

# artspace



## Preliminary Feasibility Report

Ridgway, Colorado

December 2016

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For more information about Space to Create, Colorado partners or local partners in Ridgway, please visit:

Space to Create, Colorado

[www.coloradocreativeindustries.org/communities/space-create](http://www.coloradocreativeindustries.org/communities/space-create)

Colorado Office of Economic Development's  
Colorado Creative Industries

[www.coloradocreativeindustries.org/about](http://www.coloradocreativeindustries.org/about)

Colorado Department of Local Affairs

[www.colorado.gov/dola](http://www.colorado.gov/dola)

Boettcher Foundation

[www.boettcherfoundation.org](http://www.boettcherfoundation.org)

History Colorado

[www.historycolorado.org](http://www.historycolorado.org)

Town of Ridgway

[www.town.ridgway.co.us](http://www.town.ridgway.co.us)

Ridgway Creative District

[www.ridgwaycreativedistrict.com](http://www.ridgwaycreativedistrict.com)

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# Space to Create

On July 28, 2015 Colorado Governor John Hickenlooper announced Space to Create, Colorado (Space to Create), the nation's first state-driven initiative for affordable housing for artists. This program will develop affordable housing and work space for artists, creatives, arts organizations, and creative entrepreneurs in nine rural communities over nine years. This program was established as a partnership between Colorado Office of Economic Development's Colorado Creative Industries (CCI), Colorado Department of Local Affairs (DOLA), History Colorado, Boettcher Foundation, and Artspace.

The affordable housing projects advanced via the Space to Create, Colorado initiative will be based on the Artspace model and methodology of developing and sustaining affordable space for artists to live, work, and share their art. Artspace is a national nonprofit organization dedicated to creating affordable space for the arts, based in Minneapolis. Artspace has taken on the role of lead consultant and developer for this new state-led initiative.

Ridgway, in the southwestern region of the state, is the first community to compete for a Space to Create project. Ridgway's readiness was identified by its state certified creative district, robust Main Street program, and strong leadership from both the public and private sector. The subsequent seven communities to take part in the initiative will also be selected through a competitive process.

## **PRELIMINARY FEASIBILITY VISIT**

The first step in the Artspace process is a Preliminary Feasibility Visit. The goals of this study are to provide feedback about the proposed project, share information about how these projects come together, and recommend next steps. All of this while creating a buzz and gathering support for the project.

Central to the study is a field visit, in which the Artspace team meets with focus groups, visits potential sites, meets with key leaders, and conducts a public meeting. The visit to Ridgway took place September 28-30, 2016. Artspace was represented by two members of the Artspace Consulting and Strategic Partnerships team: Wendy Holmes, Senior Vice President and Teri Deaver, Vice President.

This report contains Artspace's observations, findings, and recommendations based on what we saw and heard during our visit in Ridgway. It is also informed by the knowledge we have gained working in nearby communities and the experiences of other towns around the United States that have invested in affordable housing and other facilities for artists. We believe that those experiences provide a useful context for evaluating the feasibility and importance of artist spaces in Ridgway. In that regard, we offer the following thoughts and observations:

- Multi-tenant, multi-use creative spaces generate economic revitalization and development. Every project provides job opportunities before, during, and after construction.
- Every independent creative person is, in effect, the owner/operator of a cottage industry, generating economic activity by selling products or services, purchasing equipment and supplies, paying taxes, and otherwise contributing to the local economy.
- Creatives<sup>1</sup> are good neighbors and active community members. Many creatives collaborate with the larger educational, cultural, and business communities as teachers, adjunct professors, and volunteers with youth and cultural organizations.
- To create affordable live/work housing for creatives with guaranteed long-term affordability is to create and sustain an authentic community of creatives who collaborate not only with one another but also with other local, national, and international creatives.
- Creative facility projects help preserve old buildings, stabilize older neighborhoods and revitalize vacant and underutilized properties. Creative projects also help preserve cultural heritage by providing places where unique cultural art forms can be passed from one generation to the next.
- Creative projects are catalysts for private and public investment, such as façade improvements and general beautification, in the surrounding area, as well as other types of private development, such as service industry businesses, restaurants and coffee shops, and other types of housing developments to meet market demands.

## Artspace Snapshot:

### Loveland Artspace Lofts Loveland // Colorado



Loveland has a rich arts history as the home of America's largest outdoor sculpture show weekend. Held annually in August, these events — Sculpture in the Park, Loveland Sculpture Invitational, and the Arts & Crafts Festival— attract more than 50,000 visitors. Loveland is also home to two sculpture foundries and a host of ancillary sculpture molding and finishing operations. The City's downtown cultural assets include the newly expanded Rialto Theater Center and the Loveland Museum/Gallery, as well as a number of creative businesses including dance studios, graphic design firms, a fiber arts magazine publisher, architects' offices and numerous galleries and sculpture studios. In addition, ArtWorks Loveland provides 18 studios and career development programs for working artists across the street from the Artspace Loveland site.

