loveland Lofts on the lot in 2016. The building includes 30 live/work units and gallery space. Phase II of the project will finally complete the Feed and Grain building, providing nine units of live/work housing for creatives and their families; along with 6,000 square feet of sustainable commercial space for artists. It is one of Loveland's most historic structures and represents the town's first major industry.

There is a long history across the U.S. of artists and other creatives reclaiming abandoned industrial spaces as spaces to create. Redeveloping the Feed & Grain so that it is code-compliant, on the tax roll, and filled with a creative community will both preserve a local, 120-year-old landmark and make it a hub for creative inspiration.

Artspace's live/work units in Loveland provide housing that ranges from 30% to 120% Area Median Income. This more expansive income spread is due to unique Colorado funding sources. The completed Artspace Loveland Arts Campus will bookend substantial improvements that have been made in Downtown Loveland, fulfilling the community's vision to expand economic opportunities and arts access making Loveland a model for artist-led community development in Colorado.



Phase 1 (right) // Phase 2 (left)

PHASE 1 - ARTSPACE LOVELAND LOFTS

OPENED IN 2015

DEVELOPMENT COST: \$9M

TOTAL AREA: 38,000 SQUARE FEET

LIVE/WORK UNITS: 30

COMMUNITY SPACE: 1,200 SQUARE FEET

PHILANTHROPIC PARTNERS: ArtPlace Fund of Community Foundation of Northern Colorado, Boettcher Foundation, Colorado State Historic Fund, El Pomar Foundation, Erion Foundation, Gates Family Foundation, Hach Family Fund, Loveland Community Fund of Community Foundation of Northern Colorado, National Endowment for the Arts, and Several Individuals.

PHASE 1 SOURCES OF FUNDING AND FINANCING

PUBLIC SOURCES		
Low Income Housing Tax Credits	\$5,598,880	61%
Colorado State Trust Fund/HOME Funds	\$300,000	3%
City of Loveland Loan	\$300,000	3%
State Historic Fund	\$200,000	2%
Loveland City Contract	\$175,000	2%
Loveland Housing Authority	\$50,000	1%
PRIVATE SOURCES		
Philanthropic Gifts	\$1,641,982	18%
Residential First Mortgage	\$912,000	9%
TOTAL	\$9,177,862	100%



PHASE 2 - ARTSPACE FEED & GRAIN

ESTIMATED COMPLETION 2024

ESTIMATED DEVELOPMENT COST: \$12M

LIVE/WORK UNITS: 9

COMMUNITY SPACE: 6,000 SQUARE FEET

PHILANTHROPIC PARTNERS: Same as Phase 1

PHASE 2 SOURCES OF FUNDING AND FINANCING

PUBLIC SOURCES

CRF Grant	\$5,000,000	42%
Federal Historic Tax Credits	\$1,861,095	16%
State Historic Tax Credits	\$1,593,274	13%
Urban Renewal Act	\$230,000	2%
DDA Façade	\$62,500	.7%
DDA TAP	\$25,000	.3%

PRIVATE SOURCES

First Mortgage	\$1,680,000	14%
Philanthropic Gifts	\$800,000	7%
Deferred Developer Fees	\$707,934	5%

TOTAL	\$11,959,803	100%
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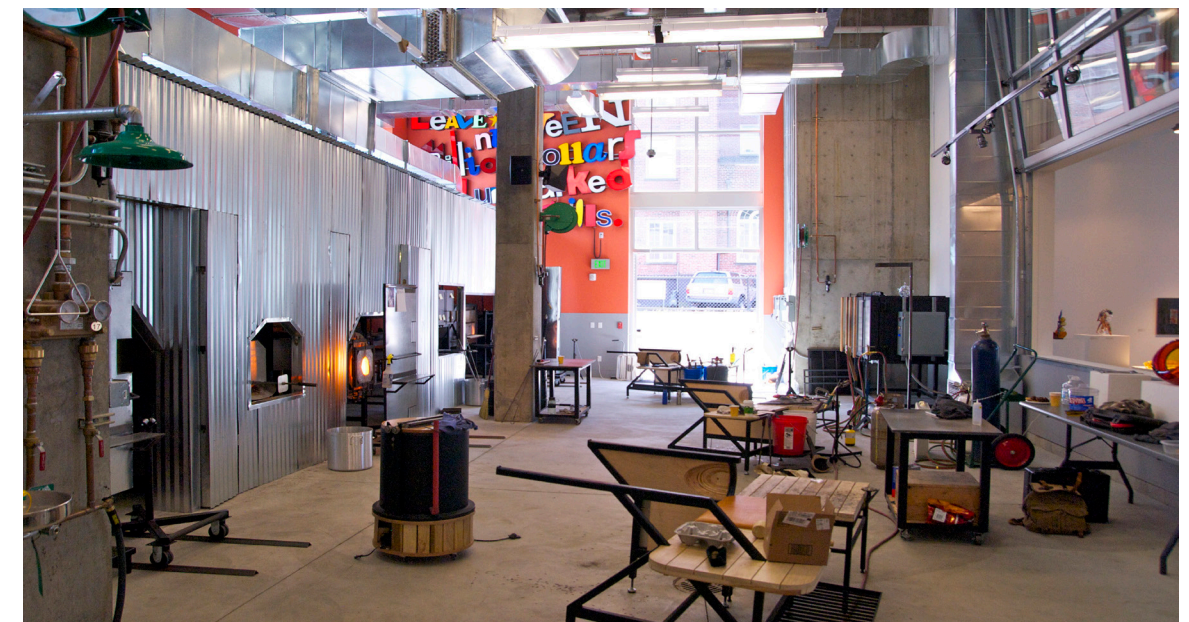
Example Projects

ARTSPACE EVERETT LOFTS //EVERETT, WA

Located 25 miles north of Seattle, the City of Everett has evolved from its industrial past into a vibrant urban center with a strong focus on quality-of-life amenities — including the arts. As part of this process, the City of Everett and the Arts Council of Snohomish County invited Artspace to develop a mixed-use project in downtown Everett.

