



# Creative Spaces Consulting Report

Tucson, Arizona  
January 2017

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# Artspace Projects Around the Country



Top to Bottom, Left to Right: First residents at the Artspace Tannery Lofts in Santa Cruz, California; Residents in the El Barrio's Artspace PS109 in East Harlem, New York; Interior of a live/work unit in the Northern Warehouse Artists' Cooperative in St. Paul, Minnesota; Grand Opening of the Brookland Artspace Lofts in Washington D.C.; Exterior of City Hall Artspace Lofts in Dearborn, Michigan.

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# Background

Artspace was invited to conduct a Creative Services Consulting Visit by the Arts Foundation for Tucson and Southern Arizona and with the blessing of the City of Tucson. The visit took place October 4-6, 2016. Artspace was represented by Wendy Holmes, Senior Vice President and Teri Deaver, Vice President, for Consulting and Strategic Partnerships. Over the course of two and a half days the team toured the three priority buildings and sites for cultural development and facilitated two focus groups. On the tour, hosts and stakeholders provided insight regarding the structures, history and current and/or proposed uses for each building/site. The team made an additional visit to the William Flores and Son Blacksmith and Welding redevelopment property in the Dunbar Springs neighborhood. One of the focus groups helped Artspace gather input from area artists and representatives of arts organizations and creative businesses about creative sector space needs. The other focus group explored funding and partnership opportunities and identified goals that aligned with private funders and the City of Tucson with representation from Mayor Rothschild and members of his team in Planning and Development and Parks and Recreation.

This study took place two months before the national tragedy in Oakland, California that swept the national arts community when a warehouse filled with working artists and creative people was ravaged by a fire that killed 36 artists and destroyed this well-known artist space. Like so many artist buildings, the “Ghost Ship” building was not “up to code” and artists were also living in it illegally. This tragedy shown a bright light on the many DIY spaces across the country where artists and creatives are living, working and conducting business. Since the Oakland fire, at least a dozen other cities have shut down artist spaces in warehouses and other buildings that were not code compliant. We believe this issue is an important one in the light of the important creative space developments “in the making” in Tucson and that were a part of the Artspace study.

## **Define: CREATIVE**

A person who works or is skilled in the fine arts; creates imaginative works of aesthetic value; creates functional art, is a performer or is regularly engaged in or teaches a cultural significant practice. Creative organizations and businesses typically involve creatives or are run by creatives and achieve their mission or purpose primarily through creative or artistic work.

# Introduction

The City of Tucson encompasses over two-hundred square miles of the vast Sonoran Desert. It is the Pima County seat and boasts a population of over a half million. It is an outward sprawling community divided into distinct historic and newer neighborhoods, with a city center that is seeing a surge in reinvestment and new development. This downtown dynamic provides a welcome economic lift, but also contributes to rising rents – a narrative that is reverberating throughout the creative and nonprofit sector. In 2015, a collective of artists in the Tucson Warehouse Arts District lost a work-studio building to a housing conversion. Artists, creative businesses, and arts and cultural organizations are beginning to look outside the central ring, where real estate is cheaper. However, this is also where clusters of synergistic activity are harder to identify and infrastructure less robust.

The city's history, architecture and culture are strongly influenced by its proximity to the Mexican border, 60 miles to the south, and to the neighboring First People's Nations of Tohono O'odham and Pascua Yaqui. It is a notably geographically divided community. Affluent residents and part-time winter residents tend to live in the foothills to the north; lower income and Latino/Hispanic residents have historically occupied the south. It is a diverse community that embraces its multi-culturalism through art and local commerce, even as its residents struggle to preserve the identities of historic neighborhoods and overcome cultural and economic disparities. These struggles may be amplified in a rising tide of gentrification and ever-shifting demographics.