The Artspace Loveland project celebrates and builds upon Loveland's cultural heritage. There are two buildings on the Artspace Loveland Arts Campus: the Artspace Loveland Lofts which is currently in operation, and the Feed & Grain building which is currently under construction. The project is transforming a prominent but neglected downtown city block into a community asset where the arts are a common thread weaving together affordable housing, community programs, and creative entrepreneurialism.

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1. While it's impossible to name all the disciplines involved in the creative sector, the term creatives is a general reference to people and businesses in creative fields, particularly those associated with all forms of visual and performance art, makers, creative businesses and cultural workers.

- These projects create permanent community spaces that give resident creatives opportunities to interact with the public through gallery events, demonstrations, performances, and installations, and give the larger creative community opportunities to showcase their work.

We are grateful to the Town, Ridgway Space to Create partners and Steering/Outreach Committee, the creative community and business leaders who through their planning and participation laid the groundwork for a successful three days. In particular, we extend a big “thank you” to Jennifer Coates, Town Manager and Diedra Silbert, Community Initiatives Facilitator for the Ridgway Creative District and Main Street Programs, for putting together an informative and inspiring visit. We are very appreciative of the entire Ridgway Creative District team for providing insight and leadership. We would also like to acknowledge the remarkable support from Mayor John Clark; Ken Charles, Regional Manager, Colorado Department of Local Affairs; and Margaret Hunt, Director, Public Policy and Creative Districts for the Colorado Creative Industries. Last, but not least, our gratitude to Tim Schultz, President, Boettcher Foundation, who through his leadership and supportive staff, has made this initiative possible. These local, regional, and state leaders are essential to the future success of any creative facility project in Ridgway.



Sherbino Theatre on Clinton Street. Image from sherbino.org

# Ridgway

Ridgway's creative might is particularly strong and its local leadership top-of-the-line. Artspace is excited to be moving forward with the second Space to Create project in the state of Colorado and to be working in the Southwest Region of the state – the first region to compete for this opportunity.

Ridgway may be best known for its proximity to Telluride and Ouray. Indeed, the natural surroundings and breathtaking vistas are a signature of this area. But Ridgway's passion and spirit are distinct. Its small population of 960 current residents, most of whom are year-round, belie the sophistication of the town. While there is still a culture and history in railroad, mining and ranching, there is a sustained and burgeoning culture of entrepreneurs and creative workers. As we learned, in Ouray County art as an occupation increased by 51% between 2005 and 2009 and currently is on par with Mining in Ouray County, commanding 4% of the overall job market.<sup>2</sup>

The Ridgway Creative District focuses on Creatives as well as artists. We met with two successful examples of creative businesses in the district: an architectural metalworker / brewing equipment manufacturer, and a beeswax candle-maker.

Still, while there are a number of burgeoning creative industries and entrepreneurs, a pervasive theme that is creeping into Ridgway is the need for affordable workforce housing. Hit hard by the Great Recession, Ridgway is now starting to bounce back. As a result, the cost of home ownership and rental units is rising, making housing a challenge for many, particularly those in the creative fields.

In this context, we also met a community that seems capable of anything they set out to do. Leadership abounds and engaged citizens are plentiful. A great example of this “can do” spirit is the RAMP Up Ridgway! project, a partnership between the Town of Ridgway, the Colorado Department of Transportation (CDOT), and the State Department of Local Affairs (DOLA). This major \$12.5 million infrastructure project includes everything from paving, sidewalks, stormwater and lighting to public art and streetscape amenities, thanks to a unique and unprecedented partnership between the Town, CDOT and DoLA. This project has enjoyed wide community support, with a \$1.9M bond issue and property tax increase supported by the Ridgway electorate by 76% and no active opposition during the April 2014 election.

Ridgway's downtown is small but mighty, hosting at least 11 restaurants and many other interesting retail and commercial establishments serving tourists and locals alike. We heard from locals that restaurants and retail feel more stable now than in the past decade. However, the recent closure of a well-respected co-op gallery is an indicator that the sale of visual art may be challenging, particularly with the bigger art buyers heading to nearby Telluride.

