



The Arts Alliance 1100 North Main Street Suite 106B Ann Arbor, MI 48104 www.A3Arts.org

# With support from:









# **Washtenaw County Creative Center**

# **Assessment Report**

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# **Executive Summary**

The Arts Alliance is a leader championing, supporting and advocating for the Arts and Creative Industries in Washtenaw County, MI —arts and creative individuals, organizations and businesses—to ensure that the greater Ann Arbor region remains a great place to create, live, work, learn, play and visit. As a membership organization, The Arts Alliance serves to:

Facilitate explore issues, conduct research, foster and administer creative

initiatives.

**Advocate** vocalize the creative sector's impact on quality of life and place in

Washtenaw County.

**Communicate** promote creative sector programs and collaborative initiatives.

**Educate** encourage life-long creative learning programs for local residents and

creative practitioners.

**Celebrate** trumpet the triumphs of the creative sector.

In keeping with its mission to educate, facilitate and communicate, The Arts Alliance has commissioned a Creative Center Assessment to determine if a thriving Creative Center Center in Washtenaw County, MI can be established and sustained for the long-term benefit of the creative sector and community at-large. This assessment has been generously funded by the Washtenaw County government, under ACT 88 Local Economic Development, as part of its mission to foster economic growth in the county.

# Why is an Assessment Needed?

Washtenaw County, MI has long been known for its arts and cultural offerings. Its active creative and artistic scene is frequently touted as one of the key reasons people like to live, work, locate businesses in and visit the region. Despite this history and acknowledgement, there are frequently voiced concerns by the creative community regarding the absence of affordable, functional spaces in which to work, create, share ideas, meet the public, promote products and services, and grow creative businesses. The lack of studio spaces and/or artist collectives is repeatedly given as a primary reason that creative individuals are choosing to leave Washtenaw County. These concerns are echoed by local foundations, businesses and governmental agencies that worry whether this "creative drain" is directly impacting Washtenaw County's creative vitality, and in turn, a loss of economic dynamism and community identity.

In the past decades, several artist havens have opened and closed in Washtenaw County. It is important to highlight that these closings were not always due to a lack of community involvement or to economic failures, but mostly to the fact that the studios spaces were

gradually converted into real estate and investment projects. One was the Ann Arbor's Tech Center, which offered over 50 individual studios from the 1980s to 2003. The Tech Center had a fire that closed it and the building was eventually demolished. Another artists' site was SPUR, which provided 29 individual low-rent studios to artists ranging from musicians to visual artists since 2009. SPUR was fully rented shortly after its opening, supporting the theory of high demand for such spaces in Washtenaw County. Following the death of the building's owner, the property was sold to a developer. The disappearance of these two spaces has often been cited anecdotally as one of the reasons artists and creative individuals have scattered and/or left the county:

The closing of SPUR in Ypsilanti in the summer of 2015 was a particularly hard blow for the creative community of the eastern side of Washtenaw County.

Artists and creatives testify to the importance of benefiting from such collaborative spaces. Talking about the closing of SPUR to journalist Patrick Dunn for *Concentrate*, Ypsilanti musician Shelley Salant said, "just having access to that space for a very reasonable price has been really important. There's nowhere else like that around here. There's really not." Ypsilanti Township artist Cre Fuller further insists that, "it definitely was instrumental in helping me kind of find myself artistically and having that break from my home. And I just felt really cool being part of that crew. I felt creatively invigorated. On days when it was hopping, it was an amazing thing to be a part of."

# Methodology

The Creative Center Assessment was designed to determine if a thriving Creative Center Center in Washtenaw County, MI could be established and sustained for the long-term benefit of the area's creative sector and the community at-large. Could it have a positive economic impact on the county's eastern side that is identified as economically challenged?

Several questions motivated the research that has been undertaken in this report:

- What are creative cooperatives and what purposes might they serve?
- Is there support in Washtenaw County for such an effort?
- What has been the experience in other parts of the country?
- What might a creative cooperative in Washtenaw County look like?

The Arts Alliance modeled its approach using the Creative Placemaking Toolbox developed by ArtScape, a Toronto-based not-for-profit urban development organization that makes space for creativity and transforms communities in Canada and the United States. Since 1986, its work has involved clustering creative people together in real estate projects that serve the needs of the arts and cultural community and advance multiple public policy objectives, private development interests, community and neighborhood aspirations and philanthropic missions.

With more than 25 years of experience, "ArtScape has learned that creative placemaking is a challenging process that requires out-of-the-box thinking, unique partnerships and a collaborative approach to development. ArtScape's model provides "platforms for collaboration," designed, tenanted and managed to encourage and support multidisciplinary and cross-sector dialogue and collaboration, both within and between tenant communities and the wider local community.

Using this platform for collaboration, the Creative Center Assessment includes the following components:

- Prepare, distribute and collect a Request for Expressions of Interest (REOI); a briefing document to be used as a tool to stimulate and assess interest from the creative sector and broader community in one or more Creative Centers in Washtenaw County.
- Conduct focus groups and interviews with a wide range of creative sector individuals and organizations to identify challenges, space desires, equipment and support needs.
- Compile an inventory and assessment of current spaces to get a sample of spaces available to creatives and the space owner challenges for sustaining their space.
- Using case studies, identify models for developing and sustaining creative centers.
- Identify potential revenue sources for developing Creative Center space.
- Develop preliminary space projections and cost/revenue estimates for example sites in the county to assess startup costs and operational sustainability of different sites and buildings.
- Secure review of the report by a key group of creative sector and local government stakeholders to gauge their interest in developing additional space in the County.

# **Recommendations and Next Steps**

The data and analysis in this report indicate a high level of support for establishing a creative center here in Washtenaw County. Individual responses from the Request for Expression of Interest (REOI) survey and from participants in two focus groups are very supportive. Included in the research is a review of 10 centers in similar communities across the countries that provide models for how a center might operate and a list of factors critical to the success of such efforts.

Washtenaw County has several Creative Center spaces currently in operation. The Report

identifies 18 spaces in the population centers of Ann Arbor, Chelsea, Saline and Ypsilanti. In the past decades, several artist havens have opened and closed in Washtenaw County. Space challenges include securing a large "black box" theater space, raising capital for studio spaces, navigating local regulatory requirements and making enough money to sustain operations.

In addition to creating and sustaining work spaces, assistance with a broad range of supportive services would benefit the growth of the creative industry in Washtenaw County. Participants identified the need for what often are referred to as back office functions and support, such as copiers and related office equipment and business services like accounting, legal and bookkeeping.

To meet the need for creative spaces and supportive services, this report recommends that a Creative Center be established in Washtenaw County. A Creative Center is a venue and/or organization providing opportunities and developmental assistance for artists and creatives to produce, perform and/or market creative products. This Center can be an entity providing a physical creative space, supportive services, or a way to coordinate among existing spaces and resources.

Specific recommendations to establish a Creative Center in Washtenaw County include:

- Identify and fund an entity whose mission is to provide supportive services to the creative industry in Washtenaw County; and
- Identify and fund an entity charged with creating and managing a "Campus" of creative spaces including maintaining a web-based list spaces and developing partnerships with schools, businesses and nonprofit organizations to secure spaces for creatives.
- Encourage Washtenaw County, with its economic and community development charge to work with The Arts Alliance to act on the recommendations in this report.

Creative Center services can be provided through a variety of entities including membership organizations, government departments and economic agencies. It is important to note that the successful case studies explicitly stated, "Artists are our priority, not a side business." In the Arlington, VA, for example, a local government department was formed to provide these supportive services to the creative industry and has an annual budget of over \$2 million.

This report and its recommendations have been validated by the creative community at large. This report should be presented to the Arts Alliance (as the report sponsor) and Washtenaw County (as the report funder). It has been over ten years since the needs of the creative sector were outlined in the Washtenaw County Cultural Master Plan and the economic impact of the creative sector is substantial in Washtenaw County. As leaders in the creative arts and economic development, The Arts Alliance and Washtenaw County should hold a joint meeting to discuss and act on the recommendations contained herein.

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# **Economic Impact of the Creative Industry**

The Creative Sector includes a wide range of occupations in Washtenaw County consisting of 14 industry sectors, identified below. The economic impact of these industries includes:

- Regional Economic Vitality
- Job Creation
- Workforce Development
- Visitor Spending
- Local Government Revenue

### TABLE 1: ARTS AND CREATIVE INDUSTRY DISCIPLINES

Source: The Annual Arts and Creative Industries Guide 2017, The Arts Alliance.

**Advertising** 

**Architecture** 

Arts Schools, Art Teachers, Artists and Agents

Creative Technology: App Design, Game Design, Web Design etc.

**Cultural and Heritage** 

Design: Game, Graphic, Industrial,

**Interior, Visual** 

Fashion, Garment and Textile

Film, Audio Visual and Broadcasting

**Literary Publishing and Print** 

**Music and Recording** 

Museums: Arts, Cultural, Heritage,

History, Science

**Science and Nature Centers** 

Performing Arts: Dance, Music, Interdisciplinary, Theater etc.

Visual Arts and Crafts: Photography, Painting, Sculpting, Drawing etc.

**Regional Economic Vitality:** According to Americans for the Arts, "arts businesses and creative employees stimulate innovation, strengthen the region's competitiveness in the global marketplace, and play an important role in building and sustaining economic vibrancy."

**Job Creation:** Employment in the creative industries includes companies (establishments) and individuals engaged in employment in the creative arts (shown as non-employer establishments). The creative sector represents 7.6% of all Washtenaw County jobs as measured by U.S. Bureau of Labor Statistics Data.

# **TABLE 2: EMPLOYMENT IN CREATIVE INDUSTRIES IN WASHTENAW COUNTY**

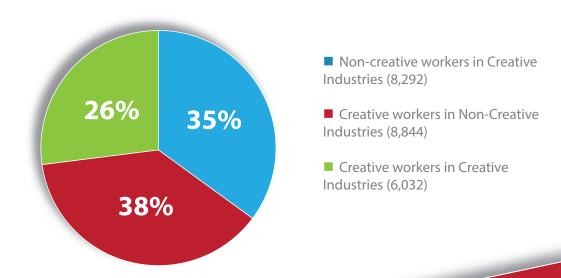
Source: U.S. Bureau of Labor Statistics, Creative State Michigan 2016 Report.

Year	Establishments	Employment	Wages	Nonemployer Establishments
2011	535	6,408	\$347,905,541	5,290
2012	506	6,479	\$356,808,168	5,428
2013	494	6,276	\$363,954,107	5,447
2014	479	6,436	\$390,387,057	N/A

While this table shows over 6,000 jobs in the creative industries, there is a substantial multiplier effect on employment in this sector. Graphic 1 below shows econometric modelling results for Washtenaw County. With over 6,000 creative workers working in creative industries, there are over 8,000 additional jobs provided for non-creative workers in the creative industry.

# **GRAPHIC 1: CREATIVE EMPLOYMENT IN WASHTENAW COUNTY**

Source: Economic Modeling Specialists Inc, Creative State Michigan 2016 Report.



**Visitor Spending and Local Government Revenue:** According to the Ann Arbor Area Convention and Visitors Bureau, the region attracts 5.6 million visitors annually. In a recent AAA/ CVB survey, visitors indicated that arts & cultural programs, events and festivals are the No. 2 reason they travel to Washtenaw County.

# **TABLE 3: REASONS FOR VISITING WASHTENAW COUNTY**

Source: Ann Arbor Area Convention and Visitors Bureau

Main Reason for Visiting Washtenaw County	Total
Visit with family/friends	30%
Festival/Events/Arts/Culture/Performing Arts	20%
Sporting Event	11%
Shopping	7%
Dining	6%
University of Michigan business/conf./mtg.	5%
University of Michigan Medical Center	3%
Non-university affiliated business/conf./mtg.	2%

According to a 2014 Assessment by the Ann Arbor Community Foundation, more than 1.78 million people attend arts & cultural events in Washtenaw County annually. About half of those attending events are non-residents of the county.

# TABLE 4: IMPACTS OF ARTS AND CULTURAL EVENTS ON WASHTENAW COUNTY

Source: 2016 Arts and Economic Prosperity Survey Report of the Greater Ann Arbor Area Americans for the Arts, commissioned by the Ann Arbor Area Community Foundation

Attendance to Arts & Cultural Events	1,784,378 annually (32.6% non-resident)
Event related spending	\$50,031,630 annually
Local government revenue	\$2,786,000 annually

# **Creative Sector Needs**

# **Request for Expressions of Interest**

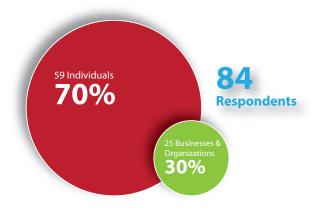
From Feb. 15 to March 11, 2016, The Arts Alliance conducted an online Request for Expression of Interest (REOI) open to all interested parties regarding the need for and the potential use and support of a Creative Center in Washtenaw County. The complete summary of the REOI is attached as Appendix I. Highlights of the REOI are as follows:

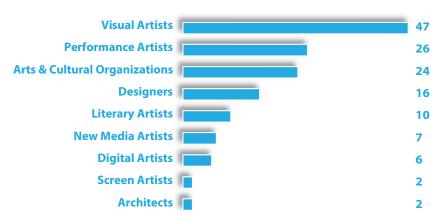
Eighty-four responses were received from businesses, organizations and individuals interested in a Creative Center (25 business and organizations, 59 individuals). A wide range of backgrounds and creative industries were represented by respondents:

- Visual Artists
- New Media Artists
- Digital Arts

- Designers
- Literary Artists
- Performance Artists

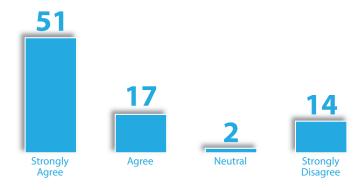
- Screen Artists
- Architects
- Arts and Cultural Organizations



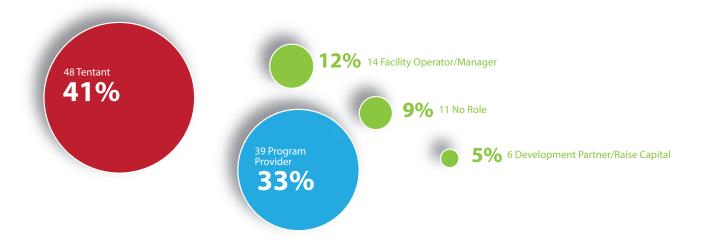


- 80% of the respondents agree that a Creative Cooperative is important to Washtenaw County
- 99% of the respondents said a Creative Cooperative is personally or organizationally important
- 41% are interested in being a paying tenant
- 33% are interested in providing programing
- 12% were interested in operating or managing a Creative Cooperative
- 5% were interested in developing or raising capital for a Creative Cooperative

# I believe a Creative Cooperative is important to Washtenaw County. 84 total responses.



# In what role are you interested in?



# **Focus Groups**

A second research design was employed to delve deeper into a set of questions of key stakeholders on the potential for a Creative Center in Washtenaw County. Invitations were sent to a number of respondents to the REOI survey to attend one of two focus groups scheduled in late August and early September. The narrative below indicates the type of participants who were engaged in the discussion, and provides a summary of the key themes that emerged from the two small groups. The complete report of the two focus groups is included as *Appendix B*.

Disciplines/Practices of those in attendance:



- Acrobatic Acting Coach
- Activism
- Architecture
- Artist
- · Arts Administration
- Arts in Health Program
- Business Coach Collaboration
- Communications Coordinator
- Community Engagement
- Creative Business
- Dance / Dancer
- Data
- Designer
- Entrepreneur
- Festivals
- Figure drawing/sculpture
- Film and Video

- Gallery
- Gardening
- Glass Artist
- Hypnotic Therapy
- Jewelry design
- Literary
- Medical Illustration
- Museum Design
- Musical Therapy
- Professional Development for artists
- Performance Artist
- Photography
- Singing Sound Studio
- Studio (Visual) Artist
- Teaching
- Writing
- Yoga

A variety of challenges were identified by participants in the two focus groups, ranging from marketing, funding, access to space and resources, the gap between the business world and the arts, high costs, affordability and sustainability, need for natural light, using buildings that have been re-purposed as opposed to those designed for creative space, among many others.

As one might expect from a group representative of the broad range of arts and creatives, participant space desires were also wide-ranging, from event spaces that can hold 5,000 people, with retail, gallery and bathrooms; commercial gallery space and space that can be used for rental (weddings or offices for architects or graphic designers); rehearsal, performance and storage spaces; clean secure space that is climate-controlled, has janitorial and safety services; and space that can accommodate material safety concerns and hazardous waste. In addition to the space needed for a variety of participants, they also noted the need for

what often are referred to as back-office functions and support, such as copiers and related office equipment and business services like accounting, legal and bookkeeping. Participants emphasized the need for collaboration among artists and creatives but also with the university, school and business community, offering examples of the positive results of such collaboration.

Finally, participants noted the potential for such a Creative Center, particularly on the east side of the county, given the lower costs of space.

# TABLE 5: CREATIVE SECTOR NEEDS IN WASHTENAW COUNTY

Space Needs/Wants	Equipment Needs/Wants
Commercial gallery space Rehearsal, performance and storage spaces Clean secure space that is climate-controlled, has janitorial and safety services Set, costume, prop shop spaces Space that can accommodate material safety concerns and hazardous waste. Event spaces that can hold many people, with retail, gallery and bathrooms Space that can be used for rental (weddings or offices for architects or graphic designers)	Makers space Microwave, refrigerator  Musical microphones, instrument, amps tools  Projector PA system  Exhibit space Internet, printers  Chairs, tables Kilns for glasswork  Recording studio Gas lines equipment Staging tables  Exhibit support Easels  Kiln, pug mill, slab roller  Pottery wheels Dark room  Stage, drinking fountains  Microwave, refrigerator  Woodworking power tools  Fasystem  Exhibit space Internet, printers  Kilns for glasswork  Easels Lighting  Dark room  Laser cutting equipment
Service Needs	Other Needs
Fundraising/capital advice Business/entrepreneurial advice Communication/marketing/public relations Legal assistance Accounting/bookkeeping Order management/fulfillment Skill classes	Finding spaces Leasing assistance Small business loans Grant application assistance Grant fiduciary Regulatory requirement assistance

# **Creative Center Work Space**

# **What are Creative Centers?**

Creative Center is the name given to organizations, among them public, private and nonprofit entities, which provide opportunities for artists/creatives (again a term that is used throughout) to produce or perform creative products and services. Using the analogy of the popular business incubator model, Linda Essig (2015), director of Enterprise and Entrepreneurship Programs for the Herberger Institute for Design and the Arts at Arizona State University, defines arts incubators as "organizations or programs that provide some form of developmental assistance (i.e. a "platform," the scope of which varies) to artists, arts organizations, or creative enterprises in early stages of development or change and call themselves or are called by others "arts incubators." She goes on to say that, "In the United States, an arts incubator may be a program of a local or state arts agency; it may be a nonprofit organization (or 'NGO'); it may be a commercial facility from which creative enterprises are launched; or it might be a hybrid thereof."

# **Types of Creative Centers**

Creative Centers serve a range of purposes, which also indicate the kind of facility, financing and operation required. And, there are several different types or kinds of Creative Centers. Each type or kind imposes certain constraints or demands, which include type of facilities or space needs or level of financing. They are listed below, with alternative names used at times, and thoughts on demands.

# Working space for artists/creatives to do their thing, shared-performance or sharedwork space

A facility of some kind serves this purpose, and obviously shared equipment and space can vary depending on the focus of the creatives to be served.

# Exhibition and/or Retail space for individuals to exhibit and perhaps sell their artistic/creative products, shared-gallery/retail space

The facility must have parking and be in a location that drives traffic, and sufficient space for exhibiting and selling the products of the creative.

Residential space for artists/creatives to live while doing their thing

Live-work spaces in the jargon, which implies a bigger residential facility in addition to the shared creative or performance space.

### An incubator for launching artists/creatives as thriving enterprises

A space or facility but with supportive services for tenants such as "back-office" functions, training, shared equipment.

## An economic or community development driver

Given the county grant, this may be one of the project goals; given the emerging emphasis on "placemaking," such creative centers can play important roles in driving redevelopment.

# Reuse of an existing obsolete building or brownfield development

The facility selected is often in an area of redevelopment; the term "creative place-making" has also been used to reflect this emphasis.

These varied types are not mutually exclusive; for example, the shared equipment and back-office services provided by a typical incubator can be available in the shared space for artists, retail space or live-work space. This can mean copiers and meeting space for entrepreneurs but for artists it can mean sprung floor, rehearsal rooms, pianos, ceramic or glass kilns, woodworking equipment or looms and so on. The type being considered determines the kind and location of space sought, and obviously impacts the level of financing needed.

# **Models of Creative Centers**

Four different models or approaches to establishing a creative work space are evident from the literature. The first relates to the type or *purpose of the entity*; live-work space or shared creative or work space. This is an important distinction since it determines the upfront capital costs needed to support a creative center—obviously residential development will cost more and requires a larger facility.

A second model relates to the *type of supporting organization* that operates the Creative Center. Most creative centers are operated by nonprofit or governmental organizations, the primary mechanisms for supporting Creative Centers. There are a small number of private sector or commercial facilities that provide space for creatives. Those creative centers operated under the auspices of a governmental entity--a department of local government for example--typically involve some type of subsidy. Governmental and/or foundation and corporate support also is evident where nonprofit entities are the supporting organizations.

Still, a third model reflects the function or role of the supporting organization. In many cases,

the Creative Centers provide services directly to artists; for example, making gallery space available for artists or directly providing live-work spaces. An alternative approach to this direct service model evident in some areas is what might be called a creative industry support role. In this model, the supporting entity, normally a governmental or nonprofit entity, serves to link creatives with services or spaces that might be available in the larger community. This is in part a broker or clearinghouse role that seeks to minimize the demands on the Creative Center and at the same time, takes advantage of available community resources. The key here is linking supply with demand rather than directly providing resources to meet demand.