Artspace Everett Lofts occupies a new four-story building that provides 40 units of affordable live/work housing for artists on the upper three floors, plus a home for the Arts Council — now renamed the Schack Art Center — on the ground floor. The Schack features the most advanced glass works facility of its kind on the west coast, with glassblowing, flameworking, and sandblasting, as well as a gift shop, a gallery, and two studio spaces that can be rented for special events, meetings and celebrations.

As part of a larger economic development initiative designed to revitalize downtown Everett while stabilizing its creative community, Artspace Everett Lofts is also Artspace's — and Everett's — first project to earn a coveted LEED “silver” rating from the U.S. Green Building Council.



Example Projects

ARTSPACE EVERETT LOFTS CONTINUED



OPENED IN 2010

DEVELOPMENT COST: \$16.4M

TOTAL AREA: 62,158 SQUARE FEET

LIVE/WORK UNITS: 40

COMMUNITY SPACE: 5,069 SQUARE FEET

PHILANTHROPIC PARTNERS: Building for the Arts, Citibank, City of Everett: Housing Trust Fund / HOME Funds, The Paul G. Allen Family Foundation, Snohomish County, U.S. Bancorp Foundation, Washington Department of Community, Trade and Economic Development, Washington Mutual Foundation, Washington State Housing Finance Commission

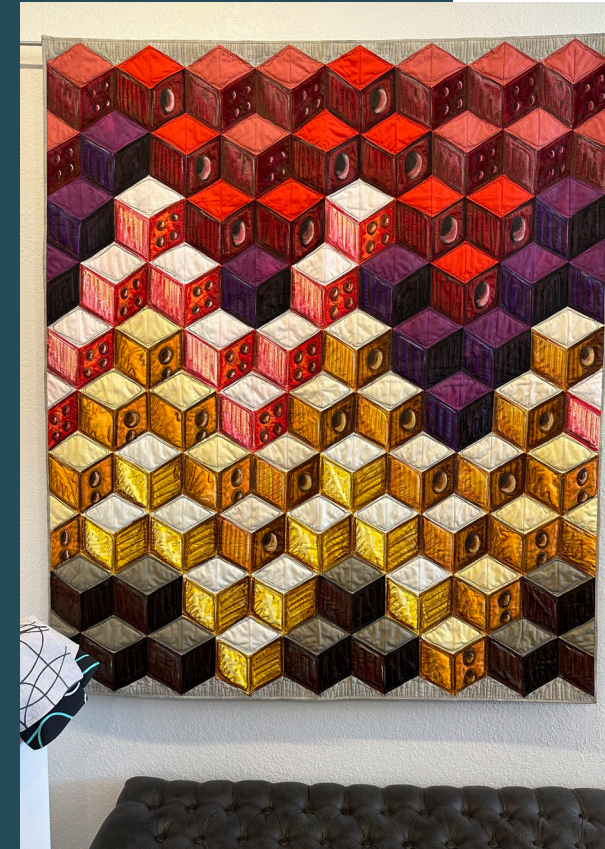
SOURCES OF FUNDING AND FINANCING ARTSPACE EVERETT LOFTS // EVERETT, WA

PUBLIC SOURCES

Low Income Housing Tax Credits (4%)	\$3,685,084	22%
CTED HTF	\$2,000,000	15%
City of Everett	\$1,803,942	11%
Snohomish County	\$175,000	1%

PRIVATE SOURCES

First Mortgage, TE Bonds	\$2,775,000	21%
Snohomish County Arts Center (Acquisition)	\$3,000,000	18%
Artspace Sponsor Loan (Philanthropic)	\$1,700,000	10%
Deferred Developer Fee	\$914,693	6%
FHLB - AHP	\$325,000	2%
TOTAL	\$16,378,719	100%



(Clockwise from Upper Left) "Francis Bacon" by Chris Ricardo, "Brickyard" by Jason Bige Burnett, Work-in-Progress by Leah Cupino // Photo Credit: Artspace

Potential Sites

While site selection is a critical component of any project, it should not drive the project. During a Preliminary Feasibility Visit, Artspace's primary goal is not to choose a site but to identify candidates for further study should the project move forward. Our goal is to gain a deeper understanding of the project concept and to assess each site for its ability to serve that concept, its alignment with broader community goals, and issues that would affect its cost of acquisition and development. Factors we consider include location, size, physical conditions, adaptability to project concept(s), construction type, zoning, land use restrictions, ease of acquisition, and potential for sustained impact on the broader community.