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2. Source: Colorado Department of Local Affairs, Ridgway Community Profile (<https://demography.dola.colorado.gov/demography/publications-and-presentations/>)

# Findings

During a Preliminary Feasibility Visit, Artspace gathers information about six main topics:

- **Project concept.** One of the goals of the Preliminary Feasibility Visit is to define, and then refine, the type of facility that is being considered, by gathering input from community leaders, technical experts, diverse interests and stakeholders. Projects can be all residential, all commercial, or a combination of both in a mixed-use project. For mixed-use projects, Artspace wants to know what types of commercial and community spaces would be complementary to residential space. Affordable live/work space for artists is central to Artspace's development projects, but residential projects are not necessarily the right fit for every town. If the priority concept does not include residential space, Artspace highlights alternate opportunities to advance a project that addresses the needs of the local creative sector.
- **Creative market.** Is there a sufficient market to support an arts facility? To answer that question, qualitative data is collected through focus group discussions. Specifically, Artspace asks artists if they need a space to live, work, create, teach, share, and sell their art, how much is considered affordable in rent, and what types of amenities are desired. This information helps assess the feasibility of the project concept and lays the groundwork for the Arts Market Survey. The survey is the second step on the path to an Artspace project, which provides quantitative data about the creative community's space needs. The survey will follow and accompany this Feasibility study.
- **Site assessment.** The primary focus of assessing sites is not to select the site, but to identify candidates for further study. Several factors to consider include location, building capacity, availability, viability, and ability to impact the broader community. As a project moves into predevelopment, these sites and newly identified sites, will be further evaluated based on the refined project concept, size of the market, local development priorities, and funding sources attached to specific areas. As the site was required to be chosen prior to the visit, this component will not be discussed in the report, although the site will be evaluated upon completion of the Feasibility Study and Market Survey to determine that local needs can be met with this project and the identified site. If the identified site does not meet the needs of the project, as informed by the Arts Market Survey, the community and Artspace will address that consideration once the market survey is complete.
- **Financial analysis.** Arts facilities typically represent a significant investment of civic resources. Although a variety of state and federal programs are typically used to generate revenue for the capital costs of a project, Artspace projects also receive local funding from public and private entities. The local support is critical, even if it's smaller, in order to leverage funding from state and federal programs to support predevelopment expenses and gap funding. The Colorado Space to Create project and partnership was conceived and employed with the goal of bringing this type of project to rural areas of Colorado that would otherwise not be able to take on such endeavor. While there is broad statewide support for the Space to Create program success, local resources will be necessary for project completion.

- **Local leadership.** Are there leaders on the ground who are willing and able to advocate for the project, open doors, and keep lines of communication open between the developer and the community? These leaders come to the project from all industries, from elected officials who control agencies and program dollars, to citizens and businesses who are passionate about making their community a better place to live, work, play and thrive.
- **Sustained community impact.** Deeply rooted in “creative placemaking” practice, the goal is to start identifying strategies and partnerships that can leverage impact, resulting in a project that is greater than the sum of its parts. Anchor tenants, site selection, and programmatic activities are all components of the overall community impact.

While these are not the only factors Artspace considers in making recommendations to move a project forward, they help frame the discussion.

## DEFINING SPACE USES

**Commercial Space:** Space that is leased primarily to small locally-owned businesses, and community serving nonprofits for creative and arts-friendly uses. Examples include artist studios (shared and private), galleries, cafes, offices, makerspace and co-work models, daycare, yoga/dance studios, performing arts venues and local retail.

**Community Space:** Space that is free, available to, and programmed by tenants in a building for the practice and creation of art and/or for community engagement activities and programs. Flexibly designed space is prioritized. Common activities in the space include small performances, gallery shows, collaborative art projects, meetings, workshops and social events.

**Live/work Space:** Residentially zoned space that incorporates wide open areas and private rooms, allowing artists and creatives to arrange their living and working environment in a way that best suits their artistic/creative and family needs. Key design elements include high ceilings, abundant natural light and durable surfaces.

# Project Concept

In Ridgway, we heard very specific ideas from focus group participants and core group members about what kind of space they hoped a project in Ridgway could provide. We also heard the importance of not duplicating existing assets or efforts for new spaces that are underway. We wholeheartedly agree. The project concept should address unmet needs and be developed in coordination with local organizations and space providers. We also acknowledged that no one project could fulfill all the creative space needs of the community, but the Space to Create program could help them prioritize and realize a top priority project concept. The Arts Market Survey, which is the next step in the process, will help quantify the needs of the creative sector and refine the concept.

Among the top interests, and almost a given going into the Preliminary Feasibility Visit, was the profound need for affordable live/work (workforce) housing. Affordable housing has been articulated as a pressing need since the early days of Colorado's Rural Philanthropy Day's "Listening Tours." Other common interests mentioned during the visit were space for visiting artists (artist-in-residence), classroom/educational space, a new community clay studio, storage space for creative organizations, space for working studios, collaborative working spaces of a variety of kinds including both tech-focused laptop-oriented coffee shop style spaces as well as "makerspace" for a variety of creative disciplines – everything from ceramics to 3D laser printers, to a soundstage. This is clearly an area where we need more information through the Arts Market Survey process.

Though no single project can accommodate all of the discussed ideas, it is extremely valuable to collect this feedback about what is needed and wanted in Ridgway. It is clear that, in addition to residential space, residents are interested in the creation of space to gather and work. And as we have seen in other communities, demonstrating the market for creative space concepts can pique the interest of independent developers, who then step in to fill the unmet need.