In this context, our host and client, the Arts Foundation for Tucson and Southern Arizona (formerly the Tucson Pima Arts Council) invited Artspace to help them explore short- and long-term strategies to address the facility needs of the creative community in Tucson. The challenge put before us was how to create and preserve culturally-relevant space for Tucson's creative sector. Three properties were the focus of our efforts: The downtown Dunbar School Project in the Dunbar-Spring neighborhood, the downtown Tucson Performing Arts Center (PAC), and the central-south Julia Keen School in the Julia Keen neighborhood adjacent to Barrio Centro neighborhood directly to the west.

The 2008 recession provides context to the Arts Foundation's work, which is when the City of Tucson experienced an unprecedented budget crisis. Tucson also felt the blow of the failed 2015 Pima County bond proposal, which would have provided \$816 million for 99 projects throughout the county and city, including 30 arts and historic-related projects.

Hence, the Arts Foundation is focused on creative partnerships that can help advance creative capital projects and provide a new precedent and "model" for future cultural arts investment from the public and private sectors.

The following findings and recommendations are intended to assist the Arts Foundation and its partners and stakeholders: address existing creative space needs, explore sustainable options for underutilized properties, bolster current initiatives, and create a broad-based long-term strategy that links all these pieces together.

# FINDINGS

The City of Tucson has site opportunities for creative space in and around its downtown. The map below, created by the Arts Foundation, offers geographic context for the three priority sites explored in the following section. The priority sites are labeled: 1, 5 and 7.



## TUCSON: ART PLACEMAKING ART PLACEKEEPING

### Opportunities

1. Dunbar Project
2. Steinfeld Warehouse
3. Citizens Warehouse
4. Tooleshed
5. Performing Arts Center
6. Access Tucson
7. Julia Keen School (3 Miles east)

### Losses

1. Beowulf Alley Theater
2. Lucky Street Studios
3. Mat Bevel Institute
4. 549 7<sup>th</sup> Avenue Studios

### Good City Partnership Examples

1. La Pilita lease
2. MOCA lease (purchase option)
3. Temple of Music and Art lease
4. Children's Museum lease
5. El Presidio Trust lease



Map of Placemaking and Placekeeping Opportunities, Losses and Good City Partnership Examples,  
Provided by the Arts Foundation

# PRIORITY SITES AND PROJECT ASSESSMENTS

## SITE #1

**Dunbar School Project**  
**Dunbar Springs Neighborhood**

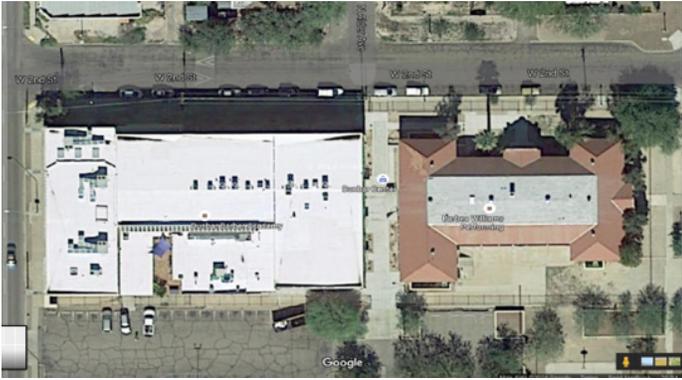
### BACKGROUND

The Dunbar School is a campus of buildings centered by a 54,000 square foot facility that partially contributes to the Dunbar-Spring National Historic District, but is not individually listed in the National Register of Historic Places. The original two-room schoolhouse was erected in 1918 and each successive expansion was a response to a growth in population in the years 1921, 1930, 1935, 1941, 1948, and 1965. It was the first and only de jure segregated school in Tucson starting in 1918, serving the city-wide African American population primarily located in South Park, A Mountain, Sugar Hill and Dunbar Spring. The school was desegregated in 1951, three years prior to *Brown v. Board of Education*. It was later closed by the Tucson Unified School District in 1978, as part of the resolution of a federal de facto segregation lawsuit. From the 1978 to the mid-1990s, the building was used as a maintenance shop by TUSD. In the mid-1990s the Tucson Unified School District moved toward a public auction with an appraised value of \$400,000.