A final model, and one that is more evident in examination of recent cases, reflects the **connection between creative community efforts and larger economic development initiatives.** In some cases, Creative Centers are separate governmental department or entities or non-profit organizations, as suggested above in the second model. What is more evident now is the linkage between creative community efforts and broader economic development efforts, reflecting a greater understanding of the impact of creatives, broadly defined, in supporting local or regional economic development. In such circumstances, the Creative Center becomes a division of a regional economic development agency, drawing on a broader set of resources to meet the needs of creatives near and far.

Creative cooperatives, no matter the model, have multiple roles and potential impacts, including:

- Reuse of obsolete facilities.
- Repurposing existing underutilized facilities.
- Drivers of community and economic development.
- Engaging creative individuals and groups across the community.
- Providers of shared equipment and facilities.
- Utilizing office space for other uses, mixed purpose locations.
- Offering residential space for creatives.
- Gallery or presentation space as well as retail space.

The models as presented above are also not mutually exclusive; an entity providing direct services might provide gallery space for sales of artists' works, but in a support role, might also identify existing spaces that could be used for a similar purpose. Brokers might also be able to identify spaces in the community that might be available for rent for creative work or even live-work space. And, economic development agencies can also recruit creatives from other areas by indicating the resources that are available in the community to support such efforts.

# What are Factors for Success?

Regardless of the type of creative space, there are several factors that determine their success.

- 1. A nascent arts and creative culture exists in the community in which the Creative Center emerged. The existing Art League in Alexandria suggested the reuse of the Torpedo Factory as an Arts Center, and Art City in Ventura was a key player in the emergence of the Working Artists Ventura. A businessman who owned a print shop and had roots in the arts community in Washington state was behind the development of Mighty Tieton. In Milwaukee, the Milwaukee Artist Resource Network (MARN) emerged after the establishment of Bucketworks and provided continuing support for the entity as it transitioned from The School Factory operation.
- 2. Governmental entity(ies), particularly at the local level, to play a key role in developing, supporting and in many cases, subsidizing the establishment and/or operation of a creative center. The WAV in Ventura, for example, was sponsored by the city; city officials in Dearborn took the initiative in inviting Artscape to support the lofts project; Toronto elected officials were instrumental in the establishment of the two neighborhood projects in that city; and city officials were the driving force behind the Torpedo Factory in Alexandria. This suggests the importance of local governmental leadership and support in launching a Creative Center.
- 3. Leadership from a person, organization or municipality to develop, plan and bring the Creative Center(s) to fruition. That is evident in almost every one of the entities studied. In a similar vein, several of the entities have benefited from an alliance with one of the three consulting groups that have emerged over the past two decades to assist communities in establishing Creative Centers: Artscape, Artspace and the School Factory.
- 4. Most are operated long-term through public/private partnerships nonprofit and governmental agencies are the primary mechanisms for supporting Creative Centers. There are a small number of private sector or commercial facilities that provide space for creative.
- 5. Combined earned/contributed revenue sources for sustainability.
  - Creating partnerships with local universities, school districts and the business community to recruit volunteers and interns to support creative efforts.
  - Membership fees paid by those creatives that might wish to utilize such services.

- Asking peer members with needed skills to provide training and assistance to other members
- Government funding and in-kind services

# **How are Creative Centers financed?**

Almost all the case organizations reviewed sought to operate on a cost-recovery basis, that is, recouping both investment and operating costs through fees or charges. However, in almost every case, especially those involving live-work space, significant capital investment was involved. For example, the Harvester project involved total development costs of \$11.2 million; Artscape Wychwood Barns required \$23 million in capital support to redevelop the property; and the businessman who established Mighty Tieton committed \$4-5 million on the purchase of the buildings that eventually housed the operation of the creative center. While no dollar amount is listed for Dearborn's Old City Hall project, the list of funders and sources suggests it was significant.

# **Creative Industry Support Model**

In reviewing the case studies, it became apparent that in addition to creating new spaces for creatives, assistance with a broad range of supportive services would benefit the growth of the creative industry in Washtenaw County. Indeed, these support services were identified by focus group participants as especially important: participants "noted the need for what often are referred to as **back office functions and support**, such as copiers and related office equipment and business services like accounting, legal and bookkeeping."

Examples of supportive services found in the case studies include:

## **Finding Spaces and Equipment**

- Creating and maintaining a web-based self-help tool to list and find spaces and equipment.
- Developing partnerships with schools, businesses and nonprofit organizations to secure studio, gallery and performance spaces (rent-free facilities in many instances).
- Collaborating to reduce the rental costs of copiers and other office equipment.

### **Learning Business Skills**

 Recruiting a cadre of local experts to train and mentor creatives and space owners with business planning, marketing, legal, accounting, capital and local regulatory requirements. • Creating partnerships with local universities, school districts and the business community to recruit volunteers and interns to support creative efforts.

# **Raising Money**

- Assisting in finding and applying for local capital and grants and acting as an eligible fiscal agent for local, state and federal grants.
- Providing support for the necessary monitoring and record-keeping often required by governmental and foundation grants.

These services can be provided through a variety of entities including membership organizations, government departments and economic agencies. It is important to note that the successful case studies explicitly stated, "Artists are our priority, not a side business." In the Arlington, VA, for example, a local government department was formed to provide these supportive services to the creative industry and has an annual budget of over \$2 million.

The models of creative space, their benefits to the community, and the challenges they face are summarized in Table 6.

# Existing Creative Centers in Washtenaw County

Washtenaw County has several Creative Center spaces currently in operation. Research found 18 spaces in the population centers of Ann Arbor, Chelsea, Saline and Ypsilanti. It is worth noting that since the economic downturn of 2008, arts centers in Manchester and Milan, which could be classified as creative center spaces, have closed.

Spaces were placed in four categories: Visual, Performing, Visual/Performing, and Arts/Technology.

Examples of Visual Arts creative center spaces included several ceramic studios and galleries

ranging from the Sunday Artisan Market in Ann Arbor's Kerrytown neighborhood to Hello Moon in Ypsilanti and individual artist studios available at the Riverside Art Center or the Ypsi Alloy Studios. Visual Arts was the biggest category because of the large number of ceramic studios. Most of these studios had educational programs needing unique equipment such as pottery wheels and kilns.

Performing Arts creative center spaces included both rehearsal and performance spaces. Often these operations also had storage space, shared PA systems, theatrical lighting, tables and audience seating. Access to parking was of particular importance to this category.

The Riverside Art Center (RAC) was the only space in our inventory in the Visual/Performing category. The RAC facility includes a 115-seat theater, individual artist studio, a dance studio and an arts gallery. The RAC supports both performing arts groups such as PTD Productions and area visual artists such as the bi-annual DIY Craft Fair – DIYpsi.

The Arts/Technology category includes space for both creative entrepreneurs and makers. Many of these spaces have programs that use arts and creative expression to develop skills in problem solving and innovation. Maker Works was included in this category and was unique in its financial model. The owner/operator capitalized the space himself and has since been covering costs by charging monthly membership fees paid by individuals, businesses and organizations that use the space and specialized equipment.

But the balance of these creative center spaces are not member organizations and instead cover their costs through educational programs where students pay a fee for classes, or space is rented by the square foot. Price per square foot varies between \$150 and \$275 within our inventory. Studio sizes also fluctuated greatly with 80 square feet being the smallest noted in this inventory.

Additional data on these spaces can be found in **Appendix C** of this study.

# TABLE 6: CASE STUDY MODELS - BENEFITS AND CHALLENGES

Live Work Space	Creative Centers & Shared Spaces	Creative Industry Support
Benefits		
Provides much-needed work space.  May provide residential space for creatives who so desire  Helps creative afford to live in the county.  Potential for re-use of obsolete property – helping others redevelop properties for creative sector by lining up tenants.  Potential to occupy vacant storefronts in challenged downtowns; helping others develop spaces by lining up tenants.	Provides much needed work space.  Potential for re-use of obsolete property; helping others redevelop properties for creative sector by lining up tenants.  Potential to occupy vacant storefronts in challenged downtowns - helping others develop spaces by lining up tenants.  Avoids significant financial commitment for residential space.	Provides much needed work space by:  • helping to rent up space in existing facilities (private, schools, music halls etc.)  • attracting and lining up tenants for new private facilities  Potential for re-use of obsolete property; helping others redevelop properties for creative sector by lining up tenants.  Potential to occupy vacant storefronts in challenged downtowns - helping others develop spaces by lining up tenants.  Provides a customized menu of facilities, services, funding and other resources.
Challenges		
Requires a private developer with capital and expertise in residential development and management.  High capital cost for facility acquisition and development.  Requires substantial governmental support – upfront capital and subsidizing annual operations.	Demand for a wide range of facility types and equipment; difficult to decipher what type of space to develop.  Numerous private spaces being developed – another facility could be viewed as competing for the space and operational revenues.	Needs a creative sector organization/ coalition in place with strong network and working relationships. May require some governmental operations support.

# Possible Creative Center Sites in Washtenaw County

# **Sample Sites and Cost and Revenue Estimates**

Four sites were chosen to prepare preliminary development budgets and operating costs for comparing the feasibility of developing a Creative Center in various parts of the county:

- Two downtown Ypsilanti sites were chosen as the Act 88 County Grant required an evaluation of sites that would bolster the revitalization of the Ypsilanti area.
- The Ann Arbor site is centrally located in the county.
- The Manchester site represents a smaller community and likewise would help revitalize the Manchester downtown that is experiencing higher vacancy rates.

The sites are examples only. This preliminary analysis can be used to evaluate other nearby sites if these buildings are not available in the future. See **Appendix E** for descriptions of criteria used in the analysis.

# TABLE 7: COMPARISON OF SAMPLE CREATIVE CENTERS SPACE SITES IN WASHTENAW COUNTY

	17 North Washington, Ypsilanti Downtown retail space	<b>218 North Adams, Ypsilanti</b> Vacant church	415 West Washington, Ann Arbor Vacant industrial building	201 East Main Street, Manchester Old mill building, downtown
Facility	18 studios	37 studios	37 studios	20 studios
Description and Potential	Exhibition space	Exhibition space	200 seat Theater	Exhibition space
roteittiai	Office	Office	Celebration venue	Retail
			Exhibition space	Coffee shop
			Offices	Two Apartments
				Office
Total sq. ft.	6,400	15,900	29,740	8,920
Start Up Cash	\$197,150	\$273,750	\$4.3 M	\$98,750
Annual Operating Profit (Loss)	(\$136,273)	(\$55,908)	break even	(\$27,300)



17 N. Washington, Ypsilanti

218 N. Adams, Ypsilanti

201 E. Main St., Manchester

415 W. Washington, Ann Arbor

In each example, start-up capital is needed for building improvements and equipment. Depending on the building, this capital can be as low as \$100,000 for the Manchester site or as high as \$4.3 million for the Ann Arbor site. This range is due to both the size and the condition of the buildings. The preliminary annual operating profits do not include the cost of loans for building improvements and equipment, which are assumed to be generated from other community and grant sources.

Owning space is more sustainable than renting space for a creative center in a downtown "main street" location. The revenue generated by the studios and galleries does not offset the higher per-square-foot lease payments.

Studio space operations can be subsidized by having other tenants occupy the building. In the Manchester example, revenues from the apartments, retail space and a small coffee shop allow this example of a creative center to run a very small deficit each year.

Owning space is more sustainable than renting space for a cooperative in a downtown "main street" location. The revenue generated by the studios and galleries does not offset the higher per-square-foot lease payments.

Studio space operations can be subsidized by having other tenants occupy the building. In the Manchester example, revenues from the apartments, retail space and a small coffee shop allow this example cooperative to run a very small deficit each year.

# Creative Center Funding and Financing Sources

The most successful models studied depended on a diversity of funding sources to secure long-term growth and sustainability. Large-scale projects were often contingent on generous support from local and regional government programs including grants, tax abatements and in-kind donations of both buildings and land. Engaged champions, both individuals with influence and/or organizations, led more often to successful fundraising initiatives.

Washtenaw County could be seen as well primed for this coalition building approach as the county already addresses social safety net funding needs through a nationally recognized unique Coordinated Funding approach, pooling resources from the local United Way, the Ann Arbor Area Community Foundation, a local healthcare system, the county and others. Many local cultural initiatives have started through similar public private partnerships. City of Ann Arbor-owned facilities, such as the Kempf House Museum and formerly the Michigan Theater, depend on support from separate nonprofit organizations that fundraise for renovation, operations and program development. Similar relationships exist between the City of Ypsilanti and the Riverside Arts Center. Other models such as the Leslie Science Center began with an individual donation of land and facilities later supported by both public and private funding.

Further examples of innovative collaborations include the Ann Arbor Hands-On Museum and the Leslie Science & Nature Center formally announcing plans to "combine as a united science, nature and environmental learning experience," notes Mel Drum, executive director of the AAHOM in May 2016. This administrative change will save on staffing and operational costs for both organizations while allowing them to remain distinct in name, purpose and identity. Yet another example is the shared resource model of The Arts Alliance and Artrain where these two nonprofit organizations share office space, staff and administrative leadership, while having two separate governing boards to oversee programmatic mission and strategic direction. Similar collaborative funding models could be applied to support the needs of a Creative Center Project.

# Public Funding for the Arts and Creative Industries (local, state and federal)

National statistics show that 7% of all investment in the arts and creative industries comes from government sources – 4% from local public sources.

# Public Investment: Arts & Creative Industries Nationally - Local, Regional and State

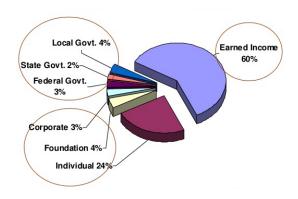
- Appropriations
- Sales Taxes
- Use Taxes
- Sin Taxes cigarette, alcohol, soda etc.
- Millage Taxes
- Hotel/Lodging/Accommodation Taxes
- Percent-for-Art Programs

### State of Michigan - State and Local

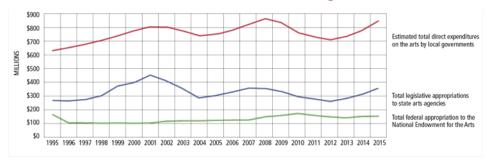
- Appropriations
- Regional Millages
- Accommodation Ordinances
- Percent-for-Art Programs

# Source of Revenue for Nonprofit Arts Organizations (Estimated)

Americans for the Arts



# Federal, State and Local Government Arts Funding, 1995 - 2015



### LOCAL PUBLIC FUNDING OPTIONS

The following are examples of possible public funding sources allowable by the State of Michigan and therefore, possible in Washtenaw County per the county itself or local jurisdictions. Neither example is in use for arts and creative industry facilities or venues.

### **Appropriations**

Every municipality in Washtenaw County, from the county itself to the cities and/or villages of Ann Arbor, Chelsea, Dexter, Manchester, Milan and Saline, plus the 21 other townships, has the authority to authorize money to be paid from the treasury to invest in support of arts and creativity programs and venues.

### **Accommodation Ordinance**

The Washtenaw County Accommodations Ordinance includes provisions for the financing of the acquisition, construction, improvement, enlargement, repair or maintenance of convention and entertainment facilities, including the payment of principal and interest, when due, on bonds or other evidence of indebtedness issued by the county for convention and entertainment facilities.

Per the originating Washtenaw County Accommodation Ordinance, "convention and entertainment facilities means all or any part, or any combination of, convention halls, auditoriums, stadiums, music halls, arenas, meeting rooms, exhibit areas and related public areas."

At this time, the Washtenaw County Board of Commissioners has not established entertainment facilities as an investment priority.

### **Property Tax Millage**

In Michigan, property taxes can be levied by authorities established within a county or multiple counties to manage, distribute and oversee the use of the expenditures. Voters must approve such a millage. Examples include:

- Arts, culture and creativity
  - County Art Institute Authority millage in Wayne, Oakland and Macomb counties.
  - Detroit Zoo millage levied in Wayne, Oakland and Macomb counties.
- Parks and Recreation
  - Parks Millage levied in Washtenaw County, established in 1972.
  - The Huron Clinton Metroparks millage levied in Livingston, Macomb, Oakland, Washtenaw and Wayne counties.

# **Local Tax Abatements**

Commercial Rehabilitation Tax Exemption (PA 210): Property tax abatement for a period of 1 to 10 years for owners of certain rehabilitated commercial facilities. The district has to be greater than three acres in size unless located inside a city designated downtown or business district. Qualifying buildings must be a multifamily or commercial building that is at least 15 years old.

Commercial Rehabilitation Tax Exemption certificates freeze the property at its pre-rehabilitated value, effectively allowing the rehabilitation to be property tax-free, with the exception of school-operating taxes. Land and most personal property are not eligible for a Commercial Rehabilitation tax exemption.

Obsolete Property Rehabilitation Act (PA 146) (Ann Arbor and Ypsilanti): Redevelopment of contaminated, blighted or functionally obsolete properties used for either commercial or commercial housing. This law allows Core Communities to "freeze" the taxable value of a structure (before improvements are made) for no less than one year and no longer than 12 years. OPRA Exemptions essentially allow property owners to rehabilitate their buildings property tax-free; with the exception of school taxes (the state may also decide to exempt one-half of the school millage for up to six years). This exemption requires a petition to the local government to create an OPRA district for each property on a case-by-case basis.

# **Local Grants (from federal funding sources)**

Community Development Block Grant Economic (CDBG) Development projects: This program can be used to support economic development projects such as blight elimination, façade improvements, downtown public infrastructure, and signature building acquisition. Funding is targeted toward low- and moderate-income areas, and is coordinated through the Urban County agreement for participating communities in Washtenaw County. Non-participating governments apply directly to the state of Michigan.

CDBG Section 108 Loans: Section 108 is the loan guarantee component of the Community Development Block Grant (CDBG) Program. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities and large-scale physical development projects. The Section 108 loan guarantee program allows local governments to transform a small portion of their CDBG funds into federally guaranteed loans large enough to pursue physical and economic revitalization projects capable of renewing entire neighborhoods.

### **Local Loans**

Washtenaw County Micro Loans: Loans up to \$50,000 in low-interest microloans to companies unable to obtain conventional financing.

### STATE OF MICHIGAN FUNDING OPTIONS

## **Michigan Council for Arts and Cultural Affairs (MCACA)**

Once in operation, a Creative Center could apply to several MCACA funding programs including support of operations, projects, retention & engagement, and education.

MCACA's Capital Improvements Program might be an excellent option for the end of any funding campaign as the program requires all funds to already be secured and to have the ability to complete the project within the yearlong cycle of the grant.

**Michigan Community Revitalization Program:** Grants, loans and other economic assistance for private investment projects located in areas of historical disinvestment, historic, blighted or functionally obsolete conditions in traditional downtowns. Up to \$10,000,000 (not to exceed 25% of the eligible investment) for flexible term and condition loans and grants. Projects must be in a downtown or commercial center.

**Patronicity:** Communities, non-profits and other business entities can submit projects by applying for a Patronicity crowdfunding online donation campaign. Projects meeting fundraising goals can receive a matching grant from MEDC of up to \$100,000. Public Spaces Community Places projects include: public plaza and green space development, access to public amenities, farmers markets, community kitchens, pop-up retail/incubator space, alley rehabilitation, or any other place based (or public space improvement) project.

### FEDERAL GOVERNMENT FUNDING OPTIONS

- Community Development Block Grants
- Department of Transportation
- Department of State Bureau of Education and Cultural Affairs
- Earmarks for Cultural Agencies & Institutions
- Corporation for National and Community Service
- Military Base Closing Redevelopment
- National Endowment for the Arts
- National Endowment for the Humanities
- Rural Development Loans, guarantees, and grants for cultural and educational facilities to governments and nonprofits within an area of less than 20,000 population. Only "essential facilities" are allowed (i.e., museums and libraries).
- Historic Preservation Tax Credits: A 20% federal tax credit to encourage owners to protect and restore the historic resources of the area. Applies to National Register-listed or NR-eligible properties/districts. Plans must first be approved at the state and federal level for credits. A 10% tax credit is available for rehabilitation of non-historic buildings and non-residential buildings built before 1936.

## PRIVATE FUNDING AND INVESTMENT OPTIONS

The following list of foundations and corporations supporting placemaking, arts entrepreneurship, business incubators and major regional capital projects in the cultural community. Although not an exhaustive list, this initial research indicates a breadth of prospective stakeholders.

# CREATIVE CENTER FUNDING AND FINANCING SOURCES

# **Local and National Private, Community and Corporate Foundations**

- ArtPlace America (ArtPlace)
- Austin Memorial Foundation
- Ann Arbor Area Community Foundation
- Coleman Foundation
- Community Foundation for SE Michigan
- DTE Energy Foundation
- Doris Duke Foundation
- Eugene & Emily Grant Family Foundation
- Ford Motor Company Fund
- Maxine and Stuart Frankel Foundation
- Kauffman Foundation
- Knight Cities Challenge
- Mellon Foundation
- Mullick Foundation
- National Association of Realtors
- Southwest Airlines
- Towsley Foundation
- Wallace Foundation
- William Davidson Foundation

# **Corporate Funders and Sponsors**

- Arbor Networks
- Bank of Ann Arbor
- Carlisle Wortman Associates
- Comerica Bank
- First Martin
- Key Bank
- Main Street Ventures
- Masco
- McKinley
- Miller Canfield
- Motawi Tileworks
- MLive Media Group
- Old National Bank
- Oxford Companies
- Real Estate One
- Retirement Income Solutions
- SESI Motors
- Stout Systems
- Upper Level Graphics

# RECOMMENDATIONS AND NEXT STEPS

This report states emphatically that there is a growing need and desire for Creative Centers in Washtenaw County.

The economic impact of the creative sector is substantial in Washtenaw County; it is a leader among Michigan counties in the diversity and number of art and creative industries and workers. This report delves much deeper into the challenges confronting creatives and provides concrete ways to grow the creative industry in the county.