## 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.

Although the IRS challenged the "artist preference" policy in Section 42, Low Income Housing Financed projects 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."

# Artist Market

While an Arts Market Survey is an important next step, Artspace has a strong sense that the preservation of affordable space for Ridgway's creative sector is at a defining moment for this community. The strong influence of and lessons learned in Telluride speak keenly to the immediate need to create sufficient affordable space for artists and creatives before it is too late and the complexity and cost of developing such space becomes insurmountable. Because Ridgway already has a downtown site under contract for their Space to Create project, we began discussing the particulars of an Arts Market Survey, the next step in the process. This online survey will help quantify the demand for the different types of creative spaces (and space amenities) discussed during the focus groups and community meeting. These include:

- Live/work residential spaces – apartments that include a studio component in addition to living space
- Working studios – working space for creatives in a dedicated or shared space
- Artist-in-Residency space – for artists and creative people visiting or working in the region who may have short-term education or production contracts with local arts organizations such as with the Sherbino Theater or Weehawken Creative Arts
- Shared space or makerspace for creatives who use specialized equipment to create their work, e.g. kilns for clay artists, a machine shop, a photography studio with equipment/software, 3D laser printers or office co-working space<sup>3</sup>
- Performing arts support space – performing, rehearsal, workshop and storage spaces
- Commercial space that addresses a community need – a cited example repeated in our focus groups was a community or commercial kitchen

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3. A new co-working space is opening in a building just west of the river on Highway 62. Proximity Space is the name of the organization that is a branch of the "parent" space in Montrose.



Market at Ridgway's Annual Fiber Arts Festival,  
image from <http://ridgwaycolorado.com/4th-annual-fiber-arts-festival/>

While Ridgway's population has grown since the Recession, the community was hit hard between 2009 and 2014. In recent years, new construction of homes and businesses is seeing some modest growth, but multi-family affordable housing has not been realized. Ouray County has never received an allocation of Low Income Housing Tax Credits and San Miguel County's most recent allocation was in 1999 for a 30-unit project in Norwood. The challenge to build more quality workforce housing is looming for both Ouray County and neighboring San Miguel County. A Space to Create mixed-use affordable housing project will certainly advance the County-wide goal of building over 170 units of affordable housing in the next three to five years. Based on our experience of working in hundreds of towns and cities across the country, we believe the market for workforce housing for the creative sector will be extremely strong with a minimum need of 30 live/work units of space in addition to the non-residential needs and desires of Ridgway's defining creative community.

In essence, the Arts Market Survey will create a quantifiable profile of Ridgway's creative sector's space needs. The information collected will be critical to the Space to Create project in addition to providing information that others can use to create affordable space for the arts/creative market.

## Arts Market Survey

An Arts Market Survey is a required step in the predevelopment of an Artspace project. It is an in-depth analysis of the space needs of artists and creatives in a community. We start with a proprietary survey template we developed in 2000, modify it to reflect the unique characteristics of the proposed project concept, and then host it online for eight weeks. Customizing the survey, publicizing it, collecting data, analyzing the results, and preparing the report takes about six months.

The goal is to determine the size and nature of the market for an affordable mixed-use arts project. It tells us how many live/work units and studios the local arts community can fill and what design features and amenities are desired. We also use it to effectively demonstrate need to the public and private entities that decide whether or not to financially invest in our projects.

The Arts Market Survey gathers a wealth of data about the area's creative individuals, including the arts disciplines; amenities of interest; current income range and the percentage of it that is generated by creative pursuits; current workspace arrangement; amount they are willing to pay for housing and studio space; and general demographic information.

For commercial space, Artspace identifies creative businesses and organizations that are seeking space, effectively playing a curatorial/business development role with prospective tenants. The amount of commercial space in a project depends on the building, size of parcel, market demand, market conditions and location.



A live/work space in Artspace's Spinning Plate Artist Loft in Pittsburgh, Pennsylvania



The Chicago Ave Fire Arts Center is a makerspace focused on the Fire Arts in Minneapolis, Minnesota. CAFAC was developed in tandem with its operators and Artspace Projects, Inc.



Image from <https://artworksloland.wordpress.com/>

## Artworks Loveland

was created by a private developer in Loveland, based on the strength of Artspace's Arts Market Survey. In close proximity to the Artspace Loveland Lofts, Artworks Loveland offers 40 individual working studios, a contemporary art gallery, artist-in-residency space for visiting artists and makers space for short and long term equipment rentals.

# Funding and Financing

When considering financial feasibility and return on investment, it is important to note the multiple points of impact of a potential project site. “Returns on investment” can include not only affordable housing but also blight remediation, infill on vacant lots, adaptive reuse of historic buildings (not part of the plan here), and infrastructure investment in the cultural economy. Communities, civic leaders, and elected officials have to share in this vision to maximize impact.

