

## Staff Report

**ARTSPACE CONSULTING**

June 28, 2016

**BACKGROUND:**

At the June 14, 2016 meeting, the City Council directed staff to place on the next meeting agenda the request from Councilperson Beatty-Hansen to consider soliciting the services of Artspace Consulting to come to Ames to analyze existing buildings that could be transformed into live/work affordable space for artists. While many buildings might be considered, special attention could be given to the two vacant Ames School District properties, Crawford and Edwards elementary schools, along with the City's 6<sup>th</sup> Street site.

**WHO IS ARTSPACE?**

Artspace, a non-profit Minneapolis based company, focuses on developing affordable space that meets the live/work needs of artists through adaptive reuse of historic buildings or new construction. They have projects in more than 20 states across the nation. Their programs fall into three broad categories:

**- Property Development**

Most of Artspace's projects involve the adaptive reuse of older buildings, but they also participate in new construction. To date, they have completed 35 major projects.

**- Asset Management**

Artspace owns or co-owns all of the buildings it develops. Its portfolio now comprises more than \$500 million worth of real estate. They seek to manage properties that are affordable to low and moderate income artists.

**- Consulting Services**

Artspace will also serve as a consultant to communities, organizations and individuals seeking information and advice about developing affordable housing and work space for artists, performing arts centers, and cultural districts.

**HOW DOES ARTSPACE HELP COMMUNITIES?**

- Guides groups through the process of refining their vision for arts space
- Provides practical advice on how to move a project forward, independently or with Artspace as the developer
- Analyzes operating budget and capital needs for long-term affordability and sustainability

- Advises on how to align funding proposals with larger civic agendas
- Shares knowledge as educators and conveners at creative community development gatherings
- Identifies the buildings and/or sites most suitable for arts facilities

## **TWO APPROACHES TO ASSISTING COMMUNITIES:**

According to Lucas Koski, a Consulting Associate with Artspace, they can offer two approaches to their consulting services.

- **Approach #1 – If They Are Expected To Develop A Property**

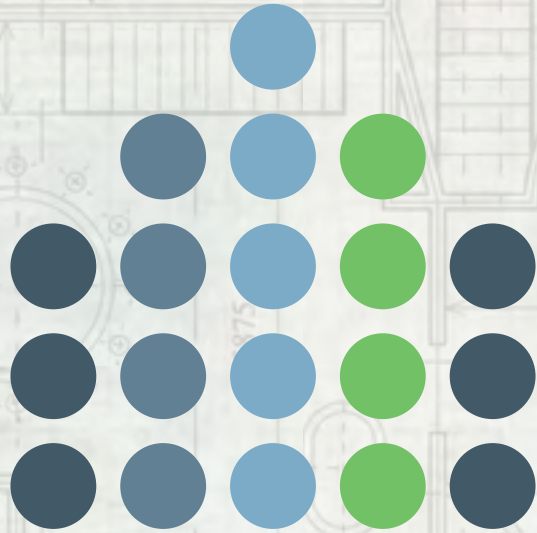
If they are being asked to develop the property in your community, they have a process that takes approximately 18 months to allow them to accomplish the necessary due diligence. This process involves a Preliminary Visit, Art Market Community Survey, and Follow-up with community discussions in order to convince them to proceed with developing a project.

The fees associated with this approach are: \$ 25,000 for Preliminary Visit; \$ 30,000 for the Art Market Survey; and, should the information indicate a viable project exists, approximately \$600,000 to \$900,000 to pay Artspace for a Pre-Development contract to complete the necessary due diligence for such items as securing financing, preparing conceptual designs, developing operating performance.

- **Approach #2 – If They Provide Consulting Service Without Any Expectation Of Becoming A Developer**

They will send a group of experts to Ames to look at buildings/sites that they believe could be transformed into live/work projects for artists or other creative sectors. This approach is what they call “Creative Spaces Consulting.” This process typically involves a two day visit, a site tour, and meetings with focus groups. A final report is issued to the community regarding their findings and possible next steps to accomplish the project.

Lucas estimated that this approach could take three months with a fee of \$20,000. Staff requested a copy of one of their consulting reports to better understand the final product that would be provided the City. He is checking with his supervisor to determine if such a report can be provided to us.