In response, the Dunbar Coalition formed as a nonprofit in 1995 and purchased the campus of buildings from the Tucson Unified School District for \$25. The purchase price was calculated as the difference between the highest-and-best-use land value and the cost to demolish the structure. The Dunbar Coalition undertook the task of renovating the larger school building and converting it into and started an African American Museum and Cultural Center. Since then, the Dunbar Coalition secured more than \$3.2 million, over two decades from a variety of sources especially Pima County, the City of Tucson, and the Federal Government, to make capital improvements to several, but not all, of the buildings. The Dunbar Coalition has sought, but not yet secured the final missing funding, including \$1 million in the failed 2015 Pima County bond initiative.

The main building is currently used in two primary ways: 1) temporary cultural events, meetings, and other gatherings focused on African American culture, such as a film series by the Tucson Black Film Club; and 2) long-term creative, educational and social venture uses, such as a culinary arts/catering business, a dance academy, and the very impressive Dunbar Barber Academy that is anticipating accreditation by January 2017, and occupies over 3,600 square feet of the building on the second floor. The Academy recently moved out of a 1st floor space to accommodate an expansion that will include the Dunbar Beauty Academy.

Altogether, long-term tenants occupy about 6,000 square feet of the 54,000 square foot building. Long-term tenant agreements include considerations for tenant-initiated improvements, which in the case of the Dunbar Barber Academy, have been considerable. Other spaces are improved by the Dunbar Coalition as funding becomes available. Many of



Birdseye view of the Dunbar Schools

these spaces have been “moth-balled” or set-aside for future use. And, the dance academy added a sprung floor, mirrors and other upgrades to their space on the 1st floor and are seeking space to expand.

A local architect with significant historic preservation experience on this building, Corky Poster of Poster Frost Mirto, walked through the building with us and estimated that the final complete rehabilitation of the school buildings would necessitate \$2.5-\$3 million in additional funding. The Dunbar Coalition is currently receiving no operating funding from Pima County or other public source.



Interior of the Dunbar Barber Academy

The Dunbar School Project ([www.thedunbarproject.org](http://www.thedunbarproject.org)) is led by a group of volunteers, the Dunbar Coalition, under the leadership of Board President, Bill Ponder. Bill is the former City Manager of the City of South Tucson and a very capable leader. Under his leadership, the board is looking at new partnerships and securing the necessary funds to complete remaining capital improvements. The goal is to complete the rehabilitation, activate the entire school campus, and implement the vision for the Museum.



Leasable community space, the Dunbar School

The Dunbar School Project aims to be an anchor for the disbursed African American community that represents ~5% of the Tucson area population. While the Dunbar-Spring neighborhood has become more diverse, artist centric, and a home to a growing community for young families, the Dunbar School Project roots are in the African American history of the area and to help ensure its ongoing cultural pulse.

## OBJECTIVE

Identify opportunities and next steps that will support the Dunbar Coalition’s efforts toward a sustainable Dunbar School Project facility and venue.

## CHALLENGES

### Financial

- An estimated \$2.5-\$3 million in capital funds are needed for full occupancy, plus a capital reserve fund for major repairs and equipment replacement
- An operating plan has yet to be created, which will help determine a “break-even” number and outline a rent structure for both short- and long-term rentals

### Management infrastructure

- The Dunbar Coalition has a dedicated, but all-volunteer, group that is limited by capacity