At the financing and funding Focus Group, participants included representatives from two local banks (Alpine Bank in Ridgway and Citizens State Bank of Ouray), San Miguel Power Association, OUR Foundation of Ouray County, Western Colorado Community Foundation, Ouray County Housing Authority, San Miguel Housing Authority and the Telluride Foundation. Artspace shared that every project relies on a mix of local and national funding sources. Artspace has a good understanding of how mixed-use affordable housing projects get funded in the state of Colorado. Mixed-use arts projects can tap into a number of federal and state funding programs. Project partners have identified additional sources, which will continue to be explored throughout the predevelopment process. Among these are Low Income Housing Tax Credits (LIHTCs), which are awarded through the Colorado Housing Finance Agency (CHFA), as part of a federal program established in 1986 to encourage the development of affordable housing.

Every Artspace project – even one supported by LIHTCs – has a funding gap, typically around 40% of the total project cost, which must be closed with other sources. Additional sources include funding programs that are specifically focused on economic development, workforce housing, cultural development, as well as funding opportunities that may be unique to a town, county or region. In Trinidad, for example, the Space to Create project is using National Stabilization Program dollars for the non-residential component of that mixed-use Space to Create development. Depending on the mixture of types of spaces and the audiences served, other funding programs may be accessible for the Ridgway Space to Create project.

In Colorado, the State is the pioneer of this Space to Create pilot program, which was created and is being administered by Colorado Creative Industries in the Office of Economic Development and International Trade. The State is a significant partner in this project on many levels, including potential State funding partners such as the various divisions within the State Department of Local Affairs. While there is widespread commitment to planning, funding and developing these projects statewide, the various funding sources and overall project cost are dependent on many factors, and as such, the exact project timeline from early feasibility through occupancy may vary.

Each project relies on the philanthropic community for the final dollars. Philanthropy comes in the form of gifts from foundations, corporations, and in some cases, individuals. In our experience, these private philanthropic sources typically make up 10-15% of the total development budget for a project. We anticipate this to be the case in Ridgway, too. Strong town and state leaders can often identify and prioritize funding for projects they feel strongly align with their community goals. In every case, an Artspace project must be prioritized by town and civic leadership in order for the development sources to be secured. We saw the potential for this kind of support in Ridgway.

# Leadership

What we love and admire about communities who connect with Artspace is their strong leadership. There is typically a lively, connected lead person or people who assemble the community and drive communication and advocacy leading up to our visit. Ridgway is no exception with the focused presence of Diedra Silbert, Ridgway Community Initiatives Facilitator; Jennifer Coates, Town Manager; and Mayor John Clark.

In addition to this triumvirate, we were extremely impressed by the members of the Core Group. The large Core Group benefited from a diverse representation from the Town (Mayor, Town Council and Staff), Ouray County, Region 10, San Miguel Power Association, individual Creatives, the Creative District.

We also had the opportunity to meet some leaders of the arts leadership in the community, particularly impressive was the Sherbino Theater and its leadership. The Sherbino, also referred to as “Ridgway’s living room”, is a performing arts and community venue on the historic main street, Clinton Street. The Sherbino is managed by a nonprofit called the Ridgway Chautauqua Society. Its executive director also runs a separate nonprofit organization, Weehawken Creative Arts, which manages arts education programming across the region and uses the Sherbino as a venue in addition to several other venues in the region, including the Wright Opera House in Ouray, Hartwell Park and a Clay Center in Ridgway, and other facilities in Montrose.

These initiatives and projects are only successful when there is full participation from the town and often the county, too. Later in the process, it will be critical for the Town and County to prioritize the project in terms of program dollars and funding associated with economic development, affordable housing, and the like. It is apparent that Ridgway has assembled a unique and strong partnership of leaders that are qualified and inspired to drive a valuable and successful Space to Create project by addressing financing, creative industries, affordability, and long term support.

We had a sense that the community is strongly behind a future Space to Create project. Included in this support are the project partners, local banks, area foundations, local businesses, nonprofits, creative industries, and a highly charged and focused citizenry.

## Artspace’s Preliminary Feasibility Visit

During the Ridgway Preliminary Feasibility Visit, the Artspace team facilitated:

- Five focus groups, ranging in size between 10-30 participants
  - > Artists, Creatives, and representatives from arts and cultural organizations
  - > Town Council and other civic and nonprofit leaders
  - > Business leaders
  - > Funders and financiers
- A Public Meeting, held at Ridgway’s Town Hall, which hosted approximately 40 participants, including many people who had participated in the focus group conversations, too
- Strategy sessions with the Ridgway Space to Create core group, including Town and Creative District representatives, individual Creatives, project partners, and a new committee formed specifically to assist with outreach for this project

# Sustained Community Impact

Over the past 5 years the Town of Ridgway and the Ridgway community have been focused on creative placemaking. This includes the development of a town logo and brand, planning and developing a theme for design, artistic elements within the downtown streetscape project, creative wayfinding/signage, and more.

