Preliminary Feasibility Report

Greater Columbus Arts Council & City of Columbus

Columbus, Ohio

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Although Columbus is the largest city in Ohio,\textsuperscript{1} the state capital, and the home of one of the nation’s biggest universities, in some respects it still resembles the modest college town it was for much of the twentieth century. Cleveland and Cincinnati have taller skylines and more celebrated orchestras; Columbus has the Ohio State Buckeyes.

But appearances can be deceiving. Columbus’s strong commitment to the arts is typified by the Greater Columbus Arts Council (GCAC), an independent agency that receives an annual subsidy from tax revenues. GCAC in turn provides more than $2 million a year in operating support to some 70 area arts groups, operates the 47-year-old Columbus Arts Festival, and supports a broad range of other programs. With an annual budget of more than $5 million, GCAC is an important player in a city that has long recognized the value of the arts as an economic development tool.

One of GCAC’s current priorities is to establish an affordable artist live/work project either in or near downtown Columbus. The central business district certainly could use assistance. While progress has been made on Mayor Michael Coleman’s ambitious goal of creating 10,000 new market-rate housing units there by 2012, the city’s bicentenary, downtown Columbus is not a lively place, especially after dark. Cogent arguments can also be made for a live/work project in any of several inner city neighborhoods, including German Village, Merion Village, and (for different reasons) the Short North.

With financial assistance from the City of Columbus, the Arts Council invited Artspace to conduct a Prefeasibility Site Visit to begin the process that could lead to a live/work project in the city. The visit took place August 6-7, 2007; Artspace was represented by Wendy Holmes, Vice President for Consulting and Resource Development, and Roy Close, Director of Resource Development.

\textsuperscript{1} With an estimated 2006 population of 711,470, it is nearly as large as Cleveland (478,403) and Cincinnati (331,285) combined.
During a Preliminary Feasibility Visit, Artspace gathers information in five main areas: project concept, artist market, site feasibility, financial feasibility, and local leadership. While these are not the only factors we consider in making our recommendations, they help us frame the discussion.

If the community is clear about what it wants – that is, if the project concept has been determined – we evaluate that concept in the context of the other factors. For example, if the concept involves adapting a particular historic building for use as an artist live/work project, we consider whether the building in question is structurally sound, suitable for the intended use, available at a price we can afford, and so on. If the project concept hasn’t been determined, we weigh the variables and offer recommendations to help the community decide how to proceed.

**PROJECT CONCEPT**

Many communities have a clear project concept in mind before they contact Artspace. Buffalo, New York, for example, was interested in a live/work project to catalyze development in an economically challenged neighborhood. Fergus Falls, Minnesota, wanted to find a use for a long-vacant historic hotel on the city’s main street. For Santa Cruz, California, where real estate values are among the highest in the country, the goal was to keep artists from being priced out of the community.

Columbus appears convinced of the value of an affordable live/work project for artists but hasn’t yet narrowed its focus. This was evident by our tours of buildings and sites regarded as potential candidates for an Artspace project. Over the course of two days, we walked through a downtown office building that would by a strong candidate if the City’s objective is to address the economic development issue, and two schools that would more effectively address the historic preservation issue. We also drove through the Short North entertainment district, where artists have been displaced by gentrification, and looked at but did not enter yet another historic school, an abandoned 3M factory, and a vacant Masonic temple, among other structures.

**ARTIST MARKET**

An in-depth Artist Market Survey is a necessary step in the early predevelopment phase of an Artspace live/work project. We use the survey to determine both the size and the nature of the market for the project. It tells us with reasonable accuracy how many live/work units the local arts community can fill and whether there are special considerations, such as the need for specific kinds of studio space, that might influence the design and scale of the project. If a mixed-use project is under consideration, the survey can also be used to identify the need for space for arts organizations, creative businesses, and arts-friendly commercial ventures such as coffeeshops and restaurants. Developing the questionnaire, publicizing it (we attempt to reach at least 3,000 artists within a 50-mile radius), gathering the responses, and analyzing the data takes about four months.
We recommend proceeding with an Artist Market Survey if, based on our Preliminary Feasibility Visit, we are confident that the survey will indicate the existence of a market sufficient to support a project of at least 25 and preferably 35 to 40 units. In a few cases, we recommend an Artist Market Survey to a city that wishes to have a better or more complete picture of the size and makeup of its arts community, even though we believe that the survey is unlikely to reveal a market for an Artspace project.

Based on our visit, we believe that an Artist Market Survey in Columbus will reveal a sizable market for an Artspace live/work project. Artists were well-represented at both our artist focus group session and the evening public meeting, which attracted an audience of more than 100, and several of them spoke of the need for affordable residential and studio space. Two prominent arts leaders – Karen Bell, Dean of The Ohio State University College of the Arts, and Dennison Griffith, President of the Columbus College of Arts and Design – said that their institutions are looking for ways to support their recent graduates and that they view artist live/work housing as a realistic option.