# ARTSPACE CONSULTING

**artspace**

Building better communities through the arts



ARTSPACE  
CONSULTING

## WHO WE ARE

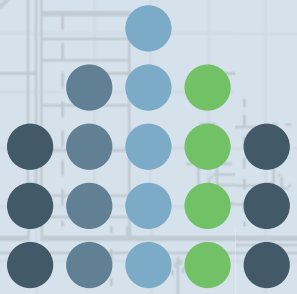
Artspace Consulting is a division of Artspace that helps communities identify effective, affordable ways to incorporate the arts into their civic agendas. Our practice builds on Artspace's expertise as America's leading real estate developer for the arts and operator of more than 30 successful arts facilities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

Our community-based approach bridges the traditional gap between the arts and the civic arena. Our clients benefit from direct access to our three decades of experience as a developer of arts facilities that deliver sustainable, affordable space for artists, arts organizations, and creative businesses.

We help communities revitalize downtown areas and inner city neighborhoods, reanimate historic properties, develop arts districts, and create and preserve affordable space for artists. We help arts organizations evaluate their existing facilities, identify new ones, and determine how their spaces can best serve their needs. Artspace Consulting works with you to determine the next steps toward making your community the best it can be.

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





# WHAT WE DO

Artspace Consulting helps communities by...

**...creating a facility** to provide affordable live/work or studio space for artists, homes for arts organizations, or space for other creative activities. We identify the most suitable buildings and sites, develop realistic capital and operating budgets with an eye to long-term sustainability, and offer practical advice about how to move a project forward.

**...imagining a place**, such as an arts or cultural district, neighborhood, campus, or other cluster of people, buildings, and uses. We guide our clients through the process of refining their vision and review plans for arts districts, campuses, and centers.

**...improving what exists**, whether it's a single facility, a campus, or an entire arts district. Our clients include arts organizations that are thinking about expansion, groups that wish to operate a shared facility more efficiently, and other entities that want to make their facilities better.

**...sharing what we know** through articles, speaking engagements, presentations at conferences, and other gatherings attended by national policy-makers, urban planners, and community leaders of all kinds.

## OUR SERVICES

### Preliminary Feasibility Visit

An intensive two-day fact-finding mission to assess the potential for an Artspace live/work or mixed-use project in a community. An Artspace team tours buildings and sites; meets with artists, city officials, and other stakeholders; and conducts a public meeting to welcome community participation and generate a buzz. We recommend the Preliminary Feasibility Visit for communities with populations of more than 50,000 and an established base of local support.

### Creative Spaces Consulting Visit

A two-day visit, similar to a Preliminary Feasibility Visit, that focuses on a community's vision for creating an arts facility or district that is not likely to result in an Artspace-developed project. This visit helps communities address civic challenges such as finding a creative use for a city-owned property, evaluating the artist component of a project led by a for-profit developer, or assessing an arts district.

Deliverables for both the Preliminary Feasibility Visit and the Creative Spaces Consulting Visit include a written report that documents our findings and recommendations for next steps.

Washington Studios in Duluth, MN  
Photo by Sequest Photography



# CREATING A FACILITY

## CASE STUDY Loveland, Colorado

### THE CHALLENGE

Help the City of Loveland preserve its historic Feed & Grain Building and generate economic development in its downtown

### GOALS

- > Identify a viable and sustainable concept for adaptive reuse of the Feed & Grain Building
- > Incorporate affordable housing for artists into the project vision

### SCOPE OF WORK

- > Preliminary Feasibility Visit
- > Arts Market Survey

### DELIVERABLES

- > Feasibility Report that discusses potential for arts facility in Loveland and identifies next steps for moving the community's vision forward
- > Survey Report identifying strong need for artist live, work, and exhibition space

### UPDATE

- > Two-phase project that includes an art center in the Feed & Grain Building, 30 units of artist live/work housing, and a public plaza

Artspace Loveland, Loveland, CO, Love and Light Exhibition, 2012  
Photo by Alanna Brake, [www.luckybrakelimited.com](http://www.luckybrakelimited.com)





## OUR SERVICES

### Arts Market Survey

An online survey to determine the size and nature of the market for affordable artist live/work, studio, or other creative space in a community.