As the project concept evolves, it will be important to continue to emphasize the project's creative placemaking capacity by admitting multi-disciplinary artist residents and organizations and incorporating community-accessible space for programming, collaborations, and rentals. Not only will the artist residents require shared spaces, but the community would benefit from having access to workshops and classes, performances and demonstrations, lectures, and other on-site events.

To learn about how to maximize and sustain positive community impact, Artspace inquires about additional potential partnerships with local entities. We asked focus group participants about their ideas for potential partnerships and received a variety of responses including: educational institutions/STEAM alignment, the local food pantry, and the heritage community.

In addition to partnerships, other key elements to keep in mind as the project evolves include quantifying the project's job-creation capacity, developing synergistic ties to other organizations and the Creative District, identifying local creative commercial tenants, and ensuring that support services for the creative sector are in place before the project goes into operation. Region 10 offers resources for small businesses that would help creatives, nonprofits and small businesses build their capacity while the project itself evolves. Ultimately, there is no substitute for the local drive and talent needed to make these projects relevant beyond the creative community and to support broader town-wide goals.



Bluecorn Naturals, a creative business in Ridgway

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

- Animating deteriorated historic structures and/or underutilized spaces
- Fostering the safety and livability of neighborhoods without evidence of gentrification-led displacement
- Anchoring creative districts and expanding public access to art
- Attracting additional creative businesses, organizations, and supporting non-arts businesses to the area
- Be the catalyst for additional development, including other creative sector space projects
- Provide creative people with the opportunity to collaborate with others and be supported in their work

## Artspace Design Standards

Artspace live/work projects have a higher cost per unit of housing than traditional affordable housing. This is due to four basic features, which contribute to the functionality of effective artist space:

- **Larger square footage of units** to accommodate residential and artistic needs.
- **Larger volume of space within the units**, due to higher ceilings.
- **Wider hallways** for programmable gallery space and ease in transporting large artworks.
- **Common areas and community rooms**, for gathering, exhibiting, teaching, and performing.

## Artspace Analytics:

### Taking A Measure of Creative Placemaking



Taking a Measure of Creative Placemaking is an overview of the findings of Metris Arts Consulting's studies How Artist Space Matters and How Art Spaces Matter II. It summarizes Metris Arts Consulting's in-depth examination of five Artspace projects: the Northern Warehouse Artists' Cooperative, the Tilsner Artists' Cooperative, and the Traffic Zone Center for Visual Art - all in Minnesota; as well as the Tashiro Kaplan Artist Lofts in Seattle, and the Riverside Artist Lofts in Reno. The three Minnesota projects are among Artspace's earliest efforts and therefore address questions of long-term impact and sustainability. Both Reno and Seattle reflect Artspace models where there is either a major nonprofit anchor tenant (Sierra Arts in Reno) or a substantial presence of non-residential space (the 16 galleries that anchor Tashiro Kaplan in Seattle). To download, visit [http://www.artspace.org/sites/default/files/public/downloads/news/taking\\_a\\_measure\\_of\\_creative\\_placemaking\\_09\\_11.pdf](http://www.artspace.org/sites/default/files/public/downloads/news/taking_a_measure_of_creative_placemaking_09_11.pdf)

# Summary and Next Steps

Artspace believes a project that includes both affordable live/work housing and space for creative businesses and/or working studios would provide a tremendous boost to the reputation and visibility of the local arts community as well as stable, permanently affordable space. The presence of a critical mass of creative people would do much to ensure a permanent presence for creatives, enhance the area's identity as an arts town, create new partners for educational activities, and catalyze additional development.

In Ridgway, we are thrilled to continue down the path to an Artspace project. We anticipate the following next steps, which are already underway at the writing of this report.

- October 2016: Begin designing and customizing the online Arts Market Survey to quantify the demand for workforce (live/work) housing, working studio space, artist-in-residency spaces and the other types of spaces designed for Ridgway's creative sector.
- January 31, 2017: Launch the Market Survey at a public event in Ridgway
- March 2017: Use preliminary market survey data to begin designing the project which cues the start of the first phase of Predevelopment. Begin mapping a time line for major funding applications.

Outlined below are some additional recommendations to advance the project.

- Begin preparation for the outreach component of the Arts Market Survey with the Space to Create Outreach Committee. Include involvement of the creative community within and beyond the Creative District to galvanize support and ongoing communication.
- Continue conversations with the regional representatives from the Department of Local Affairs to discuss funding for the Arts Market Survey as well as predevelopment.
- Begin discussing a proposed funding path and timeline for the Low Income Housing Tax Credits for the workforce housing component of a proposed mixed-use project.

It has been a pleasure meeting with members of the arts, civic, funding, and business communities in Ridgway. We thank the town, the creative district, and each of the partners on this visit for showing us your community and for your terrific, contagious passion. We look forward to continuing the conversation and learning more about the creative economy through the Arts Market Survey.