SITE ANALYSIS

During a preliminary feasibility visit, Artspace’s primary goal is not to select a site but to identify candidates for further study should the project move forward. Accordingly, we toured several buildings and conducted “drive-by” inspections of several others.

Here is a summary of our thinking about the buildings we toured.

Trautman Building, 209 S. High Street
The Trautman is a five-story downtown office building with two three-story annexes behind it. The main building dates from 1893; the annexes appear to be nearly as old. The total area of the three buildings is about 60,000 square feet. The Trautman’s ceilings are sufficiently high – 11 or 12 feet in the areas we toured – to be good for live/work space. Its original front windows, currently obscured by a 1964 façade, are large; elsewhere, its windows are of more conventional size, and most of them face an interior courtyard. Because the Trautman is owned by the Columbus Downtown Development Corporation, the redevelopment arm of the city, acquisition would presumably not be a problem.
The Trautman is in the River South District, a part of downtown Columbus that is beginning to experience redevelopment. One block away, the former Lazarus Department Store building has been beautifully renovated as a LEED-certified office building and is now filling with commercial tenants. The Ohio State University’s Fine Arts Department has leased 10,000 square feet in the building for a new gallery called the Urban Arts Space. One block away in the opposite direction is a handsomely restored 1896 building that houses both a Westin Hotel and the recently renovated 933-seat Southern Theatre. Directly across the street, however, is the City Center Mall, a failing shopping center; except for a Macy’s department store, one of three original anchor tenants, it is empty.

If the City decides that its first priority is a downtown project, the Trautman appears to be a viable candidate for a live/work project of moderate size – about 30 units, say, assuming the streetfront spaces are set aside for commercial uses. It would have the potential to act as a catalyst for additional development in the immediate area, especially if the City finds a compatible use for the shopping mall, and it would undoubtedly bring new life and energy to the south side of downtown Columbus. Its proximity to the Lazarus Building and the OSU gallery is a plus. Like the other buildings in this short list, it would qualify as an historic preservation project, which means that historic tax credits and other resources might be available.

**Beck Street School, 387 E. Beck Street**

Located in the heart of German Village, an inner city neighborhood of narrow streets and small brick houses, the Beck Street School is a lovely 1900 edifice still used by the Columbus School District. Built in 1884, it has huge windows and high ceilings (14 feet and tin-clad on the upper floors, 10 feet on the ground floor). At 40,000 square feet, it is probably too small to be a viable candidate for an Artspace live/work project; but because the site it occupies is two acres, there is room to expand.

German Village was at one time something of an artists’ quarter. But its charm and proximity to downtown Columbus have made it a highly desirable residential area, and gentrification has taken its toll on the artist population. An artist live/work facility in the Beck Street School would probably have little effect on the neighborhood, which is stable and needs no economic assistance.

The Beck Street School is scheduled to be replaced during the 2007-08 school year, but its availability is uncertain. Although a representative of the School District told us that it is likely to remain in use for some time as a “swing” school – in essence, a temporary substitute for another school while the latter is
undergoing renovation – there is also a possibility that the District may designate it as surplus next spring, when the District is expected to reveal its long-term facilities plan.

**Barrett Middle School, 345 E. Deshler Avenue**
This magnificent building, dating from 1898, occupies a six-acre site in Merion Village, a neighborhood about two miles from downtown Columbus. Like the Beck, it is now a swing school, and when we toured it, dozens of workers were laboring to get the building ready for its return to service this fall as a temporary high school.

With 94,000 square feet spread over three floors, very large windows throughout, and ceilings as high as 20 feet, the Barrett is ideal in every respect for adaptive reuse as an artist live/work project. But its availability, like that of the Beck Street School, is unknown and will remain so until the School District announces its plan next spring. Like German Village, Merion Village does not appear in compelling need of the economic shot in the arm that an Artspace live/work project typically represents.

**Milo Arts Building, 617 E. Third Avenue**
At the invitation of an artist who resides there, we toured the Milo Arts Building, a converted elementary school of the same vintage as the Beck Street and Barrett schools. This privately owned facility has been in financial difficulty for some years, and its future as a live/work space is in doubt. The building has many physical shortcomings, not least of which is its lack of bathrooms; most of the dozen-plus tenants share the original school locker rooms in the basement. For a variety of reasons, the Milo is not a candidate for an Artspace live/work project. But it serves as a stark reminder of the fragility of artist live/work space not only in Columbus but in many American cities; too many artists live and work under the more or less constant threat of displacement.

