

Brookland Artspace Lofts
Washington, DC

The Artists' Housing Dilemma

Cities they can't afford want them. Enter Artspace.

By Mark Olshaker

A New Definition of Workforce

When the subject of workforce housing is invoked in any discussion, we tend to think of police officers, firefighters, teachers and other municipal employees. But there is a national nonprofit organization with an ever-expanding footprint and sphere of influence that is enlarging that definition to another cohort its leaders consider critical to a healthy and complete urban environment: Artists.

Artspace is a nonprofit real estate developer headquartered in Minneapolis, Minnesota that specializes in creating, owning and operating affordable urban spaces for artists of all kinds to live and work. Along with many of their projects are commercial spaces for arts-friendly businesses and those that enhance the neighborhood, as well as for arts organizations. Currently, Artspace has 39 projects in operation across the country, representing both historic reuse and new construction, and more than 1,100 residential units. They open between two and five new facilities each year. Fourteen are currently in development.

Perhaps most significant, Artspace is on the leading edge of defining those involved with the arts as a vital part of a city or town's workforce.

Though each project is unique, on average a project will have between 40 and 60 residential units and 5,000 to 10,000 square feet of retail space.

In an era in which both funding and community support for affordable housing is becoming increasingly problematic in large cities, Artspace's approach harkens back to the philosophies and values of such urban visionaries as Jane Jacobs and Lewis Mumford. In seminal works like Jacobs' *The Death and Life of Great American Cities* and Mumford's *The City in History* and *The Urban Prospect*, social commentators of the previous generation stressed the critical role of art and culture in sustaining a livable metropolitan environment. This outlook repeatedly has been substantiated by Artspace's own experience.



Heidi Zimmer

"You can do all the quantitative analytics you like, but when you ask people what they want, it's arts and culture," states Heidi Zimmer, Senior Vice President for Property Development.

Artspace began as an artists advocacy group in 1979.

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"The Minneapolis Arts Commission went to the city council and said, 'We need to find artists safe, healthy and affordable places,'" Zimmer explains. "A lot of these people were living in the Warehouse District, in places that were neither safe nor healthy."

So together, the Arts Commission and the Minneapolis City Council formed Artspace to assist artists in finding livable space in the city's Warehouse District. By 1986, it was clear that the growing challenge required a more proactive approach, and Artspace began the transformation to actual developer under the leadership of Kelley Lindquist. On-line MinnPost calls Lindquist "a real estate mogul of a different sort."



Kelley Lindquist

During his tenure as President and CEO, Artspace has grown from a staff of one (himself) and an annual budget of $60,000 into the nation's leading nonprofit developer of space for artists, with a staff of 70, an annual budget of $12 million, and stewardship of properties containing more than two million square feet of residential, studio, office, rehearsal, and performance space.



Bell Artspace, New Orleans, Louisiana

Building with LIHTCs

In 1989, Artspace was the first organization of its kind to use Low Income Housing Tax Credits as the basis for financing its first affordable live/work project – the Northern Warehouse Artist's Cooperative in Lowertown, St. Paul. The building has 60 residential units and 40,000 square feet of commercial space. Unlike subsequent projects, Northern Warehouse was developed as a coop. "Our first and last," says Zimmer.

"The area was desolate," recalls Melodie Bahan, Vice President for Communications. "Now it's the hippest neighborhood in St. Paul." Bahan came over to Artspace from another mainstay Minneapolis cultural institution, the Tyrone Guthrie Theater, where she directed communications for ten years.

The second and third Artspace projects were also in the Twin Cities. The first project outside Minnesota, the Spinning Plate Artist Lofts in Pittsburgh, opened in 1999.

The two-to-five new projects each year are winnowed from a sizable number of requests and about 50 in-depth site visits and feasibility studies. The most important single consideration is that there is a strong artist community and that local leaders are eager for this kind of project in their midst.

"We never want to be in a situation where we're fighting local government," Zimmer observes.

"For us, the measure of success is when artists who are working two or three jobs to make ends meet can move to our space and begin earning more of their income from the arts."

Nearly all Artspace facilities have long waiting lists, with rents keyed at 30 to 60 percent of area median income.

Creative Placemaking

"Artist" is intentionally defined broadly. In addition to painters and sculptors, actors and directors, musicians, dancers and writers, various Artspace projects house fashion designers and graphic artists, set designers, chefs, jewelry makers, and even a sword maker and canoe builder. The Artspace Lofts of Minot, North Dakota, has developed a concentration in traditional folk arts. All of the various disciplines contribute to what Artspace calls "creative placemaking."

What the leasing department and selection committees are looking for is a body of work, dedication to, and passion for, artistic endeavor, and individuals who can contribute to the cultural life of the community - what Zimmer calls "an arts community lifestyle." Applicants

technically need not be involved in the arts as long as they fall within the HUD targeted income range, but artists are given priority.



Melodie Bahan

"We have three projects in Seattle with waiting lists into the hundreds," says Bahan. "In New York, we could work well into our 100s and the need for more housing would still be there."