Example of handmade award by local artist Lisa Issenberg, a product from Kiitellä, a creative business in Ridgway

**PROJECT PHASING**

**2016 Construction:**  
 Temporary Parking  
 Phase I: Downtown Drainage Work  
 Phase IA: Clinton Drainage - Cora/Laura  
 Phase IB: Laura/Charles/Railroad Drainage  
 SH 62: Concurrent work  
 ACC will schedule paving to cover multiple streets at a time with 3 separate paving periods.

**2017 Construction:**  
 Landscape, irrigation, amenities

The schedule is contingent upon weather & conditions.



Contact the project team  
 970-430-0933  
 SH62Ridgway@accbuilt.com  
<https://www.codot.gov/projects/sh62rampupridgway>

**RAMP UP RIDGWAY!**

Map showing RAMP Up Ridgway! phasing for downtown improvements slated fro 2016-17, image downloaded from <https://www.codot.gov/projects/sh62rampupridgway/schedule-map.pdf>

# APPENDIX A



## Artists at work

With affordable space to live and work, our resident artists can unleash their creativity



## Lively neighborhoods

Our projects spur economic activity and dynamic street life in the area.



## Sustainable solutions

Our projects provide long-term affordable space without ongoing fundraising.

## ABOUT ARTSPACE

Established in 1979 to serve as an advocate for artists' space needs, Artspace effectively fulfilled that mission for nearly a decade. By the late 1980's, however, it was clear that the problem required a more proactive approach, and Artspace made the leap from advocate to developer. Since then, the scope of Artspace's activities has grown dramatically. Artspace is now a national leader in the field of developing affordable space that meets the needs of artists through the adaptive reuse of historic buildings and new construction.

Artspace's first three live/work projects were in Saint Paul: the Northern Warehouse Artists' Cooperative (1990), Frogtown Family Lofts (1992), and Tilsner Artists' Cooperative (1993). In the mid-1990s, Artspace broadened its mission to include non-residential projects. The first of these, The Traffic Zone Center for Visual Art (1995), transformed an historic bakery in the Minneapolis Warehouse district into 24 studios for mid-career artists.

Since then, Artspace has expanded its range of activities to include projects in operation or development in more than 20 states across the nation. In all, these projects represent nearly 2,000 live/work units and millions of square feet of non-residential community and commercial space. Artspace has evolved from a Minnesota organization with a few national projects into a truly national organization based in the Twin Cities, with offices in New York, Los Angeles, Seattle, New Orleans, and Washington D.C.

Artspace programs fall in three broad categories: Property Development, Asset Management, and Consulting Services.



## Property Development

Development projects, which typically involve the adaptive reuse of older buildings, but can also involve new construction, are the most visible of Artspace's activities. To date, we have completed more than 40 major projects. A dozen more are under construction or in the development pipeline. Artspace live/work projects are operating from coast to coast.

## Asset Management

Artspace owns or co-owns all of the buildings it develops; our portfolio now comprises more than \$600 million worth of real property. We strive to manage our properties so that they will be well-maintained, yet remain affordable to the low- and moderate-income artists for whom they were developed in the first place. Revenues in excess of expenses are set aside for preventive maintenance, commons area improvements and building upgrades.

## Consulting Services

In addition to its roles as developer, owner, and manager, Artspace acts 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, often within the context of historic preservation.



# APPENDIX B



## THE PATH OF AN ARTSPACE PROJECT

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 feasibility studies, 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	
<b>Overview</b>	<ul style="list-style-type: none"><li>• <b>Information Gathering and Outreach</b></li></ul>
<b>Primary Activities</b>	<ul style="list-style-type: none"><li>• Meet with artists, civic leaders, and other stakeholders</li><li>• Conduct public meeting to introduce Artspace and solicit feedback</li><li>• Tour candidate buildings and/or sites</li><li>• Conduct extended outreach as needed to ensure that people from underrepresented communities are included in the process</li></ul>
<b>Deliverables</b>	<ul style="list-style-type: none"><li>• Written report with recommendations for next steps</li></ul>
<b>Prerequisites for Moving Forward</b>	<ul style="list-style-type: none"><li>• Demonstrated support from local leadership</li><li>• Critical mass of artists and arts organizations with space needs</li><li>• Established base of financial support</li></ul>
<b>Time frame</b>	<ul style="list-style-type: none"><li>• 3-5 months, kicked off by a 2-day visit</li></ul>
<b>Cost</b>	<ul style="list-style-type: none"><li>• \$20,000</li></ul>