**FINANCIAL ANALYSIS**
An Artspace live/work project represents a significant investment of civic resources. A typical project of 35 to 45 units costs $15 to $20 million, and predevelopment expenses – the “soft” costs, such as architects’ fees, that must be met before construction can begin – are seldom less than $500,000. Although a variety of federal programs, such as low income housing tax credits, can be used to generate revenue for construction, we look to the community for predevelopment
revenue and commitments of affordable housing allocations in the form of $30,000 per unit in a combination of CDBG and HOME funds, or the equivalent.

Whether the City of Columbus is prepared to make this kind of commitment remains to be seen, but we were encouraged by the presence of Erika Clark Jones, Mayor Coleman’s Director of Policy, who attended every meeting and joined us for some of the building tours. We regard this level of interest, as a very positive sign. Representatives of City Council members and state legislators were also in attendance.

Philanthropy plays an important role in every Artspace live/work project. In a typical project, between 10% and 15% of the total revenue comes in the form of gifts from foundations, corporations, and, in some cases, individuals. We were encouraged, therefore, that Douglas Kridler, president of The Columbus Foundation, attended one of our information sessions. With assets of more than $1 billion, The Columbus Foundation is certainly in a position not only to provide significant support but also to play a leadership role in persuading other prospective funders to line up behind an artist live/work project that addresses community priorities.

Other corporations with philanthropic/community giving programs in Columbus include The Limited, Nationwide Insurance, Huntington Bank, National City Bank, Crane Plastics, and JP Morgan Chase.

LOCAL LEADERSHIP

We were very impressed by the depth and quality of Columbus’ leadership. Our host, the Greater Columbus Arts Council, under the leadership of Bryan Knicely, has a strong presence in the community through its sponsorship of the annual Columbus Arts Festival, its various grant programs, and many other initiatives. The Columbus College of Art and Design, which provided space for all of our meetings, was represented at them by its president, Dennison Griffith, and Anita Dawson, a professor (and GCAC Board member), among others. Karen Bell, Dean of the Ohio State University College of the Arts, and Sergio Soave, Chair of the OSU Department of Art, attended multiple meetings. All made it clear that their institutions are looking for ways to support their recent graduates and that they view artist live/work housing as a realistic option.

As noted above, Erika Clark Jones, the Mayor’s Director of Policy, attended every meeting and joined us for some of the building tours. So did staff members of City Council members and state legislators. We regard this level of interest as a very positive sign. It suggests strongly that the City and, to the extent needed, the State will do everything possible to help if the community decides to move forward with an Artspace project.

Another participant was George Tabit, Director of Rental Housing Development for the Columbus Housing Partnership (CHP), a well-regarded nonprofit developer of tax credit housing projects. According to Tabit, CHP is “very interested” in playing a role if Artspace is ultimately selected to develop an affordable live/work in Columbus. Although it is too early to say what that role might be, we take CHP’s interest as another positive sign.
Finally, we observe that Gordon Gee, who is returning to The Ohio State University presidency after a decade-long absence, is widely seen as a positive factor in terms of initiatives of this kind. Mr. Gee is held in high regard as an administrator who “gets things done,” and his support of an Artspace project would be a major step in the right direction.
Colombo impresses us as a strong candidate for an Artspace live/work project. Although the project concept hasn’t been clearly defined, there seems to be a consensus in favor of an affordable live/work project either downtown or in an inner-city neighborhood. The artist market appears large enough to support a project of at least 30 units and probably more. There appear to be many potential candidates for a project involving adaptive reuse of an historic building, and if no suitable building can be identified, vacant sites abound in downtown Columbus. Civic, arts, and institutional leaders are solidly behind the idea of artist housing, and we received strong early signs of philanthropic interest as well.

As an immediate next step, we recommend an Artist Market Survey. The survey’s primary goal will be to determine the size of the market for an affordable live/work project. In our experience, a three-to-one redundancy is sufficient to ensure the success of a proposed project – that is, for every unit under consideration, we seek three responses from artists who say they would be interested in relocating if the project is built. In other words, if a 40-unit project is contemplated, the survey should identify at least 120 artists who would like to become residents.

The survey also will help determine other variables, such as the ratio of one-, two-, and three-bedroom units and the need for amenities to serve specific kinds of artists. Although it is impossible to build a live/work project that anticipates every artist’s needs, we can use the data collected by the survey to inform our planning.

A market analysis of this magnitude will take four to six months to plan, execute, and analyze. We conduct our surveys online, which not only simplifies data processing but also makes it easier to determine the need for midcourse corrections. For example, if early responses suggest that some artist groups are not responding to the survey in representative numbers, we can conduct additional marketing and outreach to make them aware of the survey, establish a telephone response system for artists who lack computer access, and so on.