The data and analysis in this report indicate a high level of support for establishing Creative Centers in Washtenaw County. Individual responses from the Request for Expression of Interest survey from participants in two focus groups and participants at the community report out meeting show a clear need for creative spaces and supportive services.

As demonstrated in the case examples, a Creative Center is a venue and/or organization providing opportunities and developmental assistance for artists and creatives to produce, perform and/or market creative products. This center can be an entity providing a physical creative space, supportive services, or a way to coordinate among existing spaces and resources. Based on the extensive research and focus group results, as well as the feedback and comments from 30 community stakeholders at the June 13, 2017 community Report Out! session, it is recommended that an entity within Washtenaw County be designated and funded to provide creative industry supportive services and increase the availability of creative spaces.

## Identified requirements for a sustainable Creative Center to develop and prosper:

- A nascent arts and creative culture exists in the community. ESTABLISHED
- 2. A local governmental entity to play a key role in developing, supporting and in many cases, subsidizing the establishment and/or operation of a creative center. **NEEDED**
- 3. Leadership from a person(s), organization or municipality to develop, plan and bring the Creative Center(s) to fruition. *IDENTIFIED*
- 4. A public/private partnership between nonprofit and a government agencies to support and manage the Creative Centers. *NEEDED*
- 5. A combined earned/contributed revenue plan for sustainability. NEEDED
  - Creating partnerships with local universities, school districts and the business commu-

nity to recruit volunteers and interns to support creative efforts.

- Membership fees paid by those creatives that might wish to utilize such services.
- Asking peer members with needed skills to provide training and assistance to other members
- Government funding and in-kind services

# **Creative Industry Support**

In reviewing the case studies and listening to focus group and stakeholder meeting participants, it became apparent that in addition to creating new work spaces, assistance with a broad range of supportive services would benefit the growth of the creative industry in Washtenaw County. Indeed, support services were identified by focus group participants as the greatest need to help them sustain their creative enterprises. Participants identified the need for what often are referred to as back office functions and support, such as copiers and related office equipment and business services like accounting, legal and bookkeeping.

There are several challenges for providing supportive services to creatives:

- While some of these services can be obtained through existing agencies (e.g., business
  planning can be provided by the Small Business Development Center and Society of Retired Executives, and some back office services can be obtained at the New Center), there
  is no easy way for creatives to know about these services and connect to them.
- Many of the services can only be obtained by hiring professionals and paying market rates for services (e.g., marketing, accounting and legal services).
- Some services like helping to find capital from grants, foundations and loans, for example, are very specialized to the creative sector and finding a local professional to assist in securing capital is a challenge.

# **Recommendation 1**

# Local public investment is required for a thriving arts and creative sector.

Arts and Creative Industries benefit and are valued by the Washtenaw County community. Growing and sustaining the arts and creative industries in Washtenaw County will drive economic development and quality of life and place but requires resources, investments, strategy and leadership, particularly financial investment.

According to survey findings published in The Washtenaw County Master Cultural Plan:

# **Resident survey**

• 63% said arts and cultural programs were very important in their choice to live in the

county.

• 89% agreed that public tax funding should help support nonprofit arts and cultural programs.

# **Business survey**

- 63% of the businesses said that access to arts and culture was important to their decision to locate or keep their businesses in the county.
- 57% thought access to these programs was important to recruiting and retaining qualified workers.

Washtenaw County must set local public investment in the arts and creative industries as a priority, to secure a thriving arts and creative sector.

Washtenaw County government and the 28 municipalities within its borders invest in services and programs valued highly by the public such as transportation, education, parks and recreation, economic development, libraries, and more. Conversely, while the arts and creative industries are also valued highly and provide economic and quality of life benefits, these municipalities invest little, if any, direct funding to the sector.

Traditionally, public policy makers in Washtenaw County have and continue to push support for the arts and creative industries onto individuals and corporations. However, with the loss of major corporations such as Pfizer and the lack of major foundations investing in Washtenaw County, the region is losing its claim as THE arts and creative industries destination it once was.

To be competitive, there is a need to establish local public policies to invest and ensure long-term viability of the arts and creative industries in Washtenaw County. Public policymakers have not yet supported the arts and creative industries nor established sustainable practices to support the continued growth and development of this sector.

Other communities will soon outpace Washtenaw County unless the arts and creative industries become a priority. The City of Grand Rapids Arts Commission, City of East Lansing Arts Commission and Ludington MI Cultural-Economic-Development Plan are all making public-based investments in their creative sector. Other Michigan counties are distributing and using their accommodation taxes for purposes beyond marketing for overnight visitors.

# **Recommendation 2**

Identify, invest and partner with an entity to provide supportive services and manage a "network" of creative centers and spaces in Washtenaw County.

# Core supportive services would include:

# **Back Office Support**

- Partnering with existing entities (e.g., NEW Center and Spark East) for back office equipment.
- Assembling an inventory of potential private sector resources that might be available to provide supportive resources to creatives.

# **Business Skills Training**

- Recruiting a cadre of local experts to train and mentor creatives and space owners with business planning, marketing, legal, accounting, capital and local regulatory requirements.
- Partnering with the NEW Center, the Small Business Development Center and SCORE where appropriate to secure resources to support creatives.

# **Assistance in Raising Money**

- Assisting in finding and applying for local capital and operating grants and acting as an eligible fiscal agent for local, state and federal grants and foundation support.
- Providing support for the necessary monitoring and record-keeping often required by governmental and foundation grants.

# **Provide Services for Creative Spaces**

Washtenaw County has several Creative Cooperative spaces currently in operation. The Report identifies 18 spaces in the population centers of Ann Arbor, Chelsea, Saline and Ypsilanti. In the past decades, several artist havens have opened and closed in Washtenaw County. Ann Arbor's Tech Center, which housed 50 individual studios, had a fire that closed the studio permanently. SPUR Studios in Ypsilanti that 29 individual low-rent studios was sold to a developer. During the recent recession, arts centers in Manchester and Milan, which could be classified as cooperative spaces, have closed. Meanwhile, additional studio spaces are being developed, such as Ypsi Alloy, Riverside Arts and Landline Creative Labs.

While we have creative spaces, we face several challenges voiced by survey respondents and focus group and community meeting participants:

- 1. Securing a large "black box" theater space would be valuable.
- 2. Raising capital and navigating local regulatory requirements is needed for developing music studio spaces.
- 3. Sustaining operations is a challenge; some studio space operators are not making any personal salaries and are tired of putting in the effort without getting paid.
- 4. Maintaining full occupancy can be a challenge. While many studios have a waiting list, spaces rented to recent university graduates become vacant as these tenants move on,

- those on a waiting list can no longer be contacted or have found alternative space. In one case, the operator's lease prohibits subletting to other artists.
- 5. Spaces that could be used for creatives such as university and public school theaters sit vacant for much of the year, but negotiating the use of that space is challenging due to the lack of administration staff, processes and legal requirements.

# Create and maintain a web-based self-help tool to identify and list spaces and equipment.

Developing partnerships with schools, businesses and nonprofit organizations to secure studio, gallery and performance spaces for creatives. This includes establishing a working relationship and processes to have a seamless connection between space owners and users.

# **Fund Supportive Services and the Creative Space Network**

Creative services and space networks can be provided through a variety of entities, including membership organizations, government departments and economic agencies. It is important to consider that the creative industry enterprises, much like start-up companies, often cannot afford to pay market rate for work space and services such as legal, marketing and accounting. As with other economic sectors, funding some entity to provide creative services and "incubator" and "start-up" assistance is needed for these enterprises to grow.

### **Creative Cohort**

Artists and creatives who have set out to start their own businesses or practices only to struggle or fail frequently report that traditional "business" startup programs don't seem to work for them. They frequently site that these programs focus on the mechanics of starting and growing a business rather than the realities experienced by and artistic and creative mind. The Arts Alliance is teaming up with a nationally recognized psychologist, a creative business entrepreneur and others. The plan is to set up a Creative Cohort program modeled after creative writing circles that offer workshops, classes, peer critiques and encouragement with an added emphasis on business development. Still to be piloted the plan is to have 10 – 12 members in each Creative Cohort facilitated by a leader for a period of six – nine months. At the end of the facilitated period the Creative Cohort would be encouraged to continue on their own as does a typical writer's group.

# **Recommendation 3**

Encourage Washtenaw County, with its economic and community development charge, to work with The Arts Alliance, with its charge to champion the arts and creative industries in the County, to act together on the recommendations in this report.

Engage the EDCC and other economic development leaders and drivers in this work.

The economic impact of the creative sector is substantial in Washtenaw County; it is a leader among Michigan counties in the diversity and number of art and creative industries and workers. This report identifies the need for support for the arts and creative industries and its recommendations have been validated by extensive research and by the creative community at large.

In 2008, the Washtenaw County Cultural Development Plan identified the need to help the creative industry sector grow in the county. Almost 10 years later, with the generous support of Washtenaw County, the specific creative industry needs and opportunities have been identified and validated in this report.

Now is the time for leaders in economic development and the arts and creative industries to act on the report's findings and recommendations. To that end, it is recommended that The Arts Alliance and Washtenaw County should hold a joint meeting to discuss and act on the recommendations contained herein.

# **Report Presentations and Distribution**

This report will be presented to Washtenaw County Board of Commissioners (as the report funder). Office of Community & Economic Development, the Economic Development Coordinating Committee and The Arts Alliance Board (as the report sponsor). It will be distributed to The Arts Alliance board, members and constituents, focus group and survey participants and made available to municipalities, educational districts and businesses in Washtenaw County.

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# **Appendix A.** Creative Sector Focus Groups

#### **FOCUS GROUPING MEETING I - NOTES**

Eluminous Studios 1205 Industrial Drive, Saline, MI 48176 August 30, 2016 7:00 - 9:00 p.m.

What would a creative center look like and how would it be built, managed and sustained? What are your needs and the needs of the community?

#### **Disciplines/Practices of those in attendance:**

Acrobatic Acting Coach Activism Architecture

Arts Administration Arts in Health Program

**Business Coach** 

Collaboration (outreach)
Communications Coordinator
Community Engagement

**Creative Business** 

Dance Data Artist Designer Entrepreneur Festivals

Figure drawing/sculpture

Film and Video Fire Dancer Gallery Glass Artist Gardening Hyp (?) Therapy Jewelry design

Literary

Museum Design Musical Therapy PD for artists Performance Artist Photography Singing Sound Studio Studio (Visual) Artist

Medical Illustration

Teaching Writing Yoga

#### 1. What challenges do you face in your creative work?

- Marketing
- Marketing and Staff resources needed to put marketing plan in place.
- Creating a sustainable community. Barriers to this have been the loss of a core group of people (people leave Michigan). Funding to support those who reach age where they

need stable income.

- The need to use economic terms to justify art versus the use of spirituality and connectivity terms to "sell" to people.
- Venues: rehearsal, performance and storage spaces. People Power the multitude of people needed to mount large productions.
- Demographic change: population aging and younger crowd not participating. The challenge is how to appeal to younger age group who will make a commitment of time to assure continuum. It was noted that there was a big gap between those of retired age and the children that participate in programs.
- Economics-unaffordable for young artists to do creative work.
- Power and Priority. The lack of creative people who sit on committees and take leadership roles in having a voice in developing policies and programs.
- Gap between business world and artists. It is a challenge for artist to understand business and for the business community to understand artists. (Sandra).
- "Riff between town and gown". Artists struggle for inclusivity, but do not have access to the wealth of resources that the University of Michigan has. (Ron).
- Space to make art and affordable living space. (Amy)
- Need for mid-term makers space, that which is beyond studio space. Space that is temporary (long term/short term) available to create large scale works.
- Funding. The challenge that the public feels that artist should donate work and the need to communicate that art is not free.

## 2. Do you think there is a need for creative space in the county? Describe what a new creative space might include to help address your specific needs or the needs of the creative you work with?

- Need for different type of spaces ("clean" and "dirty"). Space that addresses specific and unique needs.
- Appropriate space for high liability activities virtually not available now.
- Space that has the potential to develop into anything (hacker space, pottery, glass, welding, etc.)
- The lack of these types of spaces led to discussion about the "boring" oversight necessary to make such spaces work. Such creative spaces need to address: space management, liability, fixing gear, fire concerns, etc.
- The benefits were discussed as well and the collaborative creative space would provide affordable space and cost saving measures of sharing tools etc.
- Performing Arts space would provide stage, lighting, sound equipment, chairs and a space for participants to sit. It would also provide storage space for equipment and workshop for sets and costumes to be constructed.
- Place for Patrons. A space that would provide patrons the opportunity to witness/observe

- artists at work. Café space and retail space to sell artist wares.
- Pop up space for mix use purposes.

## 3. Is there an interest/need for artist work/live spaces and or individual vs communal space?

- Artist of retirement ages communal live/work space.
- Campus type space plan with work space and artist housing nearby.
- Artist in residency programs.
- Building of cultural plan that includes the cross pollinating of business and creative people. A creative space that provides a symbiotic relationship.
- Incubator spaces.

#### 4. Discuss collaborative creative partnerships process.

- Need to protect and value work when establishing partnerships.
- Liz described a large-scale collaboration with Ann Arbor Women Artists (over 300 members.
- Forty artists will paint portraits of 40 community members (creating over 80 portraits) for exhibition.
- Performance Art: Detroit Guild of Fire Dancers would not have existed without collaboration.
- Use of social media to find collaborators.
- Art Center support.
- Coalition building of not for profit organizations model demonstrate way to share resources.

### 5. Often creative centers include back room services. Is there a need for back room services?

- Value in such services for emerging artists.
- Workshops for artists
- Educational programs that teach artist these skills.
- Art meets business programs provide awareness of needs.
- Artists are willing to pay for marketing services.
- Interest in investment specific to artists (retirement and taxes).
- Needs are different at different stages.

#### 6. Do you share your expertise with others through arts education programs?

• Michigan Shakespeare Festival tours bring theatre to kids who have never seen this type of theatre. Since funding is no longer available through schools, festival writes grants to

- make the art education possible.
- Classes taught through 212 and Ice Hockey coach. Teaching is possible income for artists.
- Many artists don't know how to teach. There is need and interest for teaching artist programs.
- Yoga training requires 200 training hours to be met before teaching classes.
- Musicians, photographers and filmmakers support themselves through teaching.

#### **General Comments:**

- Ideal community model is Torpedo Factory (Alexandria) and Queens Key (Toronto). Same skill set is available in Washtenaw County. (Lynne).
- Financial Model: Artists are willing to pay rent for space, for services and percentage of sales.
- \$50-100/months (low side) to \$200-\$300/month (high) for studio space
- \$50/day for theatre costs.

#### Why a creative center here in Washtenaw County?

- Moved here from NYC because of vibrancy of community and access to theatre. (Ron).
- Hometown. Interest in giving back to community (Eric).
- Community of artists and people who enjoy art.
- Safety. Things work: government, city services & education.
- A place to take risks.
- A global city that is close to Detroit.

#### **FOCUS GROUPING MEETING 2 - NOTES**

SPARK East Incubator 215 W Michigan Avenue, Ypsilanti, MI 48197 September 8, 2016 9:00 -10:30 a.m.

What would a creative center look like and how would it be built, managed and Sustained? What are your needs and the needs of the community?

**Disciplines/practices of those in attendance and percentage of time spent on creative work** (\*those without percentage indicate additional role individuals play, while percentage indicated time spent on all roles in total):

Actress (10%) Advocate Arts Education

Arts Administrator (100%)

Collaboration

Connecting People to Spaces (25% of time spent with creative

community) Ceramics Dance Dream Maker

Executive Director (100%)

Fiber Artist Graphic Design

Jewelry

Maker

Marketing Director (100%)

Matchmaker

Metal smith (100%)

Mixed Media Mosaic Artist Musician (30-40%)

Paint

Photography

Program Specialist (30%)

Sculpture (100%)

Studio Manager (110%) (60%)

Textiles (30%)
Theater (100%)
Writer-Poet (10%)

#### 1. What challenges do you face in your creative work?

- Shared studio spaces (Spur Studio) that house artists of various disciplines (visual arts, clothing designers and musicians). There are no spaces that serve specific unique needs, such as studio spaces with acoustic barriers in between.
- Need for large ballroom rental space and large space for 3D metal and wood working equipment. Need for industrial space to afford cost and share tools.
- Challenge of being a landlord to large collaborative studio space is expensive to run and income from rent is only a "break even".
- Affordability of studio space.
- Sustainability a big concern.
- Studio space usually for visual artist. Performing artists need affordable rehearsal space and performing space.
- Recording equipment is expensive and access is difficult.
- Cost for rental too high for those spending only 50% of time in use, versus a full month.

- Large exhibition space.
- Rehearsal space that is professional, versus use of high school space.
- Demand for space at night.
- Organizing and managing a group of artists.
- Juggling time for paid work and creative work.
- Need for affordable lifestyle to allow needed time to devote to creative work.
- How to keep artists in this community because of the need for studio space and collaborative space. "A bunker to do writing".
- Working in the confines of re-purposed industrial spaces versus buildings designed for specific needs.
- Need for natural light for visual artist and balancing the different needs in a shared collaborative space.
- Ownership of space. Private control over public community control of building.
- Need for space that accommodates "clean arts" versus "dirty arts".
- Need for subsidized space (perhaps support of DDA).

#### 2. What would a creative center space look like to you?

- Divided out common area from individual studios.
- Large collaborative/meeting spaces.
- Sinks and good lighting.
- Secure area that can be locked.
- Rehearsal space with storage spaces for forage equipment and chairs.
- Bathrooms.
- Campus Concept with more than one building and more than one type of spaces.
- Maker space.
- Performing spaces with gallery spaces, located where people are.
- Gallery and performance spaces that can co-exist.
- Recording studio that is center and affordable.
- Acoustic isolated spaces necessary for recording.
- Live/work spaces.
- Event spaces that can hold 5,000 people, with retail, gallery and bathrooms.
- Space that can be used for rental (weddings or offices for architects or graphic designers).
- Need clean secure space that is climate controlled, has janitorial and safety services.
- Can accommodate material safety concerns and hazardous waste.

- Commercial Gallery versus a rental or coop gallery space is preferred.
- Frame service with commercial gallery.
- Multiple Need spaces.
- What amount are you willing to pay?
- Spur studio rents range from \$200 (small) to \$500 (large) per month for space. Multiple groups usually share larger spaces.
- Art Center is able to provide affordable space because it receives subsidies. Individual studio is \$125 to \$150 per month. Dance/theatre classes pay \$20 per hour.
- Large gallery shows \$200 per month, plus a percentage of sales from work.
- Artists with full time jobs, who do not have a consistent schedule, cannot pay a monthly fee. They are interested in "drop in" space that can be rented by the hour.

## 3. Often creative centers include back room services. Is there a need for back room services? There was interest expressed in following services:

- Legal services and access to lawyers.
- Book keeping services.
- Beneficial to share brains (creative and business type collaborative).
- Business services associated with artists' needs: accounting, marketing, taxes, healthcare, retirement, website design and social media.

#### 4. Are these services for which you would be willing to pay?

- Yes, already paying for such services but would prefer to support someone in community.
- Interest in a more center approach by volunteering time in exchange for services.

#### 5. Do you share your expertise with others through arts education programs?

- Teaches artists arts management.
- Improve to youth.
- Monthly workshops at U of M museum.
- College level courses and workshops.
- Former public school teacher teaches summer camp for kids.
- Studios cannot offer classes because of high insurance costs.
- Music education through concerts in public places (libraries, senior centers, etc.)

#### 6. Additional thoughts:

- Availability of printing and letterpresses, kilns, spray booth and other large-scale equipment (i.e. woodworking and metal shop equipment).
- Like the campus idea that could be subsidized by county or other agency to keep costs

down; while supporting existing efforts.

- The need for greater inclusion and diversity in participation in such endeavors.
- During the session it was noted that Washtenaw County has the potential to be a Santa Fe with a center live/work/gallery district that provides cultural attractions and will be a destination place.
- There was expressed interest in location being Ypsilanti. Ann Arbor is not affordable and it is difficult to travel to Ann Arbor.
- Suggestions to revisit an early study done by DDA that supported building and investing in Ypsilanti because of the imbalance of wealth between Ann Arbor and Ypsilanti.

# **APPENDIX B.** Existing Creative Centers in Washtenaw County

Washtenaw County has several Creative Center spaces currently in operation. Research found 18 spaces in the population centers of Ann Arbor, Chelsea, Saline and Ypsilanti. It is worth noting that since the economic downturn of 2008, arts centers in Manchester and Milan, which could be classified as creative center spaces, have closed. Spaces were placed in four categories: Visual, Performing, Visual/Performing, and Arts/Technology.

Space	Location	Size	Description	Cost/Revenues
Ann Arbor Art Center - Studios	Ann Arbor			
Ann Arbor Women Artists	Ann Arbor		Space for meetings, workshops, rentals, figure drawing and a communal studio.	288 Active Members Annual dues \$15 - \$40
Clay Work Studio	Ann Arbor		Project based teaching studio hosting classes and workshops for all ages and skill sets. Rental space for independent study. Rotating gallery of pieces available to view and purchase in our front gallery	Studio Member \$150/month
Maker Works	Ann Arbor		Member based workshop for small businesses, entrepreneurs, tradespeople, skilled workers, artists, makers, and hobbyists. They provide access to tools, space for projects, formal instruction and support for learning. Offer 4 areas of tools and education.	
The Potters Guild	Ann Arbor		Member organization for pro- fessional potters, adjunct and emeritus - 45 full time members	Membership fees
trustArt Studios	Ann Arbor	4,000	Flexible work and learning environment suitable for a variety of creative endeavors. Private artist studios, a shared ceramics studio, and a multipurpose gallery which can be used for exhibits, classes, lectures, performances or other events.	
Yellow Barn	Ann Arbor			
Yourist Studio & Gallery	Ann Arbor		Residential, artistic community dedicated to excellence in our personal ceramic works and in our educational offerings.	Monthly Unlimited Studio Time: \$150 per month. Volunteers for our healthy studio program pay \$125 per month.