## STEP 2: ARTS MARKET SURVEY

<b>Overview</b>	<ul style="list-style-type: none"> <li>• <b>Assessing the Need</b></li> </ul>
<b>Primary Activities</b>	<ul style="list-style-type: none"> <li>• Assemble a comprehensive list of artists (and arts organizations, if applicable) in the area</li> <li>• Reach out to artists and creative organizations from diverse arts disciplines, ages, ethnic backgrounds, etc., asking them about their space needs</li> <li>• Conduct a public meeting to launch the survey and educate the community about the project</li> <li>• Analyze and report on survey findings</li> </ul>
<b>Deliverables</b>	<ul style="list-style-type: none"> <li>• Written report with recommendations for next steps</li> </ul>
<b>Prerequisites for Moving Forward</b>	<ul style="list-style-type: none"> <li>• Sufficient number of responses from eligible, interested artists to support an Artspace live/work project</li> </ul>
<b>Time frame</b>	<ul style="list-style-type: none"> <li>• 4-6 months</li> </ul>
<b>Cost</b>	<ul style="list-style-type: none"> <li>• \$30,000 (artists only) or \$42,500 (artists and arts organizations)</li> </ul>

## STEP 3: PREDEVELOPMENT I

<b>Overview</b>	<ul style="list-style-type: none"> <li>• <b>Determining Project Location and Size</b></li> </ul>
<b>Primary Activities</b>	<ul style="list-style-type: none"> <li>• Work with City and other stakeholders to establish (a) preliminary project scope and (b) space development program for evaluating building and site capacity</li> <li>• Analyze candidate buildings/sites with respect to cost, availability, and other factors impacting their ability to address development program goals</li> <li>• Review existing information about potential site(s) to identify key legal, environmental, physical, and financial issues affecting their suitability</li> <li>• Negotiate with property owners with goal of obtaining site control agreement</li> <li>• Continue outreach to artists and arts organizations</li> <li>• Connect with potential creative community partners and commercial tenants</li> </ul>
<b>Deliverables</b>	<ul style="list-style-type: none"> <li>• Confirmation of development space program and goals</li> <li>• Assessment of site suitability and identification of any contingent conditions to be resolved through continued due diligence</li> <li>• Site control agreement or update regarding status of site control negotiations</li> <li>• Summary of project status</li> </ul>
<b>Prerequisites for Moving Forward</b>	<ul style="list-style-type: none"> <li>• Site control agreement with property owner</li> <li>• Growing stakeholder/leadership group</li> <li>• Both parties' agreement on project scope and feasibility</li> </ul>
<b>Time frame</b>	<ul style="list-style-type: none"> <li>• 3-6 months</li> </ul>
<b>Cost</b>	<ul style="list-style-type: none"> <li>• \$150,000</li> </ul>

## STEP 4: PREDEVELOPMENT II

<b>Overview</b>	<ul style="list-style-type: none"> <li>• <b>Project Design and Financial Modeling</b></li> </ul>
<b>Primary Activities</b>	<ul style="list-style-type: none"> <li>• With City participation, establish process for selecting architectural team</li> <li>• Confirm development goals and space program with architectural team</li> <li>• Engage architect to create conceptual plans and schematic designs</li> <li>• Engage contractor or cost consultant to provide pre-construction services</li> <li>• Resolve any contingent conditions relating to site control</li> <li>• Create capital and operating budgets</li> <li>• Obtain proposals and/or letters of interest from lender and equity investor financing partners</li> <li>• Prepare and submit Low Income Housing Tax Credit application</li> <li>• Submit other financing applications as applicable</li> <li>• Maintain excitement for the project within the creative community</li> <li>• Encourage and guide local artists to activate the site with arts activities</li> </ul>
<b>Deliverables</b>	<ul style="list-style-type: none"> <li>• Schematic designs</li> <li>• Financial pro-forma detailing capital and operating budgets</li> <li>• Preliminary proposals and letters of interest for project mortgage and equity financing</li> <li>• Summary of project status</li> </ul>
<b>Prerequisites for Moving Forward</b>	<ul style="list-style-type: none"> <li>• Award of Low Income Housing Tax Credits (first or second application) or commitment of alternative funding</li> </ul>
<b>Time frame</b>	<ul style="list-style-type: none"> <li>• 10-13 months</li> </ul>
<b>Cost</b>	<ul style="list-style-type: none"> <li>• \$300,000+</li> </ul>

## STEP 5: PREDEVELOPMENT III

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

## STEP 6: CONSTRUCTION

<b>Overview</b>	<ul style="list-style-type: none"> <li>• <b>Construction and Lease-up</b></li> </ul>
<b>Primary Activities</b>	<ul style="list-style-type: none"> <li>• Oversee project construction</li> <li>• Engage local management company</li> <li>• Identify commercial tenants and sign lease agreements</li> <li>• Reach out to potential artist tenants, providing education on the application process</li> <li>• Conduct residential tenant selection process</li> </ul>
<b>Deliverables</b>	<ul style="list-style-type: none"> <li>• Completed project ready for occupancy</li> </ul>
<b>Time frame</b>	<ul style="list-style-type: none"> <li>• 6-10 months</li> </ul>
<b>Cost</b>	<ul style="list-style-type: none"> <li>• Depends on project (not part of predevelopment contract)</li> </ul>