Given our mission to keep our projects affordable in perpetuity, Artspace gives high priority to sites that can be conveyed below market rate. Sites owned by government agencies are especially valuable, as they can be donated as part of their contribution to seeing the development realized. A minimum of ½ acre and possibly more, depending on parking, would need to be assembled to develop a 40-45 unit mixed-use artist housing project. The 40-45 unit number is based on Artspace's experience in other mid-sized communities and on the feedback from our in-person visit.

Downtown Site Context

Locally, Downtown Helena is not widely viewed as a complete neighborhood in terms of having enough residents or multi-family housing options. Most new multi-family housing is either in East Helena (a separate municipality), on the west side of the City or in the greater Helena Valley outside the City limits. However, in the historic downtown core, residential units do exist above active ground floor retail. These residential units have been in place since the early 2000s. There are other older projects from the 1970s, some rent-restricted and others in the process of being converted. As members of the Core Group pointed out, there are few incentives to try to drive housing into downtown where it's needed but is also more expensive and requires subsidy (see other multi-family projects of note downtown or downtown adjacent on page 13).

The market for downtown businesses, as well as residential spaces above the storefronts, is strong. There were very few vacancies for either residential or commercial space. Having residential units downtown can shift the perception of the area being solely for commercial purposes and make it more of a neighborhood.

Downtown expanded its boundaries and Downtown Urban Renewal District (DURD) to include the [Rodney Street area \(now branded as the Rodney Arts District or RAD\)](#). The organically grown creative district primarily features historic single-family homes, small businesses, and services, and has many potential infill sites for redevelopment.

The pedestrian "Walking Mall" along the southern portion of Last Chance Gulch is a notable asset to Helena's downtown context. The vibrant block creates a lively atmosphere for connecting with neighborhoods and the arts alike. Within walking distance to the Mall, an Artspace project in the RAD could enhance while bringing much needed creative space and residential units to the

There is a disconnection between the northern portion, the Last Chance Gulch, and the RAD. An Artspace project could be a unique bridge adding much needed creative space and residential units to downtown at one of these key intersections.



Source: [Rodney Street Area Amendment](#)

WHERE ARTISTS WANT TO BE

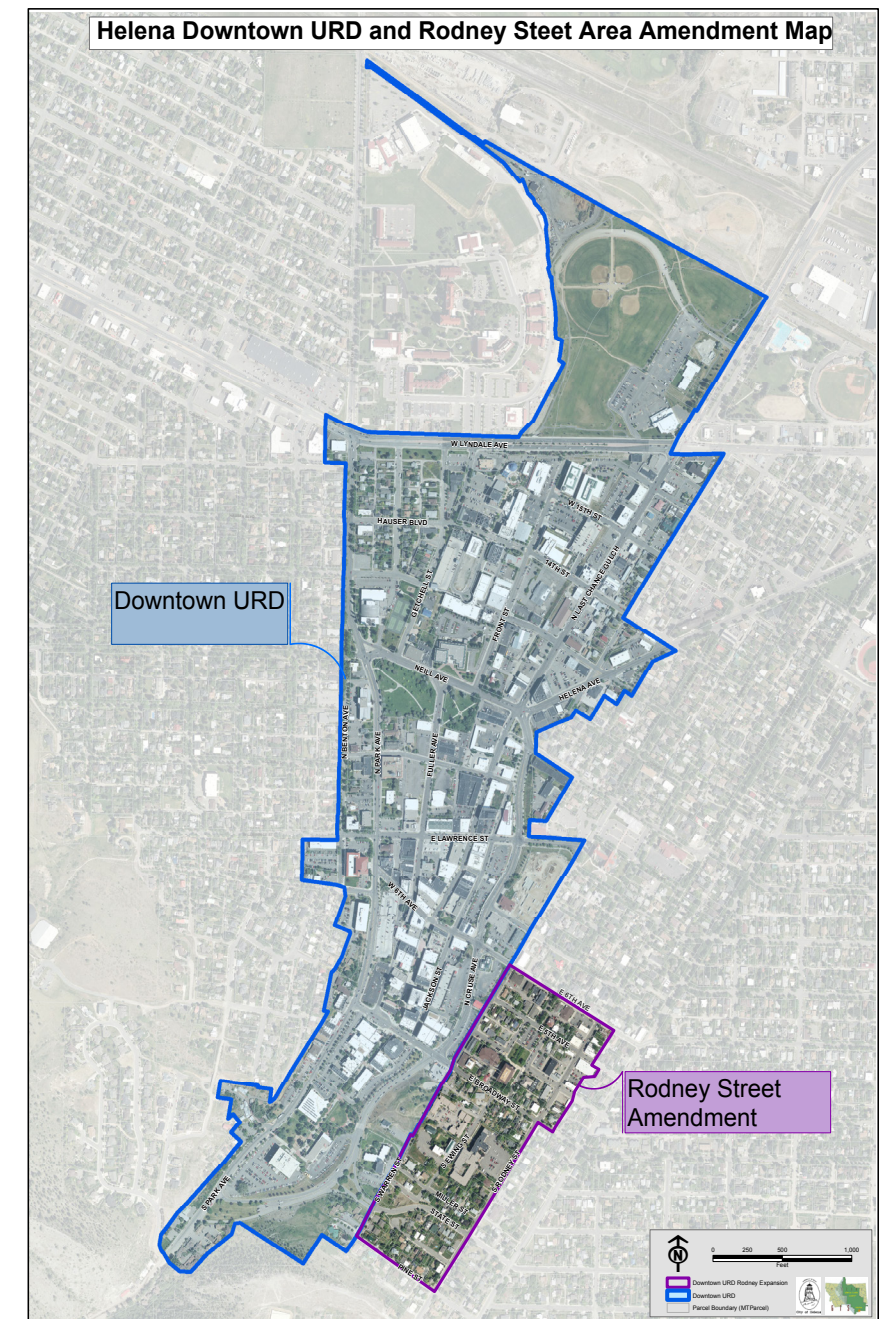
We asked the audiences of the artist/arts organization focus group, equity in space conversation and public meeting to share their thoughts on where an Artspace-style project would be best suited. In their own words, and listed according to frequency, the following areas emerged:

- Downtown x9
- Last Chance Gulch x7
- Rodney Street x5
- 6th Ward x3
- Railroad District x2
- Walkable neighborhoods x3
- St. John's Hospital x2
- South Central x2
- Within walking distance of trails x2
- Front Street
- Along Hwy 12 to the West of downtown - West Side
- Somewhere that is engaged with the public
- Near a grocery store
- Any of the emerging neighborhoods

Site Tour Observations

Our Core Group selected five sites in and around downtown the Downtown Urban Renewal District (DURD TIF) for Artspace to evaluate. The five potential sites were the May Butler Building, St. John's Hospital, the US Bank Building on Last Chance Gulch, the Iron Front Building, and the Colorado Building.

While all of the sites we visited had potential for reuse as creative spaces of some nature, significant drawbacks related to size and cost of acquisition could be challenges for each. Artspace's top two sites, St. John's Hospital and the May Butler Building are both located in the emerging Rodney Arts District, and could be game changing for the burgeoning area. Artspace has concerns about price and size for both of these two sites, but they should be analyzed further.



Source: [Rodney Street Area Amendment](#) 49

Another area we drove by was the 6th Ward/Railroad District. The URD/TIF District's goals are to revitalize the area by improving economic vitality, creating jobs, and encouraging investment in targeted neighborhoods⁶. Several artists noted their interest in this location for private studio space, shared creative space, and affordable housing. Increasingly over the past two decades, creative businesses have created space and contributed to the entrepreneurial feel of the area. While outside of downtown, this area may have more potential site possibilities in the future and should also continue to be part of the site conversation.

Artspace's top two sites from the five we visited are:

1. St. John's Hospital at 25 South Ewing Street⁷

This 2.6 acre site is the historic home of St. John's Convent in the Helena South-Central Historic District and Rodney Arts District. Most recently it housed the Rocky Mountain Care Facility with a cafeteria and 101-bed hospital. The care facility vacated the property in late 2022. Currently listed for \$1.9 million by a private owner, the list price has been reduced from a high of \$3 million and could be further negotiated.

The site includes a 98,902 square foot four-story building with two wings – the larger of the two being the previous Rocky Mountain Care Facility at 56,000 square feet. A paved parking lot off of Rodney Street accounts for about 30% of the property. There is a coalition of nonprofit service organizations in discussion about leasing the 42,000 square foot wing. Current tenants include a daycare and about nine office tenants. The building is not currently on the historic register but is in the Downtown URD/TIF District, as well as an Opportunity Zone. Situated within two blocks of The Myrna Loy and the abundant murals, "dumpster art," and sculptures in the Rodney Arts District, the St. John's building is well-positioned for creative reuse and offers potential to further anchor the district. Despite the appearance of the aging building, community members spoke strongly of their desire to see the building preserved. Krys Holmes of The Myrna Loy (who led the Rodney Street Is... creative placemaking project) spoke of conceptual ideas for a mural and community garden at the St. John's site.

A tour of the facility revealed there are 10-11 foot ceilings that have been covered by acoustic tiles and that the larger 56,000 square foot wing could lay out well to accommodate 45+ residential units. However, the entire 98,902 square foot facility would be too large for an Artspace project in a community of Helena's size. Future conversations with the local nonprofit coalition around potential building partnerships would need to be had.

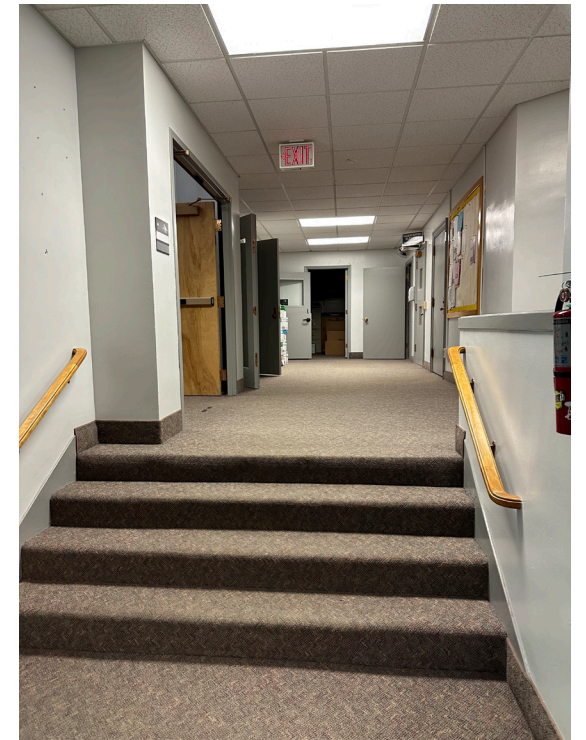


2. May Butler School District Building at 55 South Rodney Street

Across Rodney Street from St. John's Hospital is the May Butler Building. It currently functions as administrative office space for the School District. The building itself is 9,800 square feet with an adjacent 13,200 square foot parking lot. All told, the building and land are approximately 23,000 SF. The May Butler Building was built in 1942 and is not on the National Register. If demolished from the site, the total building area would be just over ½ acre. Depending on the land adjacencies, the site could potentially provide the space for a mixed-use housing project with ground floor creative commercial and 30-40 residential units. Should the building need to be preserved, the site would prove to be too small for an Artspace-style mixed-use project.