Space	Location	Size	Description	Cost/Revenues
The Sunday Artisan Market	Ann Arbor		Market with handmade work by as many as 60 artists and fine crafts persons in a full range of media from traditional to cutting edge. All work is sold by the artists themselves, giving visitors the opportunity to learn about the creative processes and materials used. Some artists even work and give demonstrations while at the Market.	\$275/space Sundays April to Christmas
WSG Gallery	Ann Arbor		Collaborative gallery of 16 artists who show and sell their work.	
VEO Art Studio & Gallery	Chelsea	800	Studio offering a variety of art classes for all ages including figure sculpture, drawing, painting, mixed media sewing, beading, creative studio process, and creative expression through meditation.	
Eluminous Studios	Saline	2,844	Incubator space for all mediums of expression. Providing classes, training, & management for all channels of creativity.	\$250/4 hour rental of stage with equipment \$50/hour recording studio. Art classes ranging from \$60 to \$180. Music lessons at \$30/session. Yoga classes \$8-\$30/class. Acting/Modeling classes at \$25 - \$35/class. Photo sessions at \$50-\$350. Recording studio space at \$100-\$150/hour. Post-production \$85/hour.
Grove Studios	Ypsilanti			\$20/hour with PA
Hello Noon	Ypsilanti		Artist-run studio and gallery.	\$250/month
Landline Creative Labs	Ypsilanti	9,000	Office and meeting spaces for creative businesses	\$150/ month and up
Riverside Art Center - Studios	Ypsilanti			
YES - Ypsi Experimental Space	Ypsilanti	small	An alternative theater, micro cinema, and experimental performance + exhibition space in downtown Ypsilanti.	
Ypsi Alloy	Ypsilanti	2440	Shared studio space where visual artists can make, create and collaborate. The studios are a mixture of private studio space and shared workspace housing various tools for 3D artists and makers.	\$175/month 80 sq. ft.
Village Arts Factory				
D&M Art Studio				
Shipping container studios				
Ypsi Welding Company				

## **APPENDIX C.** Case Studies and Models

Creative Center is the name given to organizations, among them public, private and nonprofit entities, which provide opportunities for artists/creatives (again a term that used throughout) to produce or perform creative products.

Using the analogy of the popular business incubator model, Essig (2015) defines arts incubators as "organizations or programs that provide some form of developmental assistance (i.e. a "platform," the scope of which varies) to artists, arts organizations, or creative enterprises in early stages of development or change and call themselves or are called by others "arts incubators." She goes on to say that "In the United States, an arts incubator may be a program of a local or state arts agency; it may be a nonprofit organization (or "NGO"); it may be a commercial facility from which creative enterprises are launched; or it might be a hybrid thereof."

As the types described below suggest, creative centers serve a range of purposes, which also indicate the kind of facility, financing and operation required.

#### TYPES OF CREATIVE CENTERS

In discussions with the project team and upon review of a limited literature, it is apparent that there are several different types or kinds of creative centers. Each type or kind imposes certain constraints or demands; for example, on facilities or space needs or level of financing. They are listed below, with alternative names used at times, and thoughts on demands.

#### Space for artists/creatives to do their thing, Shared-Performance Space

A facility of some kind serves this purpose, and obviously can vary depending on the focus of the creatives to be served

## Exhibition and/or Retail space for individuals to exhibit and perhaps sell their artistic/creative products, Shared-Gallery/Retail Space

The facility must have parking and be in a location that drives traffic, and sufficient space for exhibiting and selling products of the creatives

#### Residential space for artists/creatives to live while doing their thing

Live-work spaces in the jargon, which implies a bigger residential facility in addition to the shared creative or performance space

#### An incubator for launching artists/creatives as thriving enterprises

A space or facility but with supportive services for tenants such as "back-office functions, training, shared equipment

#### An economic or community development driver

Given the County grant, this may be one of the project goals; given the emerging emphasis on "placemaking" such centers can play important roles in driving redevelopment

#### Reuse of an existing obsolete building or brownfield development

The facility selected in several cases was precisely this; the term "creative place-making" has also been used to reflect this emphasis

These varied types are not mutually exclusive; for example, the shared equipment and back-office services provided by a typical incubator can be available in the shared space for artists, retail space or live-work space. This can mean copiers and meeting space for entrepreneurs—but for artists it can mean sprung floor, rehearsal rooms, pianos, ceramic or glass kilns, wood working equipment or looms and so on.

The type being considered determines the kind and location of space sought. The REOI survey responses provide some insight on the issues—e.g., the kinds of back office services that would be desired and the amount of space that might be needed—and additional answers to the question of the type can be learned from the focus groups.

The purpose of conducting a set of case studies of creative centers was to provide an understanding of different approaches or models for supporting artists/creatives, the barriers and challenges faced, and the lessons learned for successful implementation. In the following section the criteria used in selecting possible case study centers are identified, as is the list of centers that were included in this initial review.

#### STUDYING CREATIVE CENTERS

What is apparent in a cursory review of the literature on creative centers is that there is a wide range of organizations and communities that might be examined. For present purposes, the Ann Arbor community, more generally Washtenaw County is the starting point. Communities about the same population size, with a university presence, and representing all regions of the country were identified. Several well-known creative centers that, although not fitting the criteria above, were also deemed worthy of analysis.

The list below indicates the communities targeted for examination. Following that is the list of creative centers for which information was gathered for this analysis.

#### Comparison areas for case studies (population data refer to county or MSA)

•	Ann Arbor Area, UM	345,000
•	Springfield, Illinois, University of Illinois	211,700
•	Columbia, Missouri, University of Missouri	145,000
•	Wilmington, North Carolina, University of North Carolina	263,000
•	Ventura, CA, California State University	823,000
•	College Station, Texas, Texas A & M	228,660
•	Green Bay, Wisconsin, University of Wisconsin	306,240
•	Milwaukee, Wisconsin, University of Wisconsin	595,000 (city)
•	Council Bluffs, Iowa/Omaha, Iowa/Nebraska	865,000
•	Tieton/Yakima, Washington	250,000

#### **Creative Center Case Studies**

The list below indicates the creative centers that have been studied in this preliminary review, presented in the order in which they appear in the narrative. Information is drawn primarily from web sources for these cases to illustrate the range and variability of cases and the limits of the information available. The first four, two Canadian and two from the United States, are projects that have been developed and/or are operated by two of the key organizations supporting such creative centers—Artscape and Artspace. The next four reflect selection based on our criteria, and as noted in the narrative, reflect the involvement of a third consulting entity, The School Factory, which also now serves the same role as Artscape and Artspace with respect to establishing creative centers. Finally, the last two reflect more recent efforts to link creative center efforts with broader economic development initiatives.

- 1. City Hall Artspace Lofts, Dearborn, MI
- 2. Harvester Artspace Lofts, Council Bluffs, IA
- 3. WAV Working Artists Ventura, Ventura, CA
- 4. Berkshire Creative, 1 Berkshire, MA
- 5. Torpedo Factory Art Center, Alexandria, VA
- 6. Arlington Arts, Arlington, VA
- 7. Mighty Tieton. Tieton, WA
- 8. Bucketworks, Milwaukee, WI
- 9. Artscape Wychwood Barns, Toronto, Canada
- 10. Parkdale Arts and Cultural Centre, Toronto, Canada

#### **Key Questions to Guide Case Studies**

The project team identified a set of questions to guide the analysis of the creative centers selected for review. As will be apparent in reading the notes, in most cases the information readily available was not sufficient to answer many of the questions we posed. As noted below, to the extent that additional information on one or more of these cases is sought, follow-up phone interviews can be conducted.

- 1. What is the nature and character of the region/community? What is the population, key demographic characteristics (employment, university town, income, education, etc.)?
- 2. When was the creative center established?
- 3. Who were the key actors, and what partners were involved in establishing the creative coop?
- 4. What specifically are the roles or purposes of the creative coop? Have they changed over time?
- 5. What funding mechanisms were and are being used to support the creative coop? Has that changed over time? Are their concerns about sustainability?
- 6. Are there any measures of community support available? Data on level of use, satisfaction of users/creatives?
- 7. Are there idiosyncratic details that might suggest that the case is not a good comparison?

#### **Case Study Notes**

In the section that follows notes often drawn directly from web material are presented—home page descriptions, archival information, newspaper articles, and so on. The material is not organized to fit the questions identified above. Given the limits of the information available, that is done later in a separate section that provides some cross comparisons. For example, in only three cases were data available on the funding mechanisms used to initially support the creative center, and little information was available on annual funding requirements and resources, other than to note, in several instances, that the center was self-supporting.

#### 1. Dearborn City Hall Artspace Lofts, Dearborn, MI

The old Dearborn City Hall, now referred to as City Hall Artspace Lofts, is the newest of the creative centers studied here. As the name suggests, it is one of the many Artspace projects that have emerged over the past two decades, and it reflects the adaptive reuse of an obsolete building, the former Dearborn City Hall. The idea of reusing the building was initially discussed in 2009, which ultimately led to an application to Artspace for support, and final decisions in 2014 when the building was vacated.

The facility includes 53 residential units—Live-Work space—work space for artists/creatives, a public performance space, and business space. About half of the lofts have been leased as of early 2016. The list of partners and supporters is lengthy, noted below, but it is important to note that a specific city councilperson was the driving force behind the genesis of the lofts. East Dearborn DDA

City of Dearborn
HOME Funds (HUD)
Brownfield Loan Program (HUD)
MSHDA (MI)
MEDC (MI)
Ford and Kresge Foundations
Michigan Council for the Arts
National Endowment for the Arts
Various Tax credit programs

It is too early to assess the impact of the City Hall Artspace Lofts, but the location of the facility and proximity to other cultural venues—The Henry Ford and the Arab-American National Museum may bode well for the project.

#### 2. Harvester Artspace Lofts, Council Bluffs, IA

Council Bluffs is part of the Omaha metropolitan area, an eight-county region that straddles the Missouri River in Nebraska and Iowa. Council Bluffs grew up around the eastern terminus of the Union Pacific Railroad, and by the mid-20th century it was the nation's fifth largest rail center. But with the contraction of the rail industry, the community experienced a corresponding decline.

In 2006, seeking to revitalize downtown Council Bluffs, the Iowa West Foundation invited Artspace to explore the feasibility of transforming a former International Harvester Warehouse into an affordable live/work project for artists. Built in 1888, the Harvester is a four-story building with approximately 47,000 square feet in the main structure and an additional 24,000 square feet in a spacious one-story addition that dates from 1928.

This sturdy brick structure has found new life as the Harvester Artspace Lofts, a 36-unit project that also provides 5,320 square feet of space for arts-friendly commercial use. Since its completion in 2010, the Harvester has become a welcome addition to the area's arts scene. Among its residents are a number of artists who have moved from Omaha to take advantage of the Harvester's affordable rents. The Harvester is part of a burgeoning renaissance of downtown Council Bluffs that has seen the addition of several creative businesses and restaurants in recent years.

Development Cost \$11.2 Million
Total Area 71,646 Sq. Ft.
Commercial Area 5,320 Sq. Ft.

Live/Work Units 36

Beyond the information above, there is very little available on The Harvester, in part because of its newness.

#### 3. WAV - Working Artists Ventura, Ventura, CA

Working Artists Ventura is a state-of-the-art community, designed for artists and creative businesses, and is located in the Downtown Cultural District of Ventura, California. WAV offers affordable living and work space for painters, photographers, sculptors, dancers, musicians, writers, actors, filmmakers, and more. Our Community Room space comes to life with performances, films, art exhibitions, concerts, workshops and classes.

In the early 21st Century, the City of Ventura had fully realized the value of making the community an attractive and viable place for artists to call their home. Development was booming and new homes were being built all over the city. In City Hall, the City Council and other leaders understood that it wasn't only the climate and the ocean that brought people to Ventura. It was also the fact that Ventura was a unique community. There was a here. It wasn't like every-place USA. Ventura had its own vibe, its own culture, and our goal was to make sure that in the midst of the burgeoning development, that spirit would not be lost.

Artists had made their way to Ventura for decades. Paul Lindhard's visionary Art City, which operated both as a stone supply yard and an environment for artists to gather, learn, and collaborate, was in great part responsible for the huge number of artists who called Ventura their home. Visual, performing, and literary artists were transforming the landscape of the community: public art was installed throughout the city, and arts organizations that celebrated these artists – like the Rubicon Theater Company, the Ventura Music Festival, and Focus on the Masters – were proliferating. The ArtWalk, a twice yearly event that celebrated local artists, was in many ways the signature event of Ventura's historic downtown.

But the artists were in danger of being priced out of the market. And City leaders understood that if that happened – if artists were forced to move to communities that were cheaper to live in – the flowering artistic community could, and probably would, expire.

The Cultural Affairs Division at the City worked with the Economic Development Division, and came up with a small amount of money to bring an expert consultant into town to tell us if our goal could be accomplished. Chouris Velasco visited Ventura and even though real estate prices were through the roof, making any affordable housing project a challenge, he saw something in Ventura that was worth the Herculean effort to bring such a project to fruition.

The WAV is in the first years of its development. It is our hope that this community of artists will keep Ventura true to its authentic, artistic roots, but also expand on those roots and improve the community in ways we have yet to dream of.

#### 4. Berkshire Creative, 1 Berkshire, MA

www.1berkshire.com
An Innovative Approach to Economic Development.

Berkshire Creative was established in 2007 as a county agency, and merged into 1Berkshire in 2014. 1Berkshire is a countywide organization focused on economic development and promotion of the region as a preferred place to visit, to live, and to grow a business. It provides programs that connect businesses with each other and with potential customers, as well work to develop future leaders and support entrepreneurs.

Through our partnerships, 1Berkshire has been able to leverage the energy of a much larger audience that includes the business community, visitor economy, creative economy, entrepreneurs, and young professionals.

#### **Creative Economy**

The creative economy is the intersection of arts, culture, innovation, and commerce. It is one of the most important innovation sectors and economic engines in the Berkshires, encompassing more than 6,000 jobs. Berkshire County was named the 12th most arts vibrant small-to-mid-size community in the nation by the National Center for Arts Research, proving that creativity distinguishes the region. 1Berkshire is pleased to be recognized as the Berkshire Region Lead Organization in the Massachusetts Creative Economy Network.

#### Who is it?

The quantity of creative institutions, organizations, projects, and people; as well as, the quality of artistic and cultural activities and endeavors in the Berkshires is distinct from any other community in the country.

#### Why is it important?

The Berkshires' creative economy brings value to the region by sparking downtown redevelopment, generating tourism, employing residents and attracting talent, encouraging innovation, and spurring economic growth.

#### How is it supported?

1Berkshire provides important resources for the creative community and connects those working in the creative sector to other opportunities. We focus on five key components creatives need to grow and thrive: business development, access to capital, talent, visibility, and space. Massachusetts has named the Berkshire organization designated as part of the commonwealth's Creative Economy Network.

#### **Creative Industries**

Massachusetts defines the creative industries to include without limitation the many interlocking industry sectors that center on providing creative services such as advertising, architecture or creating and promoting intellectual property products such as arts, film, computer games, multimedia, or design.

Marketing	Advertising and marketing agencies and professionals	
Architecture	Architecture firms and architects	
Visual Arts + Craft	Museums, galleries, curators, artists, artisans, and makers	
Design	Product, interior, graphic, and fashion design firms and designers	
Film + Media	Film, animation, TV, and radio businesses, organizations, and talent	
Digital Games	Games Companies, programmers, and individuals producing games	
Music + Entertainment	Venues, theatres, producers, and musicians and performers	
Publishing	Print or electronic businesses and content creator, editors, and writers	

#### Berkshire Creative to continue mission as part of 1Berkshire

Posted Friday, October 23, 2015 2:04 pm, By Tony Dobrowolski tdobrowolski@berkshireeagle.com @TonyDobrow on Twitter

What began as Berkshire Creative in 2007 became 1Berkshire in 2015. Berkshire Creative has been the main source for generating collaboration between the creative sector and the greater business community and folding Berkshire Creative into 1Berkshire will allow Berkshire Creative to grow and expand because it will provide the organization with additional administrative and support services.

"They now have access to greater resources and a lot more ability, I think, to be an advocate for the creative community, and really kind of secure them a place at the table when we talk about economic development in the region," Butler said.

"Berkshire Creative, really since its founding, has been shouldered by one or two staff people," Dixon said. Being part of an organization with more administrative capability will allow Berkshire Creative the ability to "really focus" on its programs and services, while continuing to build its network, Dixon said.

Berkshire Creative and 1Berkshire already are located in the same building at 66 Allen St.

"Even when they were just collaborating together and not merged, it was great to be in the same building and communicate with each other," Dixon said. "And, more and more the creative economy was sort of enveloped into this greater economic development strategy."

#### 5. Torpedo Factory Art Center, Alexandria, VA

In 1969, the City of Alexandria bought a group of buildings in the city from the Federal Government. However, it was several years before an acceptable plan for their use was adopted. Art League President Marian Van Landingham proposed a project that would renovate the building into working studio spaces for artists. Her proposal was endorsed by the Alexandria Bicentennial Commission and she became the first Director of the Art Center. It also led to the creation of the Torpedo Factory Artists' Association.

Work began on the building in May of 1974, with artist volunteers and City personnel working together to remove the debris of 55 years. Bulldozers and fire hoses were initially needed and 40 truckloads of debris were eventually removed. Studio walls were built, electricity and plumbing expanded. The entire exterior was repainted. By July, artists had converted the huge space into a complex of bright and clean studios. On September 15, 1974, the Torpedo Factory Art Center opened to the public.

In the 1970s, the artists were so passionate about their studio time they were willing to work in very uncomfortable conditions. Freezing winter temperatures were no match for an ancient boiler which blew little heat to the first floor and attempted to power furnaces on the upper floor. With no air conditioning in the summer, the artists would battle the heat by working in the constant breeze of a fan. Many would bring frozen bottles of water from home which they would sip as they melted through the afternoon.

From 1982 to 1983, the building underwent a major renovation as part of the City's waterfront development plan. During that year, all of the artists packed into a smaller building next door and continued to work. The factory was gutted entirely, including all pipes, electrical units, windows, and flooring. A second floor was constructed. A ventilation system and central air and heating were added as well. The artful spiral staircase and main staircase were both added at this time. A grand reopening celebration was held on May 20, 1983.

The Friends of the Torpedo Factory Art Center was established in 1982 as a community out-reach arm of the Torpedo Factory and its resident artists. The Friends' programs promoted public awareness of the value of the arts in daily life by taking artists into the community as well as bringing the community into the Art Center. Programs such as the Artist of the Year Award and the Performance Art and Lecture Series provided opportunities for patrons and professionals to enjoy artistic programs of the highest quality. Other Friends programs such as the Mentorship and Young at Art Programs provided opportunities to a variety of local communities to enjoy the experience of art.

Today, the Torpedo Factory Art Center is home to over 165 professional artists who work, exhibit, and sell their art. Drawing over half a million visitors a year, the Torpedo Factory Art Center attracts artists from across the region and around the world. It stands as a stellar example

of how the arts can revitalize a community and serves as a prototype for visual arts facilities throughout the world.

There are several different programs offered through the Torpedo Factory, as one might suspect of a well-established operation—a gallery and exhibition space; a micro-granting dinner that connects arts projects with interested community members; Post-Graduate Residency; Community Partnerships; Artist-Led After-Hours Series.

Despite its longevity and role as a model for many subsequent arts centers, the Torpedo Factory has its challenges. As part of its strategic planning and economic development efforts, in 2009 the City undertook a project to assess the Torpedo Factory Art Center. The City hired Management Analysis, Incorporated (MAI) to conduct a "productivity and efficiency study" and to recommend strategies to improve its economic contribution.

In a lengthy report the Project Team identified ways that the Torpedo Factory's efficiency and productivity can be improved. Some solutions for revitalization require adjustments in policies, while others require long-term investments. The study identified a wide range of strategic issues, including the best use of space, internal policies to better enhance sales, and the effectiveness of the art center's governance model. The findings include the following:

- The Torpedo Factory must improve its sales focus. Without adequate sales, the art center cannot adequately market itself, nor afford improvements that will benefit its tenants. It will not
- The art center must focus on its customers. It must be open during the hours visitors wish to come. It must refresh its appearance, must have adequate signage and features that will enhance the visitor experience.
- Certain internal operations must be adjusted to reduce losses and improve operational efficiency.
- Finally, the Torpedo Factory is a valuable public asset which for many years has been governed by a center association of internal volunteers with limited management experience. For the art center to survive and thrive, future sustainability requires greater support and participation by the City. It needs the input of external stakeholders as active partners in governance and continuous improvement. With this support, the artists that work in the Torpedo Factory will have a greater opportunity to focus on their core strengths: the creation and promotion of fine visual art.

#### Arlington Arts, Arlington, VA www.Arlingtonarts.org

Arlington Cultural Affairs in Arlington Virginia represents an example of an alternative approach to providing leadership and services to the creative community. Arlington Arts, as it is sometimes called, has had three decades of experience in supporting the creative community in the area. Arlington County, with a 2015 population of just under 230,000, is smaller than Washtenaw County, but is embedded in the much larger Washington DC metro area.

Prompted by an understanding of the contribution of the arts, the creative community more generally, to the life of the region, the county in the mid 1980's reorganized its traditional Parks and Recreation Department. The new Department of Parks, Recreation and Community Resources reflected a broader approach to recreation. Within the department a Division of Cultural Affairs was established to provide leadership in reaching out to what we now would call the creative community. To this day it has remained a county agency, with a budget most recently of over \$2 million.