The first project in New York City – and winner of NH&RA's 2015 Timmy Award for Excellence in Historic Rehabilitation for a Large Development Utilizing Low Income Housing Tax Credits – is the El Barrio Artspace PS109 in East, or Spanish, Harlem. When it was announced, it received 53,000 applications for its 89 units, underscoring the acute need for affordable housing in large and dynamic cities. Rents, set by HUD guidelines, start at $495 for a studio and rise to $1,022 for a two-bedroom unit.

The building was originally designed by Charles B.J. Snyder in a neo-Gothic style, with a steeply-pitched terra cotta roof, ornate carvings and window cupolas, Tudor arches and a top spire, all reminiscent of Oxford University's residential colleges. The five-story structure on East 99th Street opened in 1898 as a public school and was in use for almost a century until maintenance and upkeep became too much of a challenge and the city's Department of Education finally closed it in 1995.

It sat leaky and decaying, with boarded-up windows, abandoned except for vandals, through the late 1990s and into the new century, until a coalition of community leaders worked to have the school building placed on the National Register of Historic Places. That preliminary effort was enough to save PS109, at least temporarily, from the wrecker's ball.

Under the design leadership of HHL Architects of Buffalo, New York, the building's second life was achieved through a partnership between Artspace and El Barrio's Operation Fightback, a nonprofit community organization dedicated to preserving and strengthening families in East Harlem through affordable housing, human services and community economic development. Now renewed to its former elegance at a cost of $53 million, Artspace PS109 created 14,000 square feet of community space in addition to its artist housing. Not only was the prop-

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Other Artist Housing

Artspace is not the only organization dedicated to providing affordable living and working opportunities for artists. Hudson Arthaus, with 80 residential units ranging from one to three bedrooms, opened last month overlooking the Hudson on River Street in Troy, NY.

The six-story red brick structure with vaulted window arches and a classical crenelated roof overhang was originally built in 1895 to house the Van Zandt, Jacobs and Company textile factory. The architectural style is known as Romanesque Revival. The $19.4 million rehab was undertaken by The Vecino Group of Springfield, MO, which focuses on projects that address broad community needs. Hudson Arthaus is its first project in New York.

Vecino employed federal and state Historic Tax Credits as well as New York State Housing and Finance Agency tax credits. Partners include Buxton Kubik Dodd Creative Architects and Designers, and UW Marx Construction. Rents start at $773 per month and the building is fully leased.

The Arthaus concept is inspired by the Renaissance era cultural movement that incorporated many crafts and disciplines. Accordingly, Hudson Arthaus follows a broad definition of art. Facilities include a wood shop, computer design studio and rentable studio spaces. All of this is intended to encourage residents to grow and develop. At the same time, Arthaus aspires to promote redevelopment and vibrancy of downtown Troy.

The building's lower level is home to Collar Works, a local nonprofit whose mission is to promote art and artists in the area. The team works to help on-premise artists with guidance and exposure, plus manages a gallery for local/regional shows and installations.

As Vecino President Rick Manzardo puts it, "People at every income level appreciate access to art, literature, technology and education. That's what we hope to deliver with Hudson Arthaus – affordable living, plus the resources to live creatively and innovatively." TCA

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erty's historic character preserved, but like all Artspace projects, the development either meets or exceeds all Enterprise Green Communities or LEED Gold standards and is completely smoke-free.

The other type of development – new construction – is exemplified by Brookland Artspace Lofts on Eighth Street, N.E. in Washington, D.C., just on the edge of the Catholic University campus. The bright and eye-catching Bauhaus-style building was designed by the local Hickok Cole Architects (whenever possible, Artspace engages local architects) to complement Dance Place next door, the District's most prolific presenter of modern dance, which has helped generate a renaissance of development and investment in the area. For decades, it had been considered a sketchy and less than prime residential neighborhood, but is now hip and trendy.

A $13.2 million project, the Brookland Artspace Lofts



National Hotel Artist Lofts, Galveston, Texas

contains 39 affordable units, each with both residential and studio space. The property also has a rehearsal studio along with two units that serve as classroom, office space and intern housing for Dance Place. The Victor L. Selman Gallery is on the main floor. The Brookland Metro station is only two blocks away.

Three aspects of this project characterize Artspace's unique approach:

Reliability. Creativity. Results.

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El Barrio's Artspace PS109, New York, New York

- The residential units, though intended as affordable, are designed to incorporate workspace, whether the resident's focus be on studio art, literary, theatrical or anything else.
- Each building has plenty of space for art display, both in the hallways and lobbies, and in dedicated galleries.
- Whenever possible Artspace likes to work with existing organizations such as, in this case, Dance Place, to create or enhance an arts district and help it become a destination for local residents and tourists alike.

In Northeast DC, for example, other arts organizations have followed the lead and set up shop in the immediate vicinity. There is now a printed Brookland Arts Walk map displaying 27 venues.

One two-year resident of Artspace Lofts previously lived in a basement apartment in the Dupont Circle area at more than $1,000 monthly rent. Already a well-respected local actor, he is branching out into directing innovative and experimental theater works. The substantially lower rent has allowed him to spend more time pursuing his calling and he regularly uses the allotted workspace in his unit for blocking and rehearsals.