Significantly underutilized, the School District has made concerted efforts to explore redevelopment opportunities, with specific interest in seeing much-needed teacher housing on this site. With limited mechanisms for offloading district-owned properties, the District would likely seek to retain full or partial ownership and could be in support of redevelopment with artist housing, teacher housing, and makerspace.

There is a significant grade change on this site which could add to the expense of building at this location.



⁶<https://www.helenamt.gov/Departments/Community-Development/Planning/Urban-Renewal-and-TIF-Districts>

⁷<https://npqgallery.nps.gov/NRHP/GetAsset/2c2afcc9-c5d4-42dd-92e6-240499c476a1>

	ST. JOHN'S SITE	MAY BUTLER BUILDING
Location (Address):	25 South Ewing Street	55 South Rodney Street
Acquisition (cost and ease of acquiring):	Privately-owned. On the market for \$1.9 million	School district-owned. Potentially open to negotiations
Size (scaled to project concept?):	2.6 acres // 98,000 SF (of which 56K SF potential Artspace project)	Land and buildings are just over ½ acre. 9,800 square foot building and 13,200 parking lot. Entire site would be utilized as new construction. If the building is preserved, the site would be too small.
Accessibility (connection to audience and community):	On the edge of downtown in the newly designated Rodney Arts District. Centrally located in the arts district. Creative reuse presents an opportunity to anchor the district. Walkable to Last Chance Gulch.	On the edge of downtown in the newly designated Rodney Arts District. Centrally located in the arts district. Creative reuse presents an opportunity to anchor the district. Walkable to Last Chance Gulch.
Parking capability:	Ample surface lot	Entire lot would be needed for development. Off-street parking or use of the St John's parking lot could be solutions for parking since the site would not accommodate parking for a 30-40 unit mixed-use project. Parking is not required in the TIF District.
Suitability of site for intended uses:	Site has potential for multiple things to happen, including 45+ residential units. Portions of the building are currently being leased by small businesses. Coalition of nonprofits are also interested in co-locating on the site.	Site has potential for new construction mixed-use project featuring 30-40 residential units with ground floor creative commercial
Condition of the building and land (roof, environmental, etc.):	Building appears to be in good condition though further testing is needed.	Condition of building and land is likely good since current use has been in place since 1942. Differing elevation presents high construction costs to remedy. Given the size and age of building, it would need to be removed to create adequate size for a project.

	ST. JOHN'S SITE	MAY BUTLER BUILDING
Zoning (for intended uses):	Flexible, not currently in downtown zoning	Flexible, not currently in downtown zoning
Potential for Support (public and private):	Mixed-use residential would amplify the presence of creatives in the Rodney Arts District and add residential units in one of the City's priority areas.	Mixed-use residential would amplify the presence of creatives in the Rodney Arts District and add residential units in one of the City's priority areas.
Designated area of investment? (e.g. opportunity zones, redevelopment district)	DURD/TIF, Opportunity Zone	DURD/TIF, Opportunity Zone
Intangibles:	A group of nonprofits, led by the United Way, are interested in the smaller wing of the facility. Their space needs present a potential complementary partnership with an Artspace project in the larger wing.	Potential to be a gateway site to downtown. Central location in the RAD presents an opportunity to anchor the district and provide affordable housing for creatives. School District interested in housing redevelopment opportunities for their teachers on the site. Could be controversial to tear down, given it was built in 1942.
Willingness of Seller	Owner may come down in price, but \$1.9 million is not possible for Artspace to finance.	School District-owned and willing to explore various scenarios, such as partial ownership. Vested interest in affordable housing.
Summary: Excellent = 4 Good = 3 Fair = 2 Poor = 1	3 Excellent location - centrally located in the arts district. Opportunity for creative partnerships. Price is of concern.	2 Excellent location - centrally located in the arts district. Would need to demolish existing building and remedy elevation differences to create a large enough site. This could be problematic.

NOTES ON OTHER SITES TOURED

Colorado Building | 435 North Last Chance Gulch

The Colorado Building and attached retail spaces/vacant parcels are not actively available. The Helena Indian Alliance owns the property and is currently in the process of planning a new community center at a new location. It was Artspace's impression that they intend to redevelop the building for their own use in the future. Artspace also noted that the retail space is fully leased by a number of creative businesses, including a hair salon, coffee shop, galleries and book store.

Iron Front Building | 415 North Last Chance Gulch

Built in 1880, the Iron Front Building is located on Helena's Main Street. It has ground floor retail, two floors of low-income housing, and the popular Windsor Ballroom on the fourth floor. The building is 36,260 square feet and is listed for \$1,797,500. The existing tenancy, smaller size and high price pose challenges for an Artspace project. We hope it is prioritized for private studio space and short-term artist in residency space given its great location downtown, walkability to several arts institutions, and historic significance.