What is different about Arlington Cultural Affairs is its approach to the delivery of programs and services. Over the years the division has focused on the cultural needs and interests of the entire community. The division sought to:

- Take advantage of current facilities--a theatre, schools, a college music hall--are viewed as untapped resources;
- Build on existing organizations--galleries, small arts organizations, performing arts groups, musical acts:
- Support artists and arts organization--through a modest competitive grant program that allowed the arts incubator to secure greater visibility;
- Recruit and invite creatives to the area--attracting others to meet the needs and interests
  of Arlington residents, including the Washington Shakespeare Company now located in
  Arlington.

The primary vehicle for such efforts came to be called an Arts Incubator, which, instead of a place for creatives, essentially became a way of thinking about how to meet the community's cultural needs. Six principles emerged that guided the Arlington Arts Incubator's development.

- 1. Generate Support for the Arts -- educating residents about the value of arts to the community and courting arts organizations and creatives as the chamber recruits business investment
- 2. Seek out Untapped Resources -- seeking partnerships with schools, businesses and non-profit organizations to secure rent free facilities in many instances
- 3. Connect Arts Support to Community Benefit -- focusing on the health and vitality of the community first, and then the needs of artists and art organizations
- 4. Maximize Resources Through Creative Sharing -- centralizing facilities and encouraging sharing offers an efficient approach to resources
- 5. Adopt a Flexible Approach to Arts Support -- providing a customized menu of facilities, services, funding and other resources
- 6. Enable Artistic Risk Taking -- willing to act spontaneously and take risks

The approach recognizes that to be successful those supporting a creative collaborative must encompass many different facets of the community; schools, economic development, urban

planning and zoning, recreation, senior centers, other public, nonprofit and private sector organizations.

#### **Excerpt from Website**

Arlington Cultural Affairs is charged with fostering a creative environment that encourages collaboration, innovation, and community participation. This is done by providing material support to artists, and arts organizations, in the form of grants, facilities, and theater technology; through a commitment to integrating award-winning Public Art into the built environment; and with high quality performing, literary, visual, and new media programs across the County.

The following programs and services are provided by Arlington Cultural Affairs:

- Artist Studios (Ceramics and Printmaking) at the Lee Arts Center
- Arts al Fresco, free outdoor summer performance series.
- Arts Education at Lee Arts Center and exhibition spaces
- Arts Incubator
- Art Sales are held regularly at the Lee Arts Center.
- Costume Collection is available for rent to performing groups. Call 703-228-6974.
- Festivals and Special Events; Heritage Arts events, Summer concerts
- Grants to Artists and Arts Organizations through the Arlington Commission for the Arts
- Heritage Arts
- Lee Arts Center
- Literary Arts; Moving Words Poetry Competition
- Media Arts; Annual Slapsticon Early Comedy Film Festival
- Organizational and Marketing Assistance through the Arts Incubator
- Performances
- Professional Development
- Rentals of Arts spaces, Mobile Stage
- Public Art
- Technical and Production Assistance through the grants process
- Volunteers

The Arlington Commission for the Arts advises the County on policy and program development, oversees the grants and public art programs, advocates for the arts in Arlington and acts as a liaison between the arts community and the County.

#### **Excerpt from Study**

In addition to fueling economic growth, the Arlington, Virginia arts community brings inherent joy and inspiration to its patrons and community members. The arts enrich our lives by

deepening citizens' cultural experience, bolstering their sense of social citizenship and contributing to Arlington's beauty, creativity and diversity. And these intrinsic – and often intangible – benefits significantly impact individuals and the community at large.

In 2010, the Arlington Commission for the Arts set out to support this claim by exploring and documenting the quality of life benefits fostered by the arts industry. By collecting anecdotes and reviewing and analyzing grant applications submitted by 33 County-supported arts groups, the Commission noted four categories through which arts groups deliver community benefits to Arlington and the surrounding region:

- 1. Access to Art From free and discounted performances, to cultural and diversity programming, Arlington's arts groups are ensuring that people from all walks of life gain exposure to the arts.
- 2. Arts Education Arlington's arts community offers a variety of workshops, classes, training programs and pre/post performance education much of it free of charge. Thanks to our arts groups, community members are gaining skills and learning about arts and culture.
- 3. Community Service Arlington's arts groups donate to charities and enrich the lives of community members particularly young people and senior citizens through unique and enriching programs.
- 4. Community Health and Well-Being Arlington's arts organizations not only provide educational and entertainment value, they have a demonstrative, therapeutic effect on its citizens, young and old.

The report, The Intrinsic Value of Arlington's Arts Community, helps demonstrate the impact of the arts on Arlington's people and community. It illustrates how our diverse and vibrant arts scene provides personal enrichment for residents of all ages and walks.

#### 2011 Budget

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Administration personnel	\$336,028
Non personnel	\$137,437
Marketing personnel	\$108,278
Non personnel	\$6,000
Program and Artist Services personnel	\$843,791
Non personnel	\$373,960
Public Art personnel	\$298,432
Non personnel	\$46,960
Total Budget	\$2,150,886

A 2030 Study, focusing on current challenges and future directions of the division, explored the options with respect to the structure of the agency. Currently a division within the parks department one option was to establish the arts program as a stand-alone county agency reporting directly to the county manager. As an alternative, the arts entity could be spun off to a new nonprofit entity over a period of several years. As the following narrative indicates, neither of those recommendations was followed.

In FY 2012, the County Commission moved the Cultural Affairs Division from the Parks Department to Arlington Economic Development (AED), where it now is one of five different divisions; Business Investment, Real Estate Development, Strategic Partnerships and Initiatives, Arlington Arts and Cultural Affairs, and Convention and Visitors Services.

The following information is drawn from the 2018 county budget proposal:

**PROGRAM MISSION** - The Arlington Arts and Cultural Affairs Division (CAD) is charged with fostering a creative environment that encourages collaboration, celebrates community, spurs innovation, and transforms lives. This mission is accomplished by providing material support to artists, and arts organizations, in the form of grants, facilities, and theater technology; through a commitment to integrating award-winning Public Art into our built environment; and with high quality performing, literary, visual, and new media programs across the County. The recognition of a community's arts and cultural assets (and the marketing of them) is an important element of economic development.

Important strategic objectives for CAD include:

- 1. Focus on presenting international contemporary art practice and performance: Known as the "Gateway for Immigration into Virginia" and with a population that represents over 100 countries, Arlington can position itself uniquely in Metro DC by focusing on global art and performance. Staff has strength in contemporary programming, new media, and curation. This also complements the international initiatives of the ACVS and BIG divisions.
- 2. Community Partnerships and Engagement: Modeling our success in the public humanities projects "Echoes of Little Saigon" (Clarendon), "Living Diversity" (Columbia Pike), and "Nauck Portraits" (Nauck), we will expand our work with diverse communities through collaboration with the Department of Parks and Recreation, Libraries, and Arlington Public Schools.
- 3. Creative Placemaking: Foster innovation and discussion of ideas through the creation of new forums that encompass technology, people, and creative spaces; brand Arlington as a hub for arts, culture and the creative economy; leverage our unique cultural assets and market arts programming, projects, and public art to communicate value to our stakeholders.

Programs and primary activities of CAD include:

- Cultural Development
- Arts Enterprise
- Facility Management and Technical Support
- · Creative Placemaking and Engagement
- Marketing
- Public Art

#### **Net Tax Support**

FY 16 Actual \$2,379,383 FY 17 Adopted \$2,299,916 FY 18 Proposed \$2,369,803

#### 7. Mighty Tieton. Tieton, WA

Mighty Tieton is an artisan business incubator located in central Washington. Our goal is to establish successful, distinctive businesses by connecting creative entrepreneurs with local resources. This activity helps to improve the local economy by generating jobs, revitalizing buildings, and instilling a sense of hope, unusual possibilities, and dynamic connections with artisan businesses throughout the region and beyond.

Tieton is uniquely positioned to be a hub for artisan businesses. It may be small and rural, but it is mighty! Tieton has some of the conveniences of a larger city, but without many of the disadvantages. Real estate is affordable. It's close to Yakima and is part of a county of a quarter million people. The mayor and city council members are dedicated to business development, making it easy for entrepreneurs to set up shop and thrive. We are situated close to major highways and Interstates, making it easy to get the goods made here out into the world.

Over the past ten years Mighty Tieton has attracted many talented entrepreneurs to Tieton. In turn, this informal group has grown into an unusual marketing force and resource for Tieton itself. A dozen businesses have started or grown under our banner. Enterprises have the benefits of opting to share space, marketing platforms, labor, and shipping and fulfillment services. Together, we have made impressive progress.

Creative businesses can elect to move their entire operation to Tieton. The Mighty Tieton Warehouse has ample power with 220 power and compressed air to all the studio spaces on the western wall. Water, sewer and drainage enable different processes within the studios. Internet and Wi-Fi are available throughout the building. Each production space is insulated from above and has room specific controlled heating systems. Each studio has skylights above and will often be built out to suit specific production needs. Janitorial facilities, bathrooms, kitchen, breakroom are provided and office space is sometimes available as well.

Mighty Tieton is actually a service provider for creatives, offering production facilities, marketing support as well as retail support. The flexibility of a warehouse building and the different combinations of services offered is a unique advantage for many creative businesses. Indeed, over a dozen businesses have emerged as part of a collaborative arrangement, drawing on services provided by Mighty Tieton; a partial list of their names indicate the creative nature of the entities—Goathead Press, Paper Hammer Studios, Tieton Mosaic, Tieton Arts and Humanities,

Boxx Gallery, Trimpin Sound and Space.

What is unique about this entity is that ownership is in private hands; Ed Marquand, a Seattle business owner involved in publishing, visited Tieton, liked what he saw—rental rates were much lower than in Seattle—and proceeded to commit \$4 to 5 million to the purchase of several buildings that ultimately came to house Mighty Tieton.

#### 8. Bucketworks, Milwaukee, WI

Bucketworks is located in Milwaukee, Wisconsin, and while archival information is available, a current organizational website is not available, perhaps suggesting the limits of information. The information below is drawn from The School Factory website, which supported the emergence of Bucketworks, but in 2014 transitioned the entity to another operator. Two earlier newspaper articles describe original Bucketworks programs.

Bucketworks is a non-profit organization located in Milwaukee, Wisconsin. It bills itself as "a health and fitness club for the brain". It is a program of The School Factory, a nonprofit organization. It provides creative space, exercise programs, and events designed to develop the capacity for creative and personal expression. Events may be aimed towards groups, teams, individuals, or families of all ages and interests.

The facility is located just south of downtown Milwaukee. It contains an art gallery, theatre, woodshop, meeting room, cafe, a dance studio, an artist workshop with sewing, painting, crafting, a small business incubator, a computer lab, and a free materials library.

Bucketworks combined makerspace with co-working and collaborative space to enable independent workers and community initiatives to scale and grow. It was envisioned as a "health club for the brain," a place where technical and creative thinking could unite and people from across disciplines and walks of life could build a community together. It was an early model for what the future of education might look like, in a world where we are given the space and the resources to unleash our potential instead of having it squashed by outdated and one-size-fits-all teaching methodologies.

When Bucketworks started, it was a new idea and a new model for transforming education. Over its 13 year history in 4 different Milwaukee locations, Bucketworks spawned dozens of new businesses, and hosted regular arts performances, community workshops, technology hack-a-thons, and professional meetups. Companies like Manpower International, GE Healthcare, and Harley Davidson used Bucketworks to develop new strategies, new products, and new organizational cultures based on collaboration and transparency, while local community organizations like Newaukee and Spreenkler were formed and incubated within its program. Its models for integrated learning methods and community engagement inspired other collaborative spaces and educational innovators throughout the United States and abroad.

#### BUCKETWORKS PROVIDES CREATIVE SPACE TO FILL UP

By Molly Snyder, Senior Writer, Published March 29, 2004 at 5:30 a.m.

"What it takes to make lasting, healthy change is bucket work: taking a bit of the problem and dealing with it a little at a time," says James S. Carlson, the executive director of Bucketworks, a non-profit corporation aimed at enabling the healthy growth of people, ideas and communities.

Bucketworks, 1319 N. Martin Luther King Dr., opened in June of 2002, but Carlson, 28, originally conceived the idea a couple of years earlier. His dream was to create an environment where adults could combine work and play, and share their skills with one another.

"Rather than making an arts-centric place, I wanted to make a place where adults with many diverse interests would interact," says Carlson. "Members with skills in science and technology, business, law, finance, the arts and health would meet to discuss and share their skills."

Bucketworks is divided into four areas: The Playspace, a huge performance event and class space with a theater stage and movable walls; The Workshop, a large room equipped with computers, a pottery wheel, sewing machines, easels and other tools for creativity; The General Store, an on-site supply store with a staff-operated woodshop, kiln, stockpile of paper, paint, brushes and other craft supplies, and a lending library; The Showroom, a retail floor space and art gallery to showcase the works of members and local artists.

Over 100 artists have already shown their work at Bucketworks, and the paintings of Jeremy Guzzo Pinc are currently on display in the gallery.

"There are just as many tools for the engineering-minded person as there are for the artistically inclined," says Carlson, who has a background in business and technology.

Membership is required to access the space and its offerings. A basic membership -- intended for students -- is \$35 a month, and a professional membership -- for artists, academics, professionals or businesspeople who wish to make and sell products -- is \$100 a month.

MPS teachers are eligible for a discounted membership of \$20 per month.

The basic membership offers access to most of the spaces and all of the classes, and the professional membership also includes an annual one-person show in the Bucketworks Showroom, discounted rental rates for the Playspace performance environment, free access to the "Thing Factory" and discounted prices on materials for sale in the on-site supply store.

Classes include fencing, art, science, civics and politics, film, photography, computers and more. "It (membership) is much like the YMCA, except the focus is on mental, expressive and emotional growth rather than physical," says Carlson. Currently, there are 12 basic members and two professional, but Carlson says they are still perfecting the marketing program and foresee a population of 100-150 members in the near future.

As funds increase, the group will open more facilities like Bucketworks around the city, including one focused on the use of fire and metals. Bucketworks is also expanding into schools: the School Factory, Bucketworks' educational programming group, is creating curricula for MPS and helping form new charter schools. Several high school students intern at the facility for credit.

"My educational background is somewhat anomalous; I have no high school diploma, yet I am helping MPS with new and existing schools. It's kind of ironic," says Carlson, who went to 13 different schools in his youth. "It's largely because of my own experience in schools as well as the experiences of those around me that I have dedicated myself fully to my work in public education and public learning."

In 1995 Carlson started a small Internet consulting business in Milwaukee, which he later sold in 1999. He then worked for another firm in Appleton and the Art Technology Group in Cambridge, Mass.

"These experiences have given me a sense of how to use technology effectively for social cohesion and education--computers can get in the way of learning if their use isn't carefully considered," he says.

Carlson has worked on a major art project for the last two years called "The Eyes of Gaia." He took 10,000 photographs of people's eyes of all ages from around the world and used them to make a huge map of the planet.

"Some interesting things I've learned in doing the project is that there's no such thing as a green eye -- it's just blue with some brown or yellow mixed in; this makes it look green from a distance," he says.

Once the image is complete, Carlson plans to take it on tour to schools and universities to do interactive lectures and demonstrations on evolution, biology and social issues such as racism. In some cases he plans to teach the students how to photograph each other's eyes and then make school murals.

The name "Bucketworks" is a perfect metaphor for the organization. "Buckets are simple containers; Bucketworks is a simple container for growth. You can take it with you when you leave, and apply what you learned in the rest of your life," says Carlson.

## **BUCKETWORKS, THEN AND NOW: MILWAUKEE'S LAB FOR LEARNING AND PERFORMING**By John Schneider, Sep. 28, 2011

When my job dissolved with Theatre X in 2004, Bucketworks rescued me. There was nothing like it, a "health club for the brain" where, for a negotiable fee, members had access to space, tools, technology and the spiritual reinforcement that comes from being part of a creative community of people trying to live on something like their own terms. The generous staff, especially the founding visionary James Carlson, gave me daily shots of optimism, a place to make theater and my own website.

In 2007, the rented building at Third and McKinley was sold. Carlson and friends put all they'd learned from five years of operating a communal workspace into the design of a second Bucketworks at Sixth and Vliet. With a better performance space, Brian Miracle's Quasi-Cafe and the energies of many artist-entrepreneurs who knew the value of sharing skills, ideas and resources, the new Bucketworks was bursting with promise. Then in 2008 the roof burst under heavy rain. Flooding ruined the café and half of the building. It happened again in 2009. Two disasters meant another move.

"We lost a lot of goods, but the biggest impact was on community," Carlson says. "Since then it's been a roller coaster. We've learned that recovery can take years." Bucketworks reopened in 2010 at 706 S. Fifth St., just north of National Avenue. Three connected buildings offer several large and small meeting rooms, private offices, rehearsal rooms, storage, construction and gallery spaces, a kitchen, an outdoor patio and indoor parking, all at miniscule cost to members.

It's a superior facility, but quieter. "It's become a lab for teaching and learning," Carlson says. "Our events are learning events rather than performance events, but we're trying to bring the club feeling back."

"We support this because we believe in it," Carlson says with passion. "Bucketworks is a hands-on place and this is hands-on learning."

A third member, ArtWorks for Milwaukee, uses public art to teach employment skills to youth. Other member businesses include The Elumenati, a company that makes and installs immersive visualization domes in museums, schools, businesses and government facilities; H2OScore, which works with Marquette students to compile precise data on water usage by address to help homes and businesses achieve sustainability; and Integrated Precision Controls, which builds solar power plants in rural India.

Word of Bucketworks' existence has spread even as it has struggled to rebuild. A national movement of "hackers," not cyber-burglars but rather a grassroots movement of "people who want to solve problems by opening things up and looking inside," is blossoming in cities across the country. Bucketworks predates it and embodies its ideals, and Carlson was called on for advice.

"So we gathered the [hacker] leaders and founded the Space Federation," he says, "banding to share ideas and teach each other." In August, he was invited to Germany to present the Space Federation to European networks of similar "Maker Spaces."

Meanwhile, in Milwaukee, collectives like RedLine and the new "creative ecosystem" at Grand Avenue have developed. "There couldn't be too many places like this in a city," Carlson says, before adding, ruefully, "This is a movement on the verge of being co-opted." John Schneider is the Shepherd's assistant A&E editor. He was a resident playwright, director and actor with Theatre X.

#### 9. Artscape Wychwood Barns, Toronto, Canada

Artscape Wychwood Barns is a community cultural hub where a dynamic mix of arts, culture, food security, urban agriculture, environmental and other community activities and initiatives came together to provide a new lease on life for a century-old former streetcar repair facility. It is owned by the City of Toronto and operated by Artscape under a 50-year lease. This multi-faceted complex is home to 26 artist live/work spaces, programming and administrative facilities for 10 not-for-profit organizations, 14 artists' studios, indoor and outdoor growing areas, a community-run gallery and an 8,000-square-foot Covered Street used for farmers' and art markets, conferences and events.

Through the tireless efforts of City Councillor Joe Mihevc, architect Joe Lobko, community activists, City staff and Artscape, a compelling shared vision for the project emerged and a groundswell of friends, supporters, donors and funders was engaged. It took five years to de-

velop the vision and secure City of Toronto approval, and three more to raise the required \$23 million in capital support and redevelop the property. Artscape Wychwood Barns opened in November 2008 and has quickly become the social heart of the neighborhood.

The vision for Artscape Wychwood Barns was not simply about re-using a building or co-locating a group of tenants within a re-purposed structure; it was also about building a community within and beyond the walls of the project. It was envisioned as a place that could help heal the differences in the community and become a meeting place for area residents.

Friends of the New Park played a central role in advocating for the project within the local community and at City Hall. The Wychwood Barns project is notable for the energy and commitment of local community members in supporting the project, and in their commitment to animating the derelict site over the many years before construction finally began. Activities on the site included a community skating rink during the winter months, and a community pizza oven in the summer.

Artscape and the community envisioned the adaptive re-use of the structures, which would allow for a mix of office spaces, artists' studios, affordable live/work accommodation for artists and their families, and community space. At its core, the Artscape Wychwood Barns was imagined as a multifaceted community center where arts and culture, environmental leadership, heritage preservation, urban agriculture and affordable housing were brought together to foster a strong sense of community.

#### 10. Parkdale Arts and Cultural Centre, Toronto, Canada

In 1998, Parkdale's former police station in Toronto's west end was ripe for a new life – one that would help revitalize the local economy and strengthen the community. The building had previously been converted into residential units, but remained in rough shape. The Metro Councillor, David Miller, helped secure the site for community use from its owner, the Municipality of Metropolitan Toronto. Passionate arguments were made for a long list of community needs that the project could serve. A mix of arts, community and economic development organizations and individual artists were selected to become tenants, and Artscape was engaged as the facility operator. Parkdale Arts and Cultural Centre (PACC) at 1313 Queen Street West marked Artscape's first foray into mixed-use development.

While the mixed-use model emerged more by happenstance than design, it quickly became apparent that it worked. Ground floor tenants Parkdale Business Improvement Association, Parkdale Community Development Group, Kababayan Community Centre and Gallery 1313 all work tirelessly to improve life in Parkdale while the artist tenants above them help bring the community to life. To make all this possible, the City of Toronto provided a few hundred thousand dollars of capital support, and a long-term nominal sum lease. Like other Artscape projects, PACC operates on a cost-recovery model without requiring ongoing operating grants.

The Parkdale Arts and Cultural Centre, at 1313 Queen Street West, was originally built as a police station (6 Division) in 1931. The building's Art Deco style, particularly the design of the entranceway and protruding clock, make it a landmark in the neighborhood. The building still contains vestiges of its previous incarnation, including cells, a shooting gallery and a horse stable.

Today, the 13,000-square-foot building provides office spaces for community based not-for-profits, an artist-run gallery on the ground floor and nine artist live/work studios on upper floors, all rented to tenants at below-market rates. Like other Artscape-run projects, the Parkdale Arts and Cultural Centre is designed to provide below-market rental rates while operating on a cost-recovery basis. The fact that the project carries no debt and is provided to Artscape at a nominal-sum lease rate makes this possible without subsidy typically provided to affordable housing projects.