Artists, creative workers and businesses, as well as arts and cultural organizations of all disciplines are invited to share their needs and preferences for affordable space. This information helps the project team select a site, attract funders, and design a facility that effectively addresses the needs of the local creative community.

Each survey is customized to reflect the unique characteristics of the local community and arts scene. Over the last 20 years, we have conducted approximately 40 Arts Market Surveys that have reached more than 25,000 creative individuals.

Artspace Tannery Lofts Resident, Santa Cruz, CA  
Photo by Charles Mixon



# IMAGINING A PLACE

## • CASE STUDY Wichita, Kansas

### THE CHALLENGE

Help the City of Wichita strengthen the Commerce Street Arts District

### GOALS

- > Determine whether Commerce Street is a viable arts district
- > Identify action steps to help it grow

### SCOPE OF WORK

- > Creative Spaces Consulting Visit

### DELIVERABLE

- > Report that recommends a range of actions the City can take to help the arts district and provides additional guidance about another emerging arts area, the Douglas Design District

The Commerce Street arts district in downtown Wichita, KS  
Photo by Spacefem / Wikimedia Commons / CC-BY-SA-3.0



## OUR SERVICES

### Capital Needs Assessment

A program that provides nonprofit clients access to the underwriting capabilities of our real estate practitioners. For organizations considering purchasing, leasing, or co-locating, we help quantify critical-path questions and assist in decision-making.

### Sustainable Operations Analysis

A process designed to clarify funding goals, establish recommended steps for raising the necessary funds, and provide a better understanding of current and future operating expenses. We analyze existing annual financial reports and current space usage to establish a base operational profile, evaluate a range of scenarios and build a 15-year forecast to help the organization plan for the long-term sustainability of its facility.

# IMPROVING WHAT EXISTS

## CASE STUDY

### Open Book Minneapolis, Minnesota

Open Book is a multi-tenant nonprofit building that serves as a home for literary and book arts

#### THE CHALLENGE

Help the Open Book and its three anchor tenants analyze their current space usage and financial status and create a vision that defines their “story” moving forward

#### GOALS

- > Define the challenges and opportunities available to the building and its anchor tenants
- > Frame the project in ways that make it most relevant to prospective funders

#### SCOPE OF WORK

- > Capital Needs Assessment
- > Sustainable Operations Analysis

#### DELIVERABLES

- > Capital and operating budgets, including a 15-year forecast
- > Presentation of findings to the Open Book Board of Directors

Open Book, Minneapolis, MN  
Photo by Emily Taylor

## OUR SERVICES

### Online Toolkit

An affordable resource for communities looking to develop space for artists and arts organizations. The Toolkit empowers communities to look at arts development through the eyes of a developer. With this set of tools, Artspace Consulting serves communities on a smaller, self-directed, and flexible scale. Combined with phone- and web-based consulting time, the Toolkit helps groups determine the feasibility of a project in their own community.

### Facilitated Charrette

A one- or two-day planning event facilitated by Artspace Consulting staff. The charrette gathers local experts and community members to share ideas about their vision for a facility. Depending on the project concept, conversations can focus on technology, community and artist spaces, services and revenue, accessibility/ADA, etc.

Artspace Tannery Lofts Resident, Santa Cruz, CA  
Photo by William Wright



# SHARING WHAT WE KNOW



## Speaking, facilitating, and convening

Artspace Consulting shares its experience developing, owning, and operating arts facilities with groups around the world. We participate in conferences, workshops, and webinars, offering our unique, community- and arts-driven approach to real estate development. We take a multi-disciplinary approach influenced by our personal commitment as artists and our firsthand experience as developers.