US Bank Building | 302 North Last Chance Gulch

Architecturally out of place on Helena's picturesque Main Street, the US Bank property encompasses two sides of the street at the N Last Chance Gulch and W 6th Avenue intersection. On one side stands the 38,000 square foot commercial banking building, with the 26,000 square foot parking structure and 10,000 square foot green space directly across to the east and owned by the City. It is believed that US Bank is looking to offload this property after sitting vacant for a number of years. Given the unresponsiveness of the owner, Artspace was unable to tour the inside of the building and feels it is not a viable option. As a northern anchor on the Walking Mall, the site would be a key redevelopment parcel.

SITE SELECTION DISCLAIMER

Typically, Artspace identifies the actual site only 50% of the time during the feasibility study process. These findings are preliminary and based on currently available information. Much can and often does change between the writing of a Preliminary Feasibility Study and actual site selection, which takes place during predevelopment (see Appendix A, "Path of an Artspace Project"). The sites mentioned in this section will be prioritized as conversations progress and the project concept is refined. It is very likely that a site not yet on MBAC's radar could be the one chosen for a future project.



Historic Reeder's Alley // Photo Credit: Artspace

IV. RECOMMENDATIONS

Helena is well-positioned to pursue an affordable live/work mixed-use facility for artists and creatives. Locally, there are dozens of arts assets and strong arts leadership committed to this industry. This kind of energy and civic commitment is refreshing to see in a community the size of Helena. With the recent inclusion of the Rodney Arts District into the DURD/TIF plans and the momentous creative placemaking efforts of community members, the redevelopment of a site on Rodney Street would have a profound influence on the concept of an Arts District and expand the definition of “Downtown.”

While Helena is relatively affordable by national standards, there is very little housing vacancy (for either rental or for-sale) and the housing market is becoming more and more expensive, especially since the pandemic when more people from outside of Montana have moved to the city. An Artspace-style mixed-use facility would address these pressures in bringing affordable housing to the downtown area, while also fostering the neighborhood’s artistic identity.

Create a Powerful Narrative in Official City Documents that Support this Initiative. A powerful way to memorialize this initiative will be to add language in support of this type of project to any future updates of planning documents. Artspace can help provide the appropriate language for the plan documents which would continue to be vetted through community input sessions. Artspace can also share language from other plans we have been able to guide through the feasibility process.

Create a Pathway for Artists to Have More Access to the Support They Need to Thrive. Helena artists ranked the following creative sector services relatively low. In addition to the space needs discussed throughout this report, the question of broader availability of resources, such as networking opportunities, grant funding, capital financing, etc., brings light to the non-physical “infrastructure” that enables a creative economy to thrive. Noticing alignment between the response scale and the challenges and opportunities artists shared with us (on page 30), local leaders should seek to create capacity-building and visibility-increasing initiatives. These types of support services can be a gamechanger for area creatives and creative businesses.

Specifically, Artspace believes the lack of a service organization for the arts/creatives is preventing the already-strong community from growing to its full potential. While the Montana Arts Council is an important resource, a state arts agency cannot supplant the need for a local entity that provides support of all kinds for the creative sector and often acts as an advocate for support from other governmental, as well as private entities. Examples of types of service organizations include: [Springboard for the Arts](#) in St. Paul, MN and [Artist Trust](#) in Seattle, WA. Artspace has seen, first-hand, how the presence of a local service organization can strengthen the sector and help give it a stronger voice at the table and be an important advocacy tool.

MBAC is an asset to Helena's businesses and organizations and a potential place for technical assistance for the creative sector to live. The MBAC team plans to strategize around the broader capacity-building opportunities and ideas brought forth during this work. They plan to make available more services and resources for the “heartbeat” of the community - the creative sector.

With the incredible response to the current studio spaces and makerspaces, Artspace recommends that MBAC, the City, and other relevant entities seek ways to provide real estate technical assistance and capital funding/financing for additional arts organizations to build the capacity for space projects of their own. Creatives and artists are often left out of these economic conversations and the funding that is classically geared toward for-profit small businesses.

Focus New Development on the Rodney Arts District. This area was among the priority areas visited by Artspace and where Artspace sees the most potential at this time for an arts development to have the greatest impact.

Continue to Explore Opportunities for Creative Space Development Within the Railroad District URD. While outside of downtown, this area may have more potential site possibilities in the future and should also continue to be part of the site conversation.

Encourage continued support from the City and County to find ways to financially back Helena’s growing creative sector, including its strong performing arts and visual arts center as well as individual artists. In Artspace’s experience, having both strong public and private support for the arts is critical. The more cross-sector support, the healthier and more robust the creative community tends to be. See this article, [“Community and Arts Collaborations That Cultivate Exciting Change”](#) by the [Rolling Stone Culture Council](#) for more information into the power of cross-sector collaborations.

Carve out Artist-in Residency space for several of the established arts organizations and incorporate that into future mixed-use developments and potentially a future Artspace project. We heard the decades-long trend of artists moving to the area for a residency program and finding a home in Helena. This was especially true for The Bray, and provides a unique opportunity for Helena to think about a way to house these artists for the long-term. The local theaters and the Symphony also have visiting artists and tend to pay market rate for hotel rooms or short-term rentals for the residency spaces. Helena Indian Alliance occasionally needs short-term housing for their Native American artists and their families when traveling to Helena for work. Artspace sees tremendous cost-saving potential by adding these types of spaces to other projects, including in a future Artspace project.