Today, Parkdale is transforming into a hip neighborhood - through the hard work of several community and neighborhood organizations (many of which are housed within PACC), the neighborhood has shrugged off the stigma it once had while embracing the rich diversity that makes it unique.

#### **Addressing Key Questions**

This review of ten comparable creative centers began with a set of questions to guide the analysis. In most cases the information to frame an answer to the questions is simply not readily available. Where possible I have gone back to the original sources to secure additional information. The narrative below summarizes the preliminary findings.

## 1. What is the nature and character of the region/community? What is the population, key demographic characteristics (employment, university town, income, education, etc.)?

In part because of the criteria used in selecting the cases for analysis, the communities are quite similar to the Ann Arbor area. Alexandria Virginia, home to the Torpedo Factory, is obviously much larger, while several other entities are located geographically within neighborhoods in the Toronto Metropolitan Area. Tieton Washington is the smallest community involved, although it is a suburb of Yakima, a larger Washington City. While size varies, in terms of other demographic characteristics the creative centers are located in university communities, with established arts organizations, and often undergoing significant economic and community pressures for change.

#### 2. When was the creative center established?

The earliest of the organizations studied here dates to the 1970's, but more typically the creative centers have been established since the 1990's. The Old City Hall project in Dearborn Michigan is the most recent, coming on line just two years ago. The narrative also notes that Bucketworks also transitioned to a new operator in 2014, and that Mighty Tieton also originated in about the same time. As a result information on level of use, customer satisfaction and financing is not readily available in most cases.

## 3. Who were the key actors, and what partners were involved in establishing the creative coop?

Two things stand out in examining the creation of the centers studied. One is the role of specific individuals who played a leadership role in bringing the idea of creative center to fruition. That is evident in almost every one of the entities studied. In a similar vein, several

of the entities have benefited from an alliance with one of the three consulting groups that have emerged over the past two decades to assist communities in establishing creative centers; Artscape, Artspace and the School Factory.

Artscape Wychwood Barns and Parkdale Arts and Cultural Centre, both in Toronto, are Artscape projects. City Hall Artspace Lofts, in Dearborn, and the Harvester in Council Bluffs, involved Artspace, while Bucketworks, in Milwaukee, involved the School Factory, although the operation there has transitioned.

Beyond these two critical elements, two other characteristics are evident upon review of the narratives. First, governmental entities, particularly at the local level, have played key roles in developing, supporting, and in many cases funding, the establishment of the centers. The WAV in Ventura, for example, was city sponsored; city officials in Dearborn took the initiative in inviting Artscape to support the lofts project; Toronto elected officials were instrumental in the establishment of the two neighborhood projects in that city; and city officials were the driving force behind the Torpedo Factory in Alexandria. This suggests the importance of local governmental leadership and support in launching a creative center.

Second, in most instances there existed a nascent arts culture in the community upon which the center emerged. The existing Art League in Alexandria suggested the reuse of the Torpedo Factory as an Arts Center, and Art City in Ventura was a key player in the emergence of the Working Artists Ventura. A businessman who owned a print shop but who also had roots in the arts community in Washington was behind the development of Mighty Tieton. In Milwaukee, the Milwaukee Artist Resource Network (MARN) emerged after the establishment of Bucketworks and provided continuing support for the entity as it transitioned from The School Factory operation.

### 4. What specifically are the roles or purposes of the creative center? Have they changed over time?

The genesis of each of the creative centers examined here is unique to the local community in which it is located, but several common themes are evident. Community and economic development appears to be one of the drivers in the development of the centers, often involving the adaptive reuse of existing buildings; the Streetcar Barn in Wychwood, the Police Station in Parkdale, the Old City Hall in Dearborn, the Torpedo Factory in Alexandria, the Harvester Warehouse in Council Bluffs and the cold storage warehouse that became the basis for the Mighty Tieton.

This provides benefits to the community in several ways, of course, and also increases the likelihood that external grant money—housing, community development, brownfield development—and various tax incentives can be utilized to support development. In several instances, the centers have also served uses beyond space for use by creatives; for example, the Parkdale Arts and Cultural Centre in Toronto became home to several community organizations—mixed-use development as it refers to itself—including neighborhood development organizations and community associations.

## 5. What funding mechanisms were and are being used to support the creative coop? Has that changed over time? Are their concerns about sustainability?

Cost recovery is the dominant approach to financing ongoing operating costs; essentially it means all costs associated with a project or program are recuperated so that total costs balance with revenue. However in almost every case, significant capital investment was involved, especially those involving live-work space. For example, the Harvester project involved total development costs of \$11.2 million, while Artscape Wychwood Barns required \$23 million in capital support to redevelop the property.

The businessman who established Mighty Tieton committed \$4 to 5 million on the purchase of the buildings that eventually housed the operation of the center. While no dollar amount is listed for Dearborn's Old City Hall project, the list of funders and sources suggests it was significant. Given the source of the data, financing information is very limited, although in the case of the nonprofit organizations studied some additional information on financing could be secured through examining IRS 990 forms.

The concern about sustainability is most evident in the oldest of the centers examined here, the Torpedo Factory. The city of Alexandria, facing severe budget constraints itself, recently sought outside assistance in reviewing the operation of the Torpedo Factory, and the findings, which were included in the narrative above about the Torpedo Factory, raise concerns about efficient operation, ongoing financing, customer focus, and organizational leadership and operation. That management analysis is worth more careful examination related to the question of long term sustainability for any creative center.

## 6. Are there any measures of community support available? Data on level of use, satisfaction of users/creatives?

Because of its long tenure, and its role within local government operations, information on the Torpedo Factory is probably most comprehensive. The entity indicated that it draws over half a million visitors a year and is home to over 165 professional artists who work, exhibit and sell their creative work. Very little information is available concerning the community support of other centers, although references to local arts associations are common in the analyses.

## 7. Are there idiosyncratic details that might suggest that the case is not a good comparison?

One might argue that each of the eight creative centers examined here is idiosyncratic:

- a visit by a Seattle businessman to struggling Tieton leads to the emergence of an arts business incubator;
- construction of a new city hall in Dearborn leads to the selection of the now vacant building as a live-work space for creatives;
- The decommissioning of the Defense Department's Torpedo Factory gives rise over several years to adaptive reuse.

What is common, however, to all the creative centers examined here is the role played by community leaders and local government officials in stimulating discussion about and consideration of a space for creatives as an asset to the community.

#### Models of creative centers

Four different models or approaches to establishing a creative work space are evident from the literature. The first relates to the type or purpose of the entity; live-work space or shared creative or work space. This is an important distinction since it determines the upfront capital costs needed to support a center—obviously residential development will cost more and requires a larger facility.

A second model relates to the type of supporting organization that operates the creative center. Most centers are operated by nonprofit or governmental organizations, the primary mechanisms for supporting creative centers. There are a small number of private sector or commercial facilities that provide space for creatives. Those centers operated under the auspices of a governmental entity—a department of local government for example—typically involve some type of subsidy. Governmental, foundation and/or corporate support is evident where nonprofit entities are the supporting organizations.

Still a third model reflects the function or role of the supporting organization. In many cases the creative centers provide services directly to artists; for example, making gallery space available for artists or directly providing live-work spaces. An alternative approach to this direct service model evident in some areas is what might be called an aggregator/broker role. In this model, the supporting entity, normally a governmental or nonprofit entity, serves to link creatives with services or spaces that might be available in the larger community. This broker or clearinghouse role seeks to minimize the demands on the creative center and at the same time take advantage of available community resources. The key here is linking supply with demand rather than directly providing resources to meet demand.

A final model, and one that is more evident in examination of recent cases, reflects the connection between creative community efforts and larger economic development initiatives. In some cases, creative centers are separate governmental department or entities or nonprofit organizations, as suggested above in the second model. What is more evident now is the linkage between creative community efforts and broader economic development efforts, reflecting a greater understanding of the impact of creatives, broadly defined, in supporting local or regional economic development. In such circumstances, the creative center becomes a division of a regional economic development agency, drawing on a broader set of resources to meet the needs of creatives near and far.

Creative centers, no matter the model, have multiple roles and potential impacts, including:

- reuse of obsolete facilities
- repurposing existing underutilized facilities
- drivers of community and economic development
- engaging creative individuals and groups across the community
- providers of shared equipment and facilities
- utilizing office space for other uses, mixed purpose locations
- offering residential space for creatives
- gallery or presentation space as well as retail space

The models as presented above are also not mutually exclusive; an entity providing direct services might provide gallery space for sales of artists' works, but a broker might also identify existing spaces that could be used for a similar purpose. Brokers might also be able to identify spaces in the community that might be available for rent for creative work or even live-work space. And, economic development agencies can also recruit creatives from other areas by indicating the resources that are available in the community to support such efforts.

# **APPENDIX D.** Sample Site Projected Costs and Revenues

Four sites were chosen to prepare a preliminary development budget and operating pro forma for comparison of the feasibility of developing a center in various parts of the county:

- Two downtown Ypsilanti sites were chosen as the Act 88 County Grant required an evaluation of sites that would bolster the revitalization of the Ypsilanti area.
- The Ann Arbor site is centrally located in the County.
- The Manchester site represents a smaller community and likewise would help revitalize the Manchester downtown that is experiencing higher vacancy rates.

The sites are example sites only. This preliminary pro forma analysis and can be used to evaluate other nearby sites if these particular buildings are not available in the future.

#### **Sample Site Comparison**

Location	17 North Washington Ypsilanti	218 North Adams Ypsilanti	415 West Washington Ann Arbor	201 East Main Street Manchester
Current				
Facility Description and Potential	<ul><li>18 studios</li><li>Exhibition space</li><li>Office</li></ul>	<ul><li> 37 studios</li><li> Exhibition space</li><li> Office</li></ul>	<ul><li>37 studios</li><li>200 seat theater</li><li>Celebration venue</li><li>Exhibition space</li><li>Offices</li></ul>	<ul> <li>20 studios</li> <li>Exhibition space Retail</li> <li>Coffee shop</li> <li>Two apartments</li> <li>Office</li> </ul>
Total sq. ft.	6,400	15,900	29,740	8,920
Start Up Cash	\$197,150	\$273,750	\$4.3 M	\$98,750
Annual Operating Profit (Loss)	(\$136,273)	(\$55,908)	break even	(\$27,300)

#### **User Assumptions**

- Advertising
- Architecture
- Arts (schools, teachers, artists and agents)
- Creative technology (app design, game design, web design etc.)
- Cultural and heritage
- Design (game, graphic, industrial, interior, visual)
- Fashion (garment, textile)

- Film, audio visual & broadcasting
- Literary (publishing and print)
- Music & recording
- Museums (art, cultural, heritage, history, science)
- Science & Nature Centers
- Performing Arts (dance, music, interdisciplinary, theater etc.)
- Visual arts & crafts (photography, painting, sculpting, drawing etc.)

#### **Space Assumptions**

- Studios 150 to 400 sq. ft.
- Exhibition space 400 to 2,500 sq. ft.
- Rehearsal, performance and storage space 900 2,500 sq. ft.
- Theater e.g., black box theater seating ca. 200
- Common (hallways, stairs, kitchenette, admin office and restrooms) 20% of total area
- Conference rooms 200 sq. ft. (assumed to be part of common area)
- Coffee bar minimum 400 sq. ft.
- Retail outlet 900 2,500 sq. ft.

#### **Revenue Assumptions**

Tenant Space	<ul> <li>10x15 space-\$150/month (\$15/sq. ft.)</li> <li>20x20 space - \$350/month (\$10.50 sq. ft.)</li> <li>Examples of local space rental fees: <ul> <li>Spur Studios: \$300/month for 20x15 space</li> <li>Landline: \$150/month for 10x10 space</li> <li>Ypsi Alloy: \$175/month for 80 sq. ft.</li> </ul> </li> </ul>
Gallery Space	<ul> <li>Space rental - \$350/month</li> <li>Examples of local spaces:         <ul> <li>Sunday Artisan market: \$275/space</li> <li>Riverside Arts Center - \$200/month</li> </ul> </li> </ul>
Music Studios	<ul> <li>Music studio rental: \$20/hour with PA</li> <li>Recording studio rental: \$50/hour</li> <li>Examples of local space: <ul> <li>Eluminous Studios</li> <li>Grove Studios</li> </ul> </li> </ul>
Stage Rental	<ul> <li>Stage rental: \$250 for 4 hours</li> <li>Examples of local space:</li> <li>Eluminous Studios</li> </ul>
Gallery sales consignment	35% of sales - \$200/month estimate
Retail lease space	\$10/sq. ft.
Coffee shop revenues	varies by site - assume \$3 (average coffee and bakery sale profit) and open 25 days a week

## **Expense Assumptions**

Building Debt & tax payments	20- year loan @ 5% interest rate including taxes and month mortgage insurance Example: \$450,000 loan with \$6,000 annual tax bill = \$3,500/month
Administration	Fee to agency/organization if operated under their umbrella; or profit to private entity managing the center - 10% of staff costs.
Staffing	<ul> <li>FT staff - \$57,000 / year (\$50,000 salary plus \$7,000 fringe expense)</li> <li>PT staff -\$20,000 / year</li> <li>tasks: <ul> <li>manage operations and tenants</li> <li>manage the retail outlet</li> <li>assist with bookings</li> <li>cover exhibition space openings and closing</li> </ul> </li> </ul>
Marketing	<ul> <li>Large facility- \$1,000/month nth for the first year of operation to develop a tenant base and rent up exhibition &amp; theater space; \$300/month nth in future years.</li> <li>Small facility- \$200/month for year 1; \$100/month thereafter</li> </ul>
Utilities & trash pick up	\$2/sq. ft./year
Operations -Accounting, insurance, legal, telephone, website hosting, broadband, IT services	\$1,000/month
Janitorial	\$0.5 sq. ft. /year - standard office and commercial rate of \$1 sq. ft. /year can be reduced substantially as tenants are responsible for their spaces.
Maintenance & repairs	<ul> <li>Large facility - \$0.66 sq. ft.</li> <li>Small facility - \$0.50 sq. ft.</li> </ul>
Replacement reserves	HVAC, windows, roof, mechanical, electrical etc \$1 sq. ft./year

## **Startup Expense Assumptions**

Startup costs are not included in the preliminary estimates either as a one -time expenditure or a capital improvement loan payment.

Preparation of site assessments, construction drawings, permits and approvals	Varies by site
Space renovation / build out	<ul> <li>\$180 / sq. ft. for new commercial space construction</li> <li>\$20/sq. ft. for tenant spaces (wood walls, no ceiling, common lighting and HVAC)</li> </ul>
Equipment for common areas only, studio equipment is assumed to be provided by the studio occupant	<ul> <li>\$8,750:</li> <li>Furniture - \$5,000</li> <li>Gallery lighting - \$1,500</li> <li>PA system for gallery- \$850</li> <li>Computer - \$700</li> <li>Copier - \$700</li> </ul>
Incorporation papers, lease and tenant contracts	\$5,000

# 17 North Washington, Ypsilanti, MI 48197

- 12,800 sq. ft. open floor plan, on two levels, allows for custom build-out design.
  - 1st floor sq. ft. 6,400
  - 2nd floor sq. ft. 6,400
- B3 zoning allows for commercial retail and office space.
- Price: \$10-20/sq. ft. /year- negotiable depending on build out and lease length.

#### **Notes:**

- Sufficient size
- The site is highly visible
- The site is highly walkable
- The site is close to public transit
- Using the site as a center would facilitate the revitalization of the downtown
- Potential operational subsidies:
- · Consignment retail outlet for resident artisans
- no coffee shop (already many shops in the immediate area)

#### **Space Assumptions:**

- The 2nd floor requires major construction (recommend leasing the 1st floor initially and if operation is successful, renovate 2nd floor at a future date).
- 1st Floor Space (6,400 sq. ft.)
- 1280 sq. ft. 20% common areas (hallways, bathroom, kitchenette, copier etc.)
- 100 sq. ft. Staff office
- 600 sq. ft. Gallery
- 4,420 sq. ft. Studios
- Start Up Cost Assumptions: \$197,150
- heating system upgrade & open stairways \$80,000
- studio space construction @\$20/sq. ft. \$88,400
- furniture & equipment \$8,750
- construction plans & permits -\$15,000
- incorporation papers & tenant contracts- \$5,000



## **Start Up Cost Assumptions: \$197,150**

- heating system upgrade & open stairways \$80,000
- studio space construction @\$20/sq. ft. \$88,400
- furniture & equipment \$8,750
- construction plans & permits -\$15,000
- incorporation papers & tenant contracts- \$5,000

Revenue Assumptions	
Studios  • 10- 10x15 spaces @ \$175/month (1500 sq. ft.)  • 7 - 20x20 spaces @ \$300/month (2800 sq. ft.)  • 1 - 10x12 space @ \$150/month (120 sq. ft.)	\$3,750/month
Gallery Space @ \$350/month	\$350/month
Music studio rental	N/A
Gallery Consignments	\$200/month
Total Revenues	\$4,300 / month
Expenditure Assumptions	
Rent - 6,400 sq. ft. @ \$15/sq. ft.	\$8,000 / month
Utilities - \$2 /sq. ft./year	\$1,066/ month
Marketing	\$200 / month
Janitorial - \$0.5 sq. ft./year	\$266 / month
Staffing - 1 FTE	\$4,750 / month
Administration	\$475/month
Operations	\$1,000/ month
Repairs - \$0.50/sq. ft. annually	\$266/month
Replacement reserves - \$1/sq. ft. annually	\$533/month
Total Expenditures	\$16,556/month
Profit (Loss) / month	(\$12,256)/ month

# 218 North Adams St, Ypsilanti, MI

Size: 15,900 sq. ft. totalSale Price: \$500,000

#### **Notes:**

- Sufficient size
- Using the site as a center would facilitate the revitalization of the downtown.
- 2 blocks from Michigan Avenue to the south and 2 Blocks to Cross St. North, Very close to Eastern Michigan University.
- The main church is stone built. The office for the church, which is 3,162 sq. ft., was built in 1958. The main church building was built in 1891 and is in the historical district.
- The building sits on the corner of Emmet and Adams Streets with its own parking lot.

#### **Space Assumptions:**

- 15,900 total sq. ft.
- 3,180 sq. ft. 20% common areas (hallways, bathroom, kitchenette, copier etc.)
- 110 sq. ft. Staff office
- 2,010 sq. ft. Gallery
- 10,600 sq. ft. Studios (37)

#### **Start Up Cost Assumptions: \$273,750**

- studio space construction 10,000 sq. ft. @\$20/sq. ft. \$200,000
- furniture & equipment \$8,750
- HVAC \$50,000
- construction plans & permits -\$10,000
- incorporation papers & tenant contracts- \$5,000



Revenue Assumptions	
Studios 17- 10x15 spaces @ \$175/month (2,550sq. ft.) = \$2,975/month 20- 20x20 spaces @ \$300/month (8,000 sq. ft.) = \$6,000/month	\$8,975/month
Gallery rental	\$350
Music studio rental - 5/week @ \$20/session	\$400 / month
Gallery Consignments	\$200/month
Monthly revenues	\$9,925/ month
Expenditure Assumptions	
Building month mortgage and taxes	\$3,500 / month
Utilities - \$2 /sq. ft./year	\$2,650/ month
Marketing	\$200 / month
Janitorial - \$0.5/sq. ft./year	\$662 / month
Staff - 1FTE	\$4,750 / month
Administration	\$475/month
Operations	\$1,000/ month
Repairs - \$0.50/sq. ft. annually	\$622 / month
Replacement reserves @ 1sq. ft./year	\$1,325/month
Monthly Expenditures	\$15,184/month
Profit (Loss) / month	(\$5,259)/month

## 201 East Main Street Manchester

- 8,920 sq. ft.
- \$450,000 list price

#### **Notes:**

- Sufficient size
- The site is highly visible.
- Using the site as a center would facilitate the revitalization of the downtown.
- This property is located in the Central Business District of Downtown Manchester, situated on the River Raisin. It is a state registered mill building. The current owner has maintained the property making numerous capital improvements since 2001.
- While the location is remote, the recently adopted downtown plan recommends that a niche market be established. An artisan facility of this size would fit this niche market and would have a draw of over 300,000 residents within an hour's drive of the facility.