Because we believe that an Artist Market Survey will indicate the presence of a strong market, we encourage the key stakeholders – civic, business, education, and arts leaders – to begin narrowing the project concept. No project can be all things to everyone. A project designed to maintain a long-term presence of artists in the Short North, a project designed to encourage economic revitalization in the River South District, and a project designed to preserve an historic school in German Village are very different animals, despite the common denominator – artists – they all share.

At the same time, we urge the community to keep an open mind about possible development opportunities even if they don’t perfectly address the project concept. There are clearly many building opportunities in Columbus. Several for-profit developers have contacted Artspace about potential partnerships involving sites already secured for redevelopment, and at least four developers attended the public meeting. If the community decides to move forward on the path that can lead to an Artspace project, a second visit by our staff would be in order to begin serious investigation of available buildings and vacant sites.
ARTSPACE 101:
OUR MISSION, HISTORY AND PROGRAMS

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

Finding and retaining affordable space is an age-old problem for artists — painters, sculptors, dancers, and others who require an abundance of well-lit space in which to work. Many artists gravitate to old warehouses and other industrial buildings, but their very presence in an industrial neighborhood often acts as a catalyst, setting in motion a process of gentrification that drives rents up and forces the artists out.

This is precisely what happened in Minneapolis’ historic Warehouse District in the 1970s and led to the creation of Artspace in 1979. Established to serve as an advocate for artists’ space needs, Artspace effectively fulfilled that mission for nearly a decade. By the late 1980s, however, it was clear that the problem required a more proactive approach, and Artspace made the leap from advocate to developer. Since then, the scope of Artspace's activities has grown dramatically. Artspace is now a national leader in the field of developing affordable space for artists through the adaptive reuse of old warehouses, schools, and commercial buildings.

Artspace’s first three live/work projects were in Saint Paul: the Northern Warehouse Artists’ Cooperative (1990), Frogtown Family Lofts (1992), and Tilsner Artists’ Cooperative (1993). Since then, Artspace has expanded its range of activities to include live/work projects in Duluth (Washington Studios, 1995); Pittsburgh (Spinning Plate Artist Lofts, 1998), Portland, Oregon (Everett Station Lofts, 1998), Reno (Riverside Artist Lofts, 2000), Galveston (National Hotel Artist Lofts, 2001), Chicago (Switching Station Artist Lofts, 2003), Seattle (Tashirop Kaplan Artist Lofts, 2004), Fergus Falls, Minnesota (Kadatz Artist Lofts, 2004), Bridgeport, Connecticut (Sterling Market Lofts, 2004), Mount Rainier, Maryland (Mount Rainier Artist Lofts, 2005), Houston (Elder Street Artist Lofts, 2005), Buffalo (Artspace Buffalo Lofts, 2007), and Fort Lauderdale (Sailboat Bend Artist Lofts, 2007). In all, these projects represent 660 live/work units.

In the mid-1990s, Artspace broadened its mission to include non-residential projects. The first of these, the Traffic Zone Center for Visual Art (1995), transformed an historic bakery in the Minneapolis Warehouse District into 24 studios for mid-career artists. Other non-residential
Artspace projects include the Minnesota Shubert Performing Arts and Education Center, a $37 million, three-building cultural complex in downtown Minneapolis. When completed in 2009, it will serve as a performing home for the Saint Paul Chamber Orchestra and more than 15 small and midsize dance, music, and theater groups. It will also have a multifaceted education program that will include interactive long-distance learning technology capable of reaching every school district in the state.

Over the last few years, Artspace has evolved from a Minnesota organization with a few national projects into a truly national organization based in the Twin Cities. We now have projects in development, predevelopment, or feasibility in more than a dozen states. Our national consulting program has helped communities in 40 states address their arts-related space issues. The nature of our work is evolving, too, to include multiple-facility projects, long-range planning, and arts districts.

Artspace programs fall in three broad categories: property development, asset management, and national consulting.

**Property development**

Development projects, which typically involve the adaptive reuse of older buildings but can also involve new construction, are the most visible of Artspace’s activities. To date, we have completed 20 major projects. Artspace live/work projects are operating or in development from coast to coast.

**Asset management**

Artspace owns or co-owns all the buildings it develops; our portfolio now comprises more than $200 million worth of real property. We strive to manage our properties so that they will be well-maintained yet remain affordable to the low- and moderate-income artists for whom they were developed in the first place. Revenues in excess of expenses are set aside for preventive maintenance, commons area improvements, and building upgrades.

**National consulting**

In addition to its roles as developer, owner, and manager, Artspace acts as a consultant to communities, organizations, and individuals seeking information and advice about developing affordable housing and work space for artists, performing arts centers, and cultural districts — usually, but not always, within the context of historic preservation.