Continue the Creative Placemaking Momentum the “Rodney Street Is...” Project Set in Motion in 2021/22. As an organically developing arts district, the Rodney Street Is... project spurred grassroots investment in this historic, downtown neighborhood. Reconvene the partners from that initiative (The Mryna Loy, City of Helena, Public Art Committee, B&B Market, and all the artists engaged throughout the project). Add new voices and potential partners (see Potential Partners on page 35), the innovative and thoughtful approach of Rodney Street Is... offers a successful model to replicate. Funding partners could include the community and family foundations listed on page 37.

An additional resource to garner ideas around the process of creating an arts district is the [Call Yourself Creative](#) toolkit, created by Colorado Creative Industries and The Creativity Lab of Colorado.



Walking Mall Wayfinding and Alive @ Five Event at Pioneer Park // Photo Credit: Artspace 57

V. NEXT STEPS TOWARDS AN ARTSPACE-STYLE PROJECT

We recommend MBAC and The City of Helena identify funding for the next step in the Artspace process, the Arts Market Study. Based on the preliminary findings in this report, we believe that there is a market for 40+ live/work units in Helena in a mixed-use Artspace-style project in the Rodney Arts District or near downtown. We also feel strongly about a model that incorporates a number of artist-in-residency units that would be owned or leased and operated by local arts organizations, such as The Bray, Helena Indian Alliance, and The Myrna Loy. But our hunch alone is not enough to build confidence in this type of niche development. The market study quantifies the need for affordable live/work housing and private studios, and further reveals the types of shared creative spaces of greatest interest to local and regional artists. The collected data informs site selection, project amenities, and other design factors for an Artspace project or other development containing creative spaces. It also is an advocacy tool for the arts sector that can be used to attract financing and inform civic priorities. Not least, it helps generate community-wide interest in a future project, creating an interest list and enabling Artspace to be visible to the area's artists and creatives that the project will eventually serve.

The Technical and Summary recommendation reports are owned by the study funder and can be used by the broader community. To advance this forward we recommend:

- **Assemble a diverse group of community leaders** to serve as an advisory committee for the Arts Market Study. This should include members of the Native American and LGBTQIA+ communities.
- **Brainstorm ideas** for outreach and engagement. Stay in touch with the folks who participated in this study through an email list and ask for volunteers.
- **Connect with potential private sector funders to test this concept.** The cultivation process can be lengthy, and it is never too early to start.
- **Connect with the civic leaders** to better understand the financing opportunities, priority sites, and affordable housing funds that could be made available.
- **Begin conversations with potential anchor and commercial tenant partners** in any future mixed-use facility. See Potential Partnerships list on page 35.

After completing the Arts Market Study, the next step toward an Artspace project would involve entering into a predevelopment agreement (see Appendix A: **Path of an Artspace Project**).

Artspace greatly appreciates this opportunity to work with Helena and learn from its inspiring community members and leaders. Artspace came away with a strong sense of the potential for an artist live/work mixed-use facility to be a successful venture and an asset to the community. Insights and recommendations in this report are solely intended to guide a project to the next phase of development and set Helena on the path to becoming home to a new mixed-use arts facility.

Arts Market Study: Using the Data to Influence Local Policy, Asheville, North Carolina

Artspace Consulting worked closely with the Center for Craft, Asheville Area Chamber of Commerce, City of Asheville, NC, and the Community Foundation of Western North Carolina to assess the feasibility of creating new affordable artist workforce housing and creative working spaces, and to quantify the need and preferences for those new artist spaces. A Preliminary Feasibility Study was conducted in 2016 and was followed by an Arts Market Study in 2018. The landmark survey, taken by 1,265 individuals and 170 organizations, documents the immediate need for affordable spaces for makers, designers, and performers in Asheville. The results have been instrumental in helping the community successfully advocate for and address the issue of rapidly rising rents and displacement through local real estate development efforts.

In response to the study findings the City of Asheville prioritized affordable space solutions for artists on a City-owned site in the gentrifying River Arts District. Following broad promotion of the AMS results to the local development community, several other plans for affordable, artist-centric mixed-use developments have been submitted to the City for development by private developers. The result will be the creation of more high-density, mixed-use space specifically geared towards the creative population.

You can read more about how the work Artspace Consulting conducted in partnership with community stakeholders continues to influence the discussion around space and the Center for Craft's work in Asheville in the article [here: "Artspace Survey Findings Ripple out into Asheville's Development Sector."](#)



Rome wasn't built in a day, and neither is an Artspace project. In fact, a typical Artspace live/work project takes from four to seven years to complete. Although no two projects are precisely alike, they all travel a similar path through the development process.

Here is a brief look at a typical Artspace live/work project as it proceeds from first inquiries through preliminary feasibility studies, an arts market survey, predevelopment, and development to completion and occupancy. Please note that this is not an exhaustive list of every activity that goes into an Artspace project, and that some actions may occur in a different order.