#### **Potential operational subsidies:**

- 2 existing one-bedroom apartments
- Small coffee shop in high demand and a very small shop directly connected to the artisan exhibit/retail space would generate revenue and reduce operations cost for staffing the arts retail space.
- Consignment retail outlet for resident artisans

#### **Space Assumptions:**

- 8,995 total sq. ft.
- 1,515 sq. ft. apartments (800 & 715 sq. ft. apartments)
- 1,496 sq. ft. 20% common areas (hallways, bathroom, kitchenette, copier etc.)
- 100 sq. ft. Staff office
- 600 sq. ft. Gallery
- 664 sq. ft. Main street level retail space
- 4,720 sq. ft. Studios (20) only 3,000 sq. ft. requires construction as some parts are partitioned

#### **Start Up Cost Assumptions: \$98,750**

- studio space construction 3,000 sq. ft. @\$20/sq. ft. \$60,000
- furniture & equipment \$8,750 + coffee shop equipment: \$15,000 additional
- construction plans & permits -\$10,000
- incorporation papers & tenant contracts- \$5,000

Revenue Assumptions	Option A	Option B (with coffee shop)
Studios • 12- 10x15 spaces @ \$175/month (1800 sq. ft.) - \$2,100/month • 7 - 20x20 spaces @ \$300/month (2800 sq. ft.)- \$2,100 / month • 1 - 10x12 space @ \$150/month (120 sq. ft.) - \$150/month	\$4,350/month	\$4,350/month
Gallery rental @\$350/month	\$350	\$350
Music studio rental - 5/week @ \$20/session	\$100 / month	\$400 /month
Apartment rental - 800sq. ft. apt @ \$750; 715sq. ft. apt. @ \$500	\$1,250/month	\$1,250/month
Retail rental - 664 sq. ft. @ \$10/sq. ft. (Option A) 600 sq. ft./Option B	\$553/month	\$553/month
Coffee shop revenues - 50 sales day @ \$3 x 25 days		\$3,750/month
Gallery Consignments	\$200/month	\$200
Total revenues	\$6,786/month	\$10,853/month
Expenditure Assumptions		
Building mortgage	\$3,500 / month	\$3,500 /month
Utilities - \$2 /sq. ft./year	\$1,066/ month	\$1,066 /month
Marketing	\$200 / month	\$200 / month
Janitorial - \$0.5/sq. ft./year	\$370 / month	\$370 / month
Staffing- 1 FTE @ \$4,750/month Option a and 1.5 FTE at \$1,666/month	\$ 4,750/ month	\$6,416 / month
Administration	\$475/month	\$641/month
Operating	\$250/ month	\$250 / month
Repairs - \$0.50/sq. ft. annually	\$266/month	\$266 / month
Replacement Reserves @ \$1/sq. ft.	\$749/month	\$749/month
Monthly Expenditures	\$11,626/ month	\$13,458 / month
Profit (Loss) / month	(\$4,840)	(\$2,605)

## 415 West Washington, Ann Arbor

(Information based on 2011 report)

- 29,740 sq. ft.
- -22,147 1st floor
- -7,593 2nd floor
- Lease \$1 from the City of Ann Arbor if developed according to the 2011 City Resolution

#### **Notes:**

- Sufficient size for all possible uses
- The site is highly walkable from downtown
- The site is close to public transit
- The property requires environmental, structural, mechanical and electrical evaluations.
- Potential operational subsidies:
- Small coffee shop
- · Consignment retail outlet for resident artisans

#### **Space Assumptions:**

- Theater 200 seat
- Celebration venue
- Gallery
- Offices 2,850 sq. ft.
- Studios 9,081 sq. ft. (37 studios)

#### **Start Up Cost Assumptions: \$4,300,000**

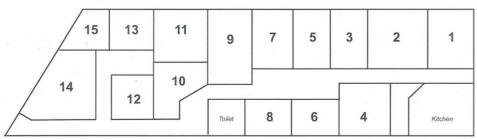
- The building renovation cost of \$4.3 M was developed in 2008. While construction costs have increased since then, the individual studio space construction cost can be lower than the original estimate.
- The revenues and expenditures developed in 2010 are used in this report.



Expense Assumptions			
Building Management/Scheduling:	1 FTE	\$ 50,000.00 /year salary & benefits	\$50,000
Minor Repairs Allowance:		\$ 10,000.00 /year	\$10,000
Maintenance Contracts (HVAC, etc.):		\$ 10,000.00 /year	\$10,000
Capital Expenditures Allowance		\$ 10,000.00 /year	\$10,000
Electric Utilities	29,740 sq. ft.	\$ 1.30 /sq. ft.	\$38,662
Gas Utilities	29,740 sq. ft.	\$ 0.50 /sq. ft.	\$14,870
Water Utilities	29,740 sq. ft.	\$ 0.40 /sq. ft.	\$11,896
Telephone/Internet Utilities	29,740 sq. ft.	\$ 1.00 /sq. ft.	\$29,740
Janitorial:	29,740 sq. ft.	\$ 1.00 /sq. ft.	\$29,740
Insurance:			\$20,000
Shared facilities (copier, etc.):			\$15,000
Marketing/Website:			\$15,000
Snow Plowing:	Assumed by City parks dept.		\$ 0
Yard maintenance (month wing, raking):	Assumed by City parks dept.		\$ 0
Total:			\$254,908
Revenue Assumptions			
Theater Rental:	40 weeks	\$ 1,500.00 /week	\$60,000
Celebration Venue:	40 weeks	\$ 1,500.00 /week	\$60,000
Gallery rental:	26 weeks	\$ 500.00 /week	\$13,000
Gallery sales revenue (non-rental):	26 weeks	\$ 200.00 /week	\$5,200
Office Rental:	2,580 sq. ft.	\$ 10.00 /sq. ft.	\$25,800
Studio Rental:	9,081 sq. ft.	\$10.00 /sq. ft.	\$90,810
Total:			\$254,810

# **APPENDIX E.** Sample Studio Space Layout



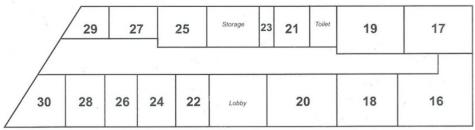


Lower Level

2. 20' x 15' \$300/mo 3. 8.5' x 12' \$125/mo 4. 13' x 13.5' \$175/mo 5. 8.5' x 12' \$125/mo 6. 9' x 13' \$125/mo 7. 8.5 ' x 15.5'\$150/mo 8. 9' x 13' \$125/mo

1. 14' x 15' \$250/mo

9. 12' x 19.5' \$250/mo 10. IRR \$250/mo 11. 14' x 15' \$225/mo 12. 12' x 12' \$150/mo 13. 9' x 10.5' \$125/mo 14. 19' x 19' \$375/mo 15. IRR \$150/mo



Street Level

16. 13.5' x 20' + \$350/mo 24. 8.5' x 13.5 \$125/mo 17. 14' x 18' \$275/mo 25. 11' x 12' \$150/mo 18. 14' x 17' (-11) \$125/mo \$250/mo 26. 8.5' x 13.5' 19. 14' x 18.5' \$100/mo \$300/mo 27. 8' x 9.5' 28. 9'x 13.5 20. 14' x 19.5' \$325/mo \$150/mo 21. 10' x 12' (-11) \$125/mo 29. IRR \$150/mo 22. 10' x 13.5' \$150/mo 30. IRR \$200/mo 23. 4' x 12.5' LEASED

# **APPENDIX F.** New Project Assessment Matrix

Source: www.artscapediy.org

Key Questions an	d Answers	Project 1	Project 2	Project 3
Preliminary	Objectives: Does the project advance [insert the name of your organization] strategic priorities?			
Analysis of Opportunity (yes, no, maybe)	Impact: Is the project large or important enough to warrant [insert the name of your organization] involvement?			
	Resources: Are there likely sources of funds to support the project?			
Criteria (0-5)		Project 1	Project 2	Project 3
	Is there a commitment among major stakeholders to a process of developing a strong shared vision?			
VISION	Is the vision compelling enough to galvanize the stakeholders, partners and investors into action?			
	Does the level of aspiration set for the project appropriately balance ambition and resources?			
	Is there substantial evidence of demand for the programs and services the project will deliver?			
DEMAND/ MARKET	Will the types of space, programs and services offered address under-served needs in the creative sector?			
	Does the location of the project offer services and amenities to attract and sustain creative ecologies?			
	Will the project generate a quadruple bottom line, i.e., positive cultural, economic, social and environmental impacts?			
IMPACT	Will the project create a win-win-win scenario for creative people, partners, investors and stakeholders?			
	Will the project address under-served neigh- borhoods or respond to creative communities under threat?			
	Will the project position arts, culture and creativity as catalysts for community transformation, prosperity, sustainability and livability?			
INNOVATION	Will the project contribute to new month des of development?			
	Will the project advance best practice in design and/or environmental sustainability?			

Criteria (0-5)		Project 1	Project 2	Project 3
	Are sufficient resources available to support the pre-project planning work required?			
FINANCIAL FEASIBILITY	Is there a realistic chance of raising the funding, donations and financing to address the scope of capital work required?			
	Are there multiple back-up plans and contingencies built into capital project assumptions?			
OPERATIONAL	Does [insert the name of your organization] have the organizational capacity to successfully advance the project while balancing other priorities?			
SUSTAINABILITY	Will the project enhance [insert the name of your organization]?			
	Is the scale of the project within [insert the name of your organization] capacity (i.e. neither too big nor too small)?			
	Are project partners' vision and values for the project aligned with [insert the name of your organization] and are they highly motivated to collaborate?			
PARTNERSHIPS	Is there a clear framework for decision-making between partners and agreements in place to manage risk and responsibility?			
	Is there a stakeholder relations strategy in place for the project?			
	Has the project grown organically from the community? Will it build and leverage creative assets and cultural resources?			
COMMUNITY SUPPORT	Are there strong community leaders/champions of the project and are they prepared to raise money to advance and steward it over the long term?			
	Is there evidence of strong support or engage- ment in the project among key stakeholders, i.e., arts community, local residents and the public?			
	Is there a viable window of opportunity to develop conditions for success before formal commitments to proceed are made?			
TIMEFRAME	Is the timeframe to realize the project realistic given the scope of work and budget available?			
	Does the timing of the project fit into [insert the name of your organization] growth and development plans and schedules?			

## **OPERATING ESTIMATES**

www.artscapediy.org

	Sq. ft.	Per sq. ft.	Year 1	Year 2	Year 3	Year 4	Year 5
REVENUE							
Tenant type A		\$	\$	\$	\$	\$	\$
Tenant type B		\$	\$	\$	\$	\$	\$
Tenant type C		\$	\$	\$	\$	\$	\$
Subtotal Base Rent		\$	\$	\$	\$	\$	\$
Property Insurance		\$	\$	\$	\$	\$	\$
Utilities		\$	\$	\$	\$	\$	\$
Repair/Maintenance		\$	\$	\$	\$	\$	\$
Cleaning		\$	\$	\$	\$	\$	\$
Fire/Security		\$	\$	\$	\$	\$	\$
Property Tax		\$	\$	\$	\$	\$	\$
Less Vacancy		\$	\$	\$	\$	\$	\$
Subtotal Additional Rent		\$	\$	\$	\$	\$	\$
Space Rental		\$	\$	\$	\$	\$	\$
Laundry		\$	\$	\$	\$	\$	\$
Parking		\$	\$	\$	\$	\$	\$
Retail Sales		\$	\$	\$	\$	\$	\$
Subtotal Other Earned Income		\$	\$	\$	\$	\$	\$
Funding Sources (add additional lines for multiple sources)		\$	\$	\$	\$	\$	\$
Subtotal Funding		\$	\$	\$	\$	\$	\$
TOTAL REVENUE		\$	\$	\$	\$	\$	\$
EXPENSES							
Management Over- head		\$	\$	\$	\$	\$	\$
Building Staff		\$	\$	\$	\$	\$	\$
Tenant Services + Programming		\$	\$	\$	\$	\$	\$
Administration		\$	\$	\$	\$	\$	\$

EXPENSES (cont.)			
Subtotal Building Management	\$ \$	\$ \$	\$ \$
Property Insurance	\$ \$	\$ \$	\$ \$
Utilities	\$ \$	\$ \$	\$ \$
Repair/Maintenance	\$ \$	\$ \$	\$ \$
Cleaning	\$ \$	\$ \$	\$ \$
Fire/Security	\$ \$	\$ \$	\$ \$
Property Tax	\$ \$	\$ \$	\$ \$
Subtotal Additional Rent	\$ \$	\$ \$	\$ \$
Event Space	\$ \$	\$ \$	\$ \$
Program support	\$ \$	\$ \$	\$ \$
Laundry	\$ \$	\$ \$	\$ \$
Parking	\$ \$	\$ \$	\$ \$
Subtotal Direct Expenses	\$ \$	\$ \$	\$ \$
Earnings before interest & other costs	\$ \$	\$ \$	\$ \$
Interest on Mortgage / Loan			
Capital Reserve per sq. ft.			
Contingency			
Subtotal Interest & Other Expenses	\$ \$	\$ \$	\$ \$
TOTAL EXPENSES	\$ \$	\$ \$	\$ \$

# **APPENDIX G.** Examples of Suitable Spaces in Washtenaw County

The following is an overview of currently available spaces that may accommodate a creative center in Washtenaw County. It is not intended to promote one space/area of the county over another, but rather to provide some information regarding which sites could conceivably support the center. All sites are subject to availability (acknowledgement about the source of the information below is.

The information provided denotes building size, ownership (private or public), price, and other elements including walkability, visibility, access to transit, and availability of incentives. Overall, sites closer to downtown cores were both highly visible and walkable, but were month re expensive than sites further from the core. Sites reviewed included commercial, retail, industrial, warehouse, and school facilities.

#### 114 WEST MICHIGAN AVENUE, YPSILANTI, MI 48197

Overview: Historic building in downtown Ypsilanti has approximately 1,800 square feet of retail space and two apartments on the second floor.

- Square footage: 3,135
- Privately owned: for sale; price: \$259,000
- Sufficient size: suitable space for shared creative arts. However most likely not enough space for performing arts.
- Zoning: center (permitted) live/work may also be an option.
- Potential incentives: Ypsilanti DDA commercial rehabilitation grant program
- The site does strengthen the existing cultural centers of Ypsilanti, given its downtown location.
- The site is highly visible.
- The site is highly walkable.
- The site is close to public transit.

#### NORTH WASHINGTON STREET., YPSILANTI, MI 48197

Overview: Ypsilanti redevelopment contemporary lease space, new to market, B3 zoning allows for commercial retail and office space. 28,000 sq. ft. open floor plan, on two levels, allows for custom build-out design. It is ideal for IT, professional office or multi-use retail. It is located adjacent to Michigan Avenue in downtown Ypsilanti.

- Square footage: 1,500-14,000 contiguous. 28,000 total.
- Privately owned: for rent (redevelopment in progress)
- Price: \$8/sq. ft. /year.

- Sufficient size: suitable space for month any iteration of a creative center.
- Zoning: center (permitted)
- Potential incentives: Ypsilanti DDA Commercial Rehabilitation Grant Program
- The site does strengthen the existing cultural centers of Ypsilanti, given its downtown location.
- The site is highly visible.
- The site is highly walkable.
- The site is close to public transit.

#### 46-54 NORTH HURON STREET, YPSILANTI, MI 48197

Overview: Build to suit in downtown Ypsilanti. It is ideal for office and/or retail storefront. There is a total available square footage of 3,600 divisible down to 500 square feet. There are four contiguous addresses. Renovation of space is currently in progress.

- Square Footage: 7,700. Up to 3,600 available
- Privately Owned: For Rent
- Price: \$500/month nth and up
- Sufficient Size: Four contiguous spaces allow for a separation of creative uses. Adjacency to Riverside Arts Center may provide for a partnership for use of performing arts spaces.
- Zoning: Center (Permitted)
- Potential Incentives: Ypsilanti DDA Commercial Rehabilitation Grant Program
- The site does strengthen the existing cultural centers of Ypsilanti, given its downtown location.
- The site is highly visible.
- The site is highly walkable.
- The site is close to public transit.

#### 800 RAILROAD STREET, YPSILANTI, MI 48197

Overview: Ypsilanti Community Schools (YCS) owned building. YCS is currently leasing a portion of building to Budget Towing. Phase 1 exterior environmental remediation complete, phase 2 in progress. It would need substantial exterior updating. YCS steering committee recommended selling the building.

- Square footage: 20,000
- YCS owned
- Price: appraised at \$298,000
- Sufficient size: suitable space for most any iteration of a creative center.
- Zoning: general corridor (permitted)
- The site does strengthen the existing cultural centers of Ypsilanti.

- The site is highly visible.
- The site is highly walkable.
- The site is close to public transit.

#### 1500 STAMFORD ROAD, SUPERIOR TOWNSHIP, MI 48198

Overview: Formerly YCS Cheney Elementary. Property straddles Superior Township and Ypsilanti Township. YCS has stated the possibility of splitting property along municipal borders. Past offers have been made on the property; YCS steering committee has recommended an eventual sale of the building. It has been vacant since 2007.

- Square footage: 42,000
- YCS owned
- Price: \$1.462mm appraised value
- Sufficient size: suitable space for most any iteration of a creative center.
- Zoning: r-3 (not permitted)
- The site would provide a productive use to an otherwise vacant building.
- The site is not highly visible.
- The site is not walkable.
- The site is close to public transit.

#### 181 OREGON STREET, YPSILANTI TOWNSHIP, MI 48198

Overview: Formerly YCS Thurston Elementary. It has been vacant since 2007. YCS steering committee has recommended an eventual sale of the building. Would require interior upgrades.

- Square Footage: 37,000
- YCS Owned
- Price: \$600,000 Appraised value
- Sufficient Size: Suitable space for most any iteration of a creative center.
- Zoning: R-5 (Not Permitted)
- The site would provide a productive use to an otherwise vacant building.
- The site is not highly visible.
- The site is not walkable.
- The site is not close to public transit.

#### **7275 JOY ROAD, DEXTER, MI 48130**

Overview: Located in Dexter between Mast and Huron River Drive. It is a multi-tenant industrial building with ceiling heights between 12 and 25 feet. Units have 10-12 foot overhead doors and a loading dock. Office and R&D space is a possibility in the front of the building.

• Square Footage: 1,875-37,450

- · Privately Owned: For Rent
- Price: \$7.50-\$10.00/sq. ft. /Yr.
- Sufficient Size: Suitable space for most any iteration of a creative center. However, the use may not be the optimal fit for a creative center depending on other tenants.
- Zoning: C-1 (Permitted)
- The site does not offer any incentives.
- The site does not strengthen existing cultural centers.
- The site is not highly visible.
- The site is not walkable.
- The site is not close to public transit.

#### **7850 2ND STREET, DEXTER, MI 48130**

Overview: warehouse/manufacturing facility with 18 foot ceilings and approximately 9,000 square feet of office space. Warehouse area has several sections, R&D area, receiving office, lunchroom, and partially built offices. On-site parking is available in abundance.

- Square footage: 9,000 to 27,000 available
- · Privately owned: for rent
- Price: \$7.00-\$9.00/sq. ft./year
- Sufficient size: suitable space for month any iteration of a creative center. However the use may not be the optimal fit for a creative center depending on other tenants.
- Zoning: C-1 (Permitted)
- The site does not offer any incentives.
- The site does not strengthen existing cultural centers.
- The site is not highly visible.
- The site is not walkable.
- The site is not close to public transit.

#### 3060 PACKARD ROAD, ANN ARBOR, MI 48108

Overview: Office and retail building located on Packard road near the intersection of Platt road. It contains eight separate 1,200 square foot units. It is a two-story building with elevator. There is private parking lot in rear and public parking in front. Three units (approximately 3,600 square feet) are available.

- Square footage: 11,384 total. 3,600 available.
- Privately owned: for sale; price: \$895,000
- Sufficient size: The property, based on the square footage available may be challenging to house the optimal creative center space. However, if the entirety of the 11,384 square feet were available,

any iteration of a center could be supportive.

- Zoning: C2B (Permitted)
- The site does not offer any incentives.
- The site does not strengthen existing cultural centers.
- The site is highly visible.
- The site is walkable.
- The site is close to public transit.

#### 4750 VENTURE DRIVE, ANN ARBOR, MI 48108

Overview: office, warehouse, and flex space with many options. Open floor layout. Over 12,000 sq. Ft. Of office and industrial combination space. Proximity to i-94.

- Square footage: 4,938-12,924
- Privately owned: for rent
- Price: \$8.95/sq. ft./year
- Sufficient size: suitable space for most any iteration of a creative center.
- Zoning: BD business (permitted)
- The site does not offer any incentives.
- The site does not strengthen existing cultural centers.
- The site is not highly visible.
- The site is not walkable.
- The site is not close to public transit.

#### 5840 INTERFACE DRIVE, ANN ARBOR, MI 48103

Overview: Office, flex, or research and development space. Has close proximity to I-94, M-14, and US-23. Building has overhead doors, loading dock, lab space, and parking. Has a second floor office with classrooms and elevator. There is 16,400 square feet on each floor.

- Square Footage: 32,800 available.
- Privately Owned: For Rent
- Price: \$6.00-\$11.00/sq. ft. /year.
- Sufficient Size: Suitable space for most any iteration of a creative center.
- Zoning: C-2 (Permitted)
- The site does not offer any incentives.
- The site does not strengthen existing cultural centers.
- The site is highly visible.
- The site is not walkable.
- The site is not close to public transit.

#### 1215 SOUTH UNIVERSITY, ANN ARBOR, MI 48104

Overview: New construction near downtown/campus in Ann Arbor. It could be retail or office space available from 6,000 – 12,000 square feet. Very heavy foot traffic. There is a parking structure nearby.

- Square footage: 6,000 to 12,000
- Privately owned: for rent
- Price: \$45.00/sq. ft./Year
- Sufficient Size: Suitable space for any iteration of a creative center.
- Zoning: D1 (permitted)
- The site does not offer any incentives.
- The site strengthens existing cultural centers.
- The site is highly visible.
- The site is walkable.
- The site is close to public transit.

#### 301 NORTH EAST STREET, CHELSEA, MI 48118

Overview: Downtown Chelsea redevelopment property. It is located within the Chelsea Clocktower Condominium Complex. It is ideal for reuse as industrial/office space or possible conversion into living spaces.

- Square Footage: 43,752
- Privately Owned: For Sale; Price: \$500,000
- Sufficient Size: Suitable space for any iteration of a creative center, perhaps live/work as well.
- Zoning: C-6 (Permitted)
- The site does not offer any incentives.
- The site strengthens existing cultural centers.
- The site is highly visible.
- The site is walkable.
- The site is not close to public transit.

#### 311 NORTH MAIN STREET, CHELSEA, MI 48118

Overview: Within Downtown Chelsea Clocktower Complex. High ceilings, cement floors and kitchen elements. Close proximity to common areas in downtown Chelsea. Can support office and/or retail uses.

- Square footage: 12,612. 4,448 available.
- Privately owned: for rent
- Price: \$16.00/sq. ft./year

- Sufficient size: suitable space for most any iteration of a creative center.
- Zoning: C-6 (Permitted)
- The site strengthens existing cultural centers.
- The site is highly visible.
- The site is walkable.
- The site is not close to public transit.

#### 715 EAST DUNCAN, MANCHESTER, MI 48158

Overview: Single story building with over 13,000 square feet of office space. Industrial sites are available from 3,000 to 5,000 square feet. Building is located on the east side of Manchester, near downtown.