The Business Model

The Artspace model is long-term ownership and management of everything it builds. Like most affordable housing enterprises, each project requires a variety of financing sources.

The large majority of funding – around 72 percent – comes from public sources. At the top of this list are state and federal LIHTCs and Historic Preservation Tax Credits. "Nine percent when we can get them," says Zimmer. Often bundled with the tax credits are HUD HOME Investment Partnership funds.

Twice, Artspace has also been able to secure New Market Tax Credits: for the Cowles Center for Dance and the Performing Arts in Minneapolis, and the Tannery Arts Center in Santa Cruz, California. As Artspace's ongoing goal is to use the arts and artists to revitalize communities and underserved areas of cities, a number of their prospective projects would seem natural for NMTCs.

The rest of the public funding picture is filled out with



Pullman Lofts, Chicago, Illinois

Community Development Block Grants, Transit Oriented Development funds and other state and federal allocations, depending on the individual project particulars.

About 15 percent of costs are covered by individual contributions and local and national philanthropies. The remaining 13 or so percent relies on conventional financing. Major philanthropic foundations include the Ford, Kresge and McKnight Foundations. Kresge is currently doing a case study on the Washington, DC Artspace.

"Our business model is to hold onto each property," states Zimmer. "Our standard practice is to re-syndicate after 15 years." There is a reserve account for each building to take care of maintenance and capital improvements.

Not About Gentrification

Zimmer stresses that Artspace's mission is not about neighborhood gentrification – quite the contrary. It is about facilitating the revitalization of communities through the arts and making sure that artists are not priced out

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of areas they have helped to make trendy and desirable, as so often happens in market-driven development.

She also asserts that the properties "defy the young, hippier status clichés. Tax credits encourage families, and our average family size is 2.1. The average age of our residents is 41 and the average duration of stay is seven years."

While the Minneapolis office oversees all projects, management and governance are local and on-site. Artspace partners with local management companies and the tenants themselves in running the properties. Each one has a livability committee to maintain building standards, an exhibition and events committee to decide what art is displayed and presented, and an artist selection committee to decide who gets in.

There is more to "fitting in" to an Artspace property than for more traditional residential environments. Zimmer says, "We tell applicants that the building is going to be a little bit noisier and messier than most apartment buildings. So when we conduct an interview, we want to know how the person would deal with that? Can he live in this type of community in a cooperative and sociable way? And you have to remember, if you have 60 units, you have 60 small business entrepreneurs."

All buildings cater to artists' varied needs as much as possible, with opening windows, strong ventilation systems, noise dampening insulation and 42-inch-wide elevator doors. "You have to be able to get a four-by-eight-foot piece of plywood through any opening," Bahan points out. And though most types of creative expression are accepted, nothing is allowed that would generate a spark, open flame or toxic fumes.

"We've developed a detailed set of best practices for artistic housing," Zimmer declares.

"At first, it was hard convincing elected officials that arts could be an asset and an economic driver in a neighborhood rather than a drain," notes Bahan. "We're now seeing that begin to turn around." TCA

Partial List of Artspace Properties

SANTA CRUZ, CALIFORNIA
Artspace Tannery Lofts
Digital Media and Creative Arts Center

LOVELAND, COLORADO
Artspace Loveland Arts Campus

BRIDGEPORT, CONNECTICUT
Read's Artspace

WASHINGTON, DC
Brookland Artspace Lofts

FORT LAUDERDALE, FLORIDA
Sailboat Bend Artist Lofts / historic West Side School

COUNCIL BLUFFS, IOWA
Karcher Artspace Lofts

MOUNT RANIER, MARYLAND
Mount Rainier Artist Lofts

BRAINERD, MINNESOTA
Franklin Arts Center

DULUTH, MINNESOTA
Washington Studios

FERGUS FALLS, MINNESOTA
Kaddatz Artist Lofts

MINNEAPOLIS, MINNESOTA
The Cowles Center for Dance & the Performing Arts
Traffic Zone Center for Visual Art
Artspace Jackson Flats
Chicago Avenue Fire Arts Center
Grain Belt Studios

ST. PAUL, MINNESOTA
Tilsner Artists' Cooperative
Northern Warehouse Artists' Cooperative
653 Artist Lofts

MINOT, NORTH DAKOTA
Minot Artspace Lofts

RENO, NEVADA
Riverside Artist Lofts

BUFFALO, NEW YORK
Artspace Buffalo Lofts

NEW YORK, NEW YORK
El Barrio's Artspace PS109

PATCHOGUE, NEW YORK
Artspace Patchogue Lofts

PORTLAND, OREGON
Everett Station Lofts

PITTSBURGH, PENNSYLVANIA
Spinning Plate Artist Lofts

GALVESTON, TEXAS
National Hotel Artist Lofts

HOUSTON, TEXAS
Elder Street Artist Lofts

EVERETT, WASHINGTON
Artspace Everett Lofts
Tashiro Kaplan Artist Lofts / Tashiro Arts Building
Artspace Hiawatha Lofts
Artspace Mt. Baker Lofts



Washington Studios, Duluth, Minnesota