STEP 1: PRELIMINARY FEASIBILITY VISIT	
OVERVIEW	<ul style="list-style-type: none"> Information Gathering and Outreach
PRIMARY ACTIVITIES	<ul style="list-style-type: none"> Meet with artists, local funders, businesses, civic leaders, and other stakeholders Conduct a public meeting to introduce Artspace and solicit community feedback Tour candidate buildings and/or sites Extend outreach as needed to ensure that people from underrepresented communities are included in the process
DELIVERABLES	<ul style="list-style-type: none"> Written report with recommendations for next steps
PREREQUISITES FOR MOVING FORWARD	<ul style="list-style-type: none"> Demonstrated support from local leadership Critical mass of artists and arts organizations with space needs Established base of financial support
TIME FRAME	<ul style="list-style-type: none"> 3-5 months, kicked off by a 2-day visit
STATUS	<ul style="list-style-type: none"> Completed

STEP 2: ARTS MARKET STUDY	
OVERVIEW	<ul style="list-style-type: none"> Assessing the Market
PRIMARY ACTIVITIES	<ul style="list-style-type: none"> Three phases to the study: survey preparation, data collection, and analysis/reporting Quantify the overall demand for arts and creative spaces Identify the types of spaces, amenities and features that artists want/need Inform site selection, design, and programmatic decisions Maintain community involvement throughout the project Help build support and secure funding
DELIVERABLES	<ul style="list-style-type: none"> Written recommendations and technical report of survey findings
PREREQUISITES FOR MOVING FORWARD	<ul style="list-style-type: none"> Sufficient number of responses from eligible, interested artists to support an Artspace live/work project
TIME FRAME	<ul style="list-style-type: none"> 6 months

STEP 3: PREDEVELOPMENT I	
OVERVIEW	<ul style="list-style-type: none"> Determining Project Location and Size
PRIMARY ACTIVITIES	<ul style="list-style-type: none"> Work with City and other stakeholders to establish (a) preliminary project scope and (b) space development program for evaluating building and site capacity Analyze candidate buildings/sites with respect to cost, availability, and other factors impacting their ability to address development program goals Review existing information about potential site(s) to identify key legal, environmental, physical, and financial issues affecting their suitability Negotiate with property owners with goal of obtaining site control agreement Continue outreach to artists and arts organizations Connect with potential creative community partners and commercial tenants
DELIVERABLES	<ul style="list-style-type: none"> Confirmation of development space program and goals Assessment of site suitability and identification of any contingent conditions to be resolved through continued due diligence Site control agreement or update regarding status of site control negotiations Summary of project status
PREREQUISITES FOR MOVING FORWARD	<ul style="list-style-type: none"> Site control agreement with property owner Growing stakeholder/leadership group Both parties' agreement on project scope and feasibility
TIME FRAME	<ul style="list-style-type: none"> 3-6 months
FEE	<ul style="list-style-type: none"> \$350,000

STEP 4: PREDEVELOPMENT II	
OVERVIEW	<ul style="list-style-type: none"> Project Design and Financial Modeling
PRIMARY ACTIVITIES	<ul style="list-style-type: none"> Establish process for selecting architectural team Confirm development goals and space program with architectural team Engage architect to create conceptual plans and schematic designs Engage contractor or cost consultant to provide pre-construction services Resolve any contingent conditions relating to site control Create capital and operating budgets Obtain proposals and/or letters of interest from lender and equity investor financing partners Prepare and submit Low Income Housing Tax Credit application Submit other financing applications as applicable Maintain excitement for the project within the creative community Encourage and guide local artists to activate the site with arts activities
DELIVERABLES	<ul style="list-style-type: none"> Schematic designs Financial pro-forma detailing capital and operating budgets Preliminary proposals and letters of interest for project mortgage and equity financing Summary of project status
PREREQUISITES FOR MOVING FORWARD	<ul style="list-style-type: none"> Award of Low Income Housing Tax Credits (first or second application) or commitment of alternative funding
TIME FRAME	<ul style="list-style-type: none"> 12 months+
FEE	<ul style="list-style-type: none"> \$350,000

STEP 5: PREDEVELOPMENT III

OVERVIEW	<ul style="list-style-type: none"> • From Tax Credits to Financial Closing
PRIMARY ACTIVITIES	<ul style="list-style-type: none"> • Secure final gap funding commitments • Raise funds for equity, including private sector philanthropic dollars • Complete construction documents and submit permit applications • Negotiate construction and permanent loan commitments • Negotiate limited partner equity investment commitments • Advance project to construction closing • Communicate the progress of the project to the creative community to keep up the involvement and excitement
DELIVERABLES	<ul style="list-style-type: none"> • Successful closing and commencement of construction
TIME FRAME	<ul style="list-style-type: none"> • 4-6 months
FEE	<ul style="list-style-type: none"> • \$300,000+

STEP 6: CONSTRUCTION

OVERVIEW	<ul style="list-style-type: none"> • Construction and Lease-up
PRIMARY ACTIVITIES	<ul style="list-style-type: none"> • Oversee project construction • Engage property management company • Identify commercial tenants and sign lease agreements • Reach out to potential artist tenants, providing education on the application process • Conduct residential tenant selection process
DELIVERABLES	<ul style="list-style-type: none"> • Completed project ready for occupancy
TIME FRAME	<ul style="list-style-type: none"> • 6-10 months



Youth Programming at The Grandstreet Theatre // Photo Credit: Artspace