## Our Clients

### Artspace Consulting's recent clients include:

- > Albany Housing Authority / Albany, NY
- > Bemidji Community Arts Center / Bemidji, MN
- > Boston Center for the Arts / Boston, MA
- > Buchanan Center for the Arts / Monmouth, IL
- > City of Long Beach / Long Beach, CA
- > Community and Economic Development Office / Burlington, VT
- > Creative Portland Corporation / Portland, ME
- > Dance/USA / Philadelphia, PA
- > Dubuque Main Street / Dubuque, IA
- > Fleisher Art Memorial / Philadelphia, PA
- > Intermedia Arts / Minneapolis, MN
- > Pregones Theater / New York, NY
- > Wilshire Boulevard Temple / Los Angeles, CA

Wendy Holmes of Artspace Consulting touring potential properties in Dubuque, IA  
Photo by Roy Close

# artspace

Building better communities through the arts

Artspace is a national nonprofit that serves both artists and communities. We help artists by developing projects that serve their needs. We help communities leverage the power of the arts to become stronger, livelier, and safer.

Since 1979, Artspace has brought its hard-earned expertise to more than 300 cultural facility planning efforts from coast to coast. With headquarters in Minneapolis and offices in Los Angeles, New Orleans, New York, Seattle and Washington, D.C., our services include consulting, property development and asset management. Working at the intersection of urban planning, real estate, and the arts, Artspace is the national leader in artist-led community transformation.

Northern Warehouse Artists' Cooperative, St. Paul, MN  
Photo by Marc Nordberg



250 Third Avenue North | Minneapolis, MN 55401 | 612.333.9012

[www.artspace.org/artspace-consulting](http://www.artspace.org/artspace-consulting) | [@artspaceconsult](https://twitter.com/artspaceconsult) | [consulting@artspace.org](mailto:consulting@artspace.org)



## **Introduction to the Creative Spaces Consulting Visit**

The Creative Spaces Consulting Visit provides feedback about the feasibility of creating a multi-use arts facility, repurposing a building for arts use, establishing an arts district, or advancing other arts related project concepts. This is accomplished while simultaneously engaging community members, exploring next steps, and creating a buzz around the project.

There are six areas of consideration:

1. Project Concept
2. Market Need
3. Site Suitability
4. Potential to Fund and Sustain a Project
5. Local Leadership Support
6. Potential for Sustained Community Impact

The Creative Spaces Consulting Visit galvanizes the process of creating affordable space for artists and arts organizations. Artists and creatives participate, stakeholders collaborate, volunteers emerge, and the vision advances towards reality.

### **Our Clients Include:**

- City Councils and Civic Organizations
- Arts, Creative and Cultural Organizations
- Downtown Organizations

### **What is Included:**

- Consulting phone and email time in preparation for the visit, including review of guest lists, invitations, and summaries of potential properties
- Original Artspace materials to aid in preparing and presenting information from the visit
- One or two days of Artspace staff time on the ground to facilitate meetings with artists, city officials, funders, and other stakeholders, give a public presentation, tour potential properties and existing creative spaces, and collect information about the project
- Written Executive Summary to summarize findings and recommended next steps



## **What to Expect from a Typical Two-Day Visit:**

*Each visit is customized to meet the needs of the community and project. Unique meetings/events suitable to the community's or project's needs may be substituted. Focus groups begin with a short presentation to set the context for discussion.*

### **DAY 1**

- **Tour of the community.**
  - Understand context for the project; walk potential sites/buildings
  - See existing arts communities, meet artists in the “arts scene.” i.e. studios, live/work facilities, and key arts organizations
- **Working lunch.**
  - Discuss topics such as site selection criteria, site tour impressions, project concept with core group or key leadership
- **Artists and Arts Organization focus group.**
  - Understand the space needs of artists and arts organizations, including current space descriptions, space needs, economic considerations, and representative arts disciplines
- **Finance and Funder Leadership focus group.**
  - Learn more about potential funding sources for a project; gauge the support of the community’s finance and business leaders
- **Public Meeting.**
  - An interactive presentation designed to educate the community about Artspace, successful national project models, and the economic and community impact of the arts; build community support for a project while addressing questions/concerns; gather information about community needs and interest in a project

### **DAY 2**

- **Civic Leadership focus group.**
  - Build support, understand concerns, learn about their priorities and vision for the future
- **Community Organization/Business Sector focus group.**
  - Meet with individuals and organizations whose input is relevant to the assessment of the project's feasibility and ability to have a positive, sustainable community impact. Identify potential project community partners, resident service providers, non-residential tenants and other stakeholder groups unique to the community initiative
- **Core Group meeting.**
  - Debrief, answer any outstanding questions and confirm next-steps