- Square Footage: 114,000 total. Up to 13,054 available for office. Up to 5,840 for industrial.
- Privately Owned: For Rent
- Price: \$3.10-\$4.80/sq. ft. /year
- Sufficient Size: Suitable space for most any iteration of a creative center.
- Zoning: I-3 (Permitted)
- The site does not offer any incentives.
- The site does not strengthen existing cultural centers.
- The site is not highly visible.
- The site is not walkable.
- The site is not close to public transit.

#### 135 BENNETT, SALINE, MI 48176

Overview: Multi-tenant building with both office and industrial space. It can rent by the room up to 6,000 square foot wing. Two story building divided into five separate industrial suites. There is city parking in front of the building, street parking and a lot behind the building. It is near downtown Saline.

- Square Footage: 185-32,639
- Privately Owned: For Rent
- Price: \$6.00-\$19.50/sq. ft./year
- Sufficient Size: Suitable space for most any iteration of a creative center.
- Zoning: I-1 (Permitted)
- The site does not offer any incentives.
- The site does not strengthen existing cultural centers.
- The site is not highly visible.
- The site is not walkable.
- The site is not close to public transit.

#### ACKNOWLEDGEMENTS/REFERENCES:

Swisher Commercial. http://www.swishercommercial.com/
Tyler Weston, Real Estate One. http://www.realestateone.com/
Yen Azzaro, Ypsilanti Community Schools Facilities Advisory Board. Ypsilanti Community Schools Facilities Advisory Board Recommendations, March 14, 2016.

# **APPENDIX H.** Creative Center Consulting Lead & Team Bios

The Arts Alliance – Contracted by Washtenaw County to Conduct the Creative Center Assessment The Arts Alliance's mission is to advocate for and support the Arts and Creative Industries in Washtenaw County, MI —arts and creative individuals, organizations and businesses—to ensure that the greater Ann Arbor region remains a great place to create, live, work, learn, play and visit.

The Arts Alliance is a leader, persuading community leaders and stakeholders of the importance of arts and creativity in the 28 city centers, villages and townships of Washtenaw County, including Ann Arbor, Chelsea, Dexter, Manchester, Milan, Saline and Ypsilanti.

A membership organization, The Arts Alliance works with its 260+ members to aid and partner with thousands of creative individuals and hundreds of creative businesses located within the county, who in turn serve 356,000 resident, including 47,000 preK-12 students, plus 80,000 university students and 6.4 million visitors to the region. The Arts Alliance is an essential partner with the business, tourism, philanthropic, government, education and other sectors on numerous programs to integrate art and culture in all aspects of civic life of the county.

Championing Washtenaw's creative sector and spurring and integrating creativity in every sector and population center in Washtenaw County is The Arts Alliance's ultimate goal. Broad- based engagement and the Washtenaw County Cultural Master Plan informs the work of The Arts Alliance. Some work is behind the scenes such as conducting needs assessments for arts and cultural education, administering grants or managing research projects. Other work is more visible such as managing public art projects or presenting annual awards for excellence.

With and on behalf of Washtenaw County's creative industries, The Arts Alliance:

**Facilitates**, to explore issues, conduct research, manage re-granting and foster creative initiatives. **Advocates**, to voice the creative industries' impact and influence policy and encourage investment.

**Communicates**, to promote the creative industries' programs and collaborative initiatives. **Educates**, to encourage investment and participation in life-long creative learning programs. **Celebrates**, to trumpet the triumphs of the creative industries.

## **The Consultant Team**

#### SUSAN BADGER BOOTH, M.F.A.

Associate Professor, Entertainment Management & Arts Administration and Executive Director of the Nonprofit Leadership Alliance, Eastern Michigan University

Badger Booth is the lead consultant on The Arts Alliance's Arts and Cultural Education Integration for Student Excellence (ACEISE) project, was the lead consultant on the Feasibility Study for Expanding Arts Education in the Washtenaw County Public Schools and was the co-consultant on the Washtenaw County Cultural Master Plan. Badger Booth holds a M.F.A in theatre management from Columbia University and a B.F.A. in scene design from Boston University.

#### JOSEPH OHREN, PH.D.

Emeritus Professor, College of Arts & Science, Political Science, Eastern Michigan University
Ohren has dedicated himself to the education of future public servants and has helped more than
60 local communities with goal-setting, team-building, strategic management, and performance
management. Ohren joined Eastern Michigan University's Political Science Department in 1985. He
taught and mentored countless students during his time at EMU and played a leadership role in the
Master of Public Administration program through all of these years. The program and undergraduate
students benefited from his connections to government and nonprofit organizations, not only
through internships and full-time positions, but also through his applied research activities.

#### **DEB POLICH**

#### **President/CEO, The Arts Alliance**

Polich has served as president/CEO since February 2012. A founding board member of The Arts Alliance, Polich has 30+ years of professional arts administration experience, including service as the president/CEO of Artrain, Inc. for 23 years and managing director at the Michigan Theater in Ann Arbor for seven years. Under Polich's leadership, Artrain received the 2006 National Medal for Museum Service, the nation's highest honor for museums. Polich earned a B.S. in arts administration from Eastern Michigan University (EMU). She serves/has served on the boards of numerous nonprofit arts and community organizations, including Creative Many Michigan, where she is currently treasurer, the Southeast MI Workforce Development and EMU's College of Arts & Science Advancement Board, Masters of Public Administration Advisory Board and the Nonprofit Alliance Advisory Board. She serves on the Washtenaw County Convention and Visitors Bureau marketing and community grants committee. She is a University of Michigan and EMU Arts Management guest lecturer.

#### **TONY VANDERWORP**

#### President, VanderPlan Consulting

He has over 30 years of experience in the public sector having held the positions of City Manager, Economic Development Director, Community Development Director, and Public Works Director for city and county governments. He specializes in new-program development and agency strategic plans, as well as providing interim municipal/department administration. VanDerworp holds a master's degree in regional planning from the University of Michigan and is a graduate of the Harvard School of Government Leadership Program.

# **APPENDIX I.** REOI Report

# **Creative Cooperative in Washtenaw County**

The Arts Alliance was charged by Washtenaw County to determine if a thriving Creative Cooperative Center in Washtenaw County, MI can be established and sustained for the long-term benefit of the creative sector and community at large. (For a full project description please refer to pages 9 to 12.

To this end and as described below, The Arts Alliance is managing three distinct but related projects in 2016 to assess and study this scenario.

**Study Project 1** - Prepare, distribute and collect a Request for Expressions of Interest (REOI), a briefing document to be used as a tool to stimulate and assess interest of the creative sector and broader community in one or more Creative Cooperatives in Washtenaw County.

**Study Project 2** - Conduct a Feasibility Study to assess the need for and feasibility of a Creative Cooperative. The Feasibility Study will assess such a project's sustainability and the right location(s) with highest potential for economic impact on eastern Washtenaw County's communities (per County development objectives.) During the Feasibility Study phase, The Arts Alliance will research creative cooperatives in other communities to learn of best operating models and any resulting economic impact and/or creative work force development.

**Study Project 3** - Write a Business Plan. If the assessment supports the value and need of one or more creative cooperative spaces in the County, a business plan will be written. The plan will draw from community feedback and successful operating models and outline a clear, detailed, turnkey plan to create, operate and sustain one or more Creative Cooperatives in eastern Washtenaw County.

## **Summary Report Study Project 1**

#### **Request for Expressions of Interest**

From February 15 to March 11, 2016, The Arts Alliance conducted an online Request for Expression of Interest (REOI) open to all interested parties regarding the need for and the potential use and support of a creative cooperative in Washtenaw County.

The complete summary of the REOI follows on pages 4 to 8. Here are highlights of the report:

84 responses were received from business, organizations and individuals interested in a creative cooperative.

80% of the respondents agree that a Creative Cooperative is important to Washtenaw County.

99% of the respondents said a Creative Cooperative is personally or organizationally important.

41% are interested in being a paying tenant, 33% in providing programing, 12% were interested in operating or managing a Creative Cooperative and 5% were interested in developing or raising capital for a Creative Cooperative.

## Recommendation

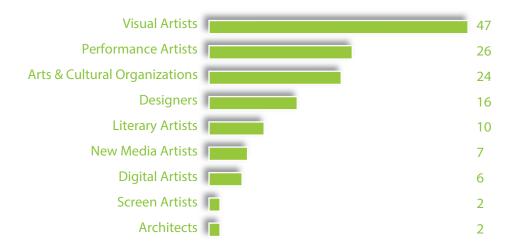
Based upon the favorable indication of interest generated by the REOI for a Creative Cooperative in Washtenaw County, The Arts Alliance requests that the Washtenaw County Community and Economic Development office recommend moving forward with the second study project as described here:

**Study Project 2** - Conduct a Feasibility Study to assess the need for and feasibility of a Creative Cooperative. The Feasibility Study will assess such a project's sustainability and the right location(s) with highest potential for economic impact on eastern Washtenaw County's communities (per County development objectives.) During the Feasibility Study phase, The Arts Alliance will research creative cooperatives in other communities to learn of best operating models and any resulting economic impact and/or creative work force development.



#### **Creative Industries Represented**

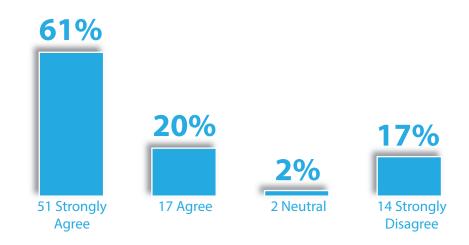
(may select multiple)



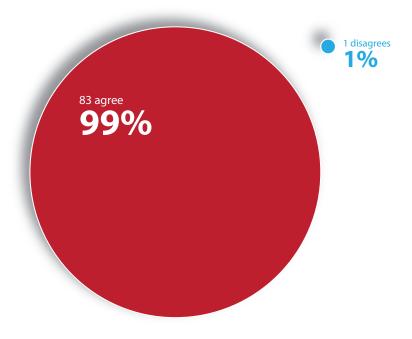
Are you interested in being on the Creative Cooperative advisory committee?

Yes: 61.9% No: 38.1%

I believe a Creative Cooperative is important to Washtenaw County.



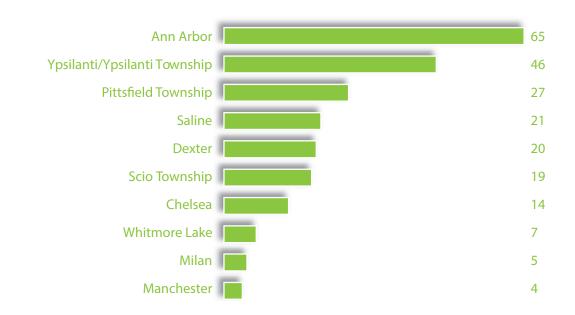
## A Creative Cooperative is of interest to ME (the respondent).



# **In what role are you interested?** (may select multiple)



# In what Washtenaw County community would you lease space? (may select multiple)



#### Financials: Please indicate the annual sales of your creative product(s) or service(s).

ANNUAL REVENUE RANGE OF RESPONDENTS	# OF RESPONDENTS	% OF RESPONDENTS
\$0 - I create a gift for myself	16	19%
\$1 to \$999	14	17%
\$1,000 to \$4,999	5	6%
\$5,000 to \$9,999	3	4%
\$10,000 to \$24,999	3	4%
\$25,000 to \$49,999	3	4%
\$50,000 to \$99,999	1	1%
\$100,000 to \$249,999	1	1%
\$250,000 to \$999,999	1	1%
\$1,000,000 or more	1	1%
I prefer not to answer/did not answer	36	43%

# What is the size of your current location? (Square footage)

No space/not applicable	23
≤ 500	31
501 ≤ 1,000	7
1,001 ≤ 1,500	4
$1,501 \le 2,000$	1
2,001 ≤ 2,500	3
2,501 ≤ 3,000	1
3,001 ≤ 3,500	0
3,501 ≤ 4,000	2
$10,000 \le 12,000$	1
$14,000 \le 23,000$	1
40,000	1

#### How much is your current rent per month?

Free/Not applicable	33
≤ \$100	3
\$101 ≤ \$250	4
\$251 ≤ \$450	6
\$451 ≤ \$650	2
\$1,050 \le \$1,250	2
\$1,251 \le \$1,450	1
\$1,451 \le \$2,500	4
\$2,501 \le \$5,000	4

# How many square feet would you want to rent?

≤ 150	3
151 ≤ 250	18
251 ≤ 450	14
451 ≤ 650	4
651 ≤ 1,000	1
1,001 ≤ 1,500	3
$1,501 \le 5,000$	2
10,000 ≤ 15,000	2

# How frequently would you be onsite at the Creative Cooperative?

Less than 1 day a week 25	
1-4 days a week	42
5-7 days a week	17

# What back office service(s) might you use? (select all that apply)

## Listed in order of importance

Fundraising Investment Capital Advice	
Business/Entrepreneurial Advice	25
Communications/Marketing/Public Relations	5
Legal	22
IT	20
Accounting/bookkeeping	19
Other	19
Order Management and Fulfillment	16

#### Please list all equipment you would like to have provided (opened ended question)

Makers space Mics, instruments, amps Projector Exhibit support Chairs, tables, books, music Recording studio equipment Kiln, pugmill, slab roller, Pottery wheels Stage, drinking fountains Microwave, refrigerator Large woodworking power tools PA system Internet, printing Kilns for glasswork Gas lines Staging tables Easels Lighting and sound systems An electric piano Dark room Laser cutting equipment

#### How important are the following amenities to you or your organization/business?

#### Ranked in order of importance

- 1. Common studio/meeting area that encourages cooperative collaborations
- 2. Public parking
- 3. Tenant parking
- 4. Bus transportation stop within 1/2 mile
- 5. Bus transportation stop within 1 mile

## **Project Description**

#### CREATIVE COOPERATIVE IN WASHTENAW COUNTY

Washtenaw County, MI has long been known for its arts and cultural offerings. Its active creative and artistic scene is frequently touted as one of the key reasons people like to live, work, locate businesses in and visit the region. Despite this history and acknowledgement, there are often-voiced concerns by the creative community regarding the absence of affordable, functional spaces in which to work, create, share ideas, meet the public, promote products and services and grow creative businesses. The lack of studio spaces and/or artist collectives is repeatedly given as a primary reason that creative individuals are choosing to leave Washtenaw County. These concerns are echoed by local foundations, businesses and governmental agencies that worry whether or not this "creative drain" is directly

impacting Washtenaw County's creative vitality, and in turn, a loss of economic dynamism and community identity.

Are these concerns and claims legitimate? If so, is it possible to reverse the "creative drain"? Would a "creative cooperative" – a location where creatives could meet, rent affordable studio or retail space and present programs – thrive and drive economic development? In particular, could it have a positive economic impact on the County's eastern side that is identified as economically challenged? The Arts Alliance and Washtenaw County are joining forces to determine the answers to these and other related questions.

The Creative Cooperative Assessment project aims to determine if a thriving Creative Cooperative Center in Washtenaw County, MI can be established and sustained for the long-term benefit of the creative sector and community at large.

The Arts Alliance is managing three distinct but related projects in 2016 to assess and study this scenario.

**Study Project 1** - Prepare, distribute and collect a Request for Expressions of Interest (REOI), a briefing document to be used as a tool to stimulate and assess interest of the creative sector and broader community in one or more Creative Cooperatives in Washtenaw County.

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**Study Project 3** - Write a Business Plan. If the assessment supports the value and need of one or more cooperative artists' spaces in the County, a business plan will be written. The plan will draw from community feedback and successful operating models and outline a clear, detailed, turnkey plan to create, operate and sustain one or more Creative Cooperatives in eastern Washtenaw County.

The Arts Alliance intends to model its approach using the Creative Placemaking Toolbox developed by ArtScape . With more than 25 years of experience "ArtScape has learned that creative placemaking is a challenging process that requires out-of-the-box thinking, unique partnerships and a collaborative approach to development. Cultivating the conditions that allow creative places and facilities to flourish relies heavily on engaged politicians and a multi-dimensional, cross-sector approach that builds shared values and understanding and which supports leadership, as well as innovative municipal policies and legislation. This is an approach that requires solutions that cross over traditional organizational and sector-based silos."

ArtScape goes on to say that their projects extend beyond the needs of the arts community alone to support local economic development, enrich the social fabric of neighborhoods and promote environmental sustainability. They describe their projects as serving a quadruple bottom line:

Dynamic cultural environments Stronger local economies Richer social fabric Cleaner, greener environment

ArtScape's model provides "platforms for collaboration", designed, tenanted and managed to encourage and support multidisciplinary and cross-sector dialogue and collaboration, both within and between tenant communities and the wider local community. As a result of this approach to Creative Placemaking, and the diversity of disciplines encompassed by the creative and cultural sector, there is no "one size fits all" model for our developments.

# Why a Creative Cooperative Study and Assessment?

Despite Washtenaw County's reputation as a community that values arts and culture and celebrates its creative sector, the absence of affordable, functional spaces for creative artists and organizations to work, create, share ideas, meet the public, promote products and services and grow creative businesses is bewildering. In the past decades several artists' havens have opened and closed in Washtenaw County. It is important to highlight that these closings were not always due to a lack of community involvement or to economic failures, but mostly to the fact that the studios spaces where gradually converted into real estate and investment projects.

Most recently, the closing of SPUR in Ypsilanti in the summer of 2015 was a particularly hard blow for the creative community of the eastern side of Washtenaw County. Since 2009, SPUR provided 29 individual low-rent studios to artists ranging from musicians to visual artists. SPUR was fully rented shortly after its opening, supporting the theory of high demand for such spaces in Washtenaw County. Following the death of the building's owner, the property was sold to a developer. The closing of SPUR in Ypsilanti follows the closing and demolition years of Ann Arbor's Tech Center, which offered over 50 individual studios from the 1980's to 2003. The disappearance of these two spaces has often been cited anecdotally as one of the reasons artists and creative individuals have scattered and/or left the county.

Artists and creatives testify to the importance of benefiting from such collaborative spaces. Talking about the closing of SPUR to journalist Patrick Dunn for Concentrate, Ypsilanti musician Shelley Salant said, "Just having that access to that space for a very reasonable price has been really important. There's nowhere else like that around here. There's really not." Ypsilanti Township artist Cre Fuller further insists that, "It definitely was instrumental in helping me kind of find myself artistically and having that break from my home. And I just felt really cool being part of that crew. I felt creatively invigorated. On days when it was hopping it was an amazing thing to be a part of."

Examples such as the Torpedo Factory in Alexandria, VA, ArtSpace and The Arts Alliance Case Studies, show that it is possible for communities to develop sustainable, economically viable models of cooperative, mixed-use spaces bringing together studios, public spaces and retail areas. Such places provide visibility to local artists, encourage the sale of local arts and products, favor neighborhood revitalization by attracting local inhabitants and tourists, increase local spending, and provide employment and training opportunities. Artists and creative's benefit from the visibility, support, back room services provided and sales outlets. Other artists collectives examples include: City Hall Artspace in Dearborn, MI; Armory Arts Village in Jackson, MI; Rust Belt Market in Ferndale, Detroit Artists Market in Detroit, MI; NC Arts Incubator in Siler City, NC; and the Visual Art Exchange in Raleigh, NC among others.

The question remains in Washtenaw County whether such a creative cooperative would flourish and be sustainable. Response to this REOI will help determine the answer and form a vision of a Creative Cooperative in Washtenaw County.

#### THE STUDY SCHEDULE

TIMELINE	TASK
January 2016	Invite oversite committee.
January 2016	Prepare the REOI and briefing document to be used as a tool to stimulate and assess interest in one or more Creative Cooperatives in Washtenaw County.
February 2016	Hold an information meeting for interested parties, distribute the electronic REOI survey and collect responses.
March 2016	Tally REOI responses and prepare report to be presented to the Washtenaw County Community & Economic Development office.

If the REOI results indicate significant interest in a Creative Cooperative, then a feasibility study will be launched.

Months 4-10	Project 2 - Conduct a Feasibility Study to assess the need for and feasibility of a Creative Cooperative. The Feasibility Study will assess such a project's sustainability and the right location(s) with highest potential for economic impact on Washtenaw County's communities.
Months 11 – 12	Project 3 - Write a Business Plan, assuming that the Feasibility Study finds such a space to be warranted, that outlines a clear, detailed, turnkey plan to create, operate and sustain one or more Creative Cooperatives in Washtenaw County.

# **About the Creative Cooperative Study Partners**

#### THE ARTS ALLIANCE

The Arts Alliance advocates for and supports the Creative Sector in Washtenaw County—arts and cultural organizations and creative individuals and businesses—to ensure that our region remains a great place to create, live, work, learn, play and visit.

A membership organization, The Arts Alliance serves to:

Facilitate – explore issues, conduct research, foster and administer creative initiatives. Advocate – vocalize the creative sector's impact on quality of life and place in Washtenaw County, MI.

Communicate – promote creative sector programs and collaborative initiatives. Educate – encourage life-long creative learning programs for local residents and creative practitioners.

Celebrate – trumpet the triumphs of the creative sector.

For more information contact:

#### **Deb Polich, President/CEO**

The Arts Alliance 1100 North Main Street, Suite 106B Ann Arbor, MI 48104 www.A3Arts.org deb.polich@a3arts.org 734.213.2733 ext. 701

#### **WASHTENAW COUNTY**

The Washtenaw County Board of Commissioners has identified building the local economy as a high policy priority and mechanism to strategically and meaningfully impact the community. Local economic development goals include local business expansion and job creation; an economy with less reliance on larger, non-local corporations for job formation; and an increase in local wealth where local spending on products and services flows to local businesses rather than flowing out of the region to national and international corporations.

To foster local economy growth, the County allocates funding for grants to eligible not for profit entities to assist in delivering products, services and research that promotes the growth and development of our local economy. The Creative Cooperative Study is supported by Washtenaw County and administered by the Community & Economic Development office.

For more information contact:

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