## OPPORTUNITIES

- The Pima County Community College: This institution sits just across the Interstate 10 Freeway from Dunbar-Spring. With the Dunbar School Project’s current focus on academic and vocational programs, there may be unique partnership opportunities to explore.
- Axel Building and William Flores and Son Blacksmith and Welding redevelopment project: This neighboring redevelopment project, while seen by some as a potential driver of gentrification and neighborhood instability, could also have a positive influence on the Dunbar School Project. A local, young developer, with the assistance of investment partners, has thoughtfully converted an underutilized structure into nine, approximately 450 square foot working studios for visual artists. Rents have been guaranteed to be low-cost (\$1.00 per square foot per month) for three years. Many of the spaces are occupied by displaced Warehouse Arts District artists. The developer envisions a mixed-use concept for the remainder of his site, which could include housing, more studio space, a gallery and a restaurant. This pending investment could benefit the Dunbar School Project by drawing attention and traffic to the neighborhood. The additional attention increases the potential for funders to close the financial capital gap, securing the Dunbar School Project for the long-term. The increased foot traffic could attract visitors and African-American businesses to the area. The projects in tandem could also create new employment opportunities for local residents. Though there are many positives, the fear of increased property values is real. Getting more information from Dunbar-Spring residents could be key in understanding how to address this challenge and any unease the neighborhood feels about these changes.
- Dunbar alone may not be able to fill the space with African American related businesses and cultural organizations. Seek opportunities to incorporate the needs of the larger community within the context of keeping the integrity of the cultural origins of the school. For example, are there other neighborhood groups or cultural organizations who would be complimentary to the Dunbar Coalition’s vision for the school’s reuse.

## RECOMMENDATIONS (in order of hierarchy)

1. Pursue planning grant funds in the range of \$50,000-\$100,000 to help build operational infrastructure and to strengthen and refresh the Dunbar Coalition's current strategic plan. Artspace believes planning dollars are necessary to systematically approach the following recommendations:
  - Update existing Strategic Plan. Review the Plan and update to reflect some of the new concepts in this report and other updates as needed.
  - Build planning and operational infrastructure
    - Conduct an Operating and Capital Financial Analysis that includes a long-term, Sustainable Operating Plan that forecasts income and expenses for the next 10 years and helps build the case for funding.
    - Develop a Staffing Plan to build management and fundraising capacity and to implement the operational and strategic planning. The staffing plan would include at least one full-time director with responsibilities that include facility management, leasing and fundraising and a minimum of a part-time assistant. Provide capacity building training to the board and staff, particularly in the areas of fundraising and management. Additionally, the plan could include intern opportunities through local educational institutions such as the Pima County Community College.
2. Develop a plan to cultivate new Board members and expand the board to ensure long-term stability of the Dunbar Coalition and Dunbar School Project. Seek board members with funding and funder connections and a diversity of ages and backgrounds to build a base of ongoing support beyond the County's operating funding and a hoped-for planning grant (see #1 above).
3. Develop a communications/marketing plan for the Dunbar Coalition.
4. Begin a dialogue with the neighboring developer and Pima County Community College about potential collaborations.
5. Build a leasing strategy. Use the strategic plan and the focus on leasing space to vocational and economic empowerment organizations to build a leasing plan. In particular, seek other vocational entities that also serve the neighborhood and the African American community. Also, seek potential funders who may be particularly interested in job creation and social justice, in addition to arts and culture.
6. Identify specific sources of funding to fully realize the project (see final recommendations on page 15 which discusses a consolidated campaign for all three cultural projects that are a part of this report).
7. Spell out components needed for a strong case statement. Build a strong case to help raise future funds. Incorporate job training, community development as well as cultural preservation into the case.

## SITE #2

### Tucson Performing Arts Center (PAC)/Cursillo All Saints Catholic Church

This former church, built in 1921 as the All Saints Catholic Church, is a contributing property in the Armory Park National Register Historic District. It has hosted important historic events, including Cesar Chavez's strike meeting and is considered the birthplace of the national youth Mariachi movement. Certainly, for almost 8 years in the 1990s, it served as an important performing arts venue. Between 1992 and 1999, The Arizona Theatre Company was contracted by the City of Tucson to manage the space. The theater seated up to 200 on the main floor and had dressing rooms and potential rehearsal space on the lower level. Rentals were geared toward culturally-specific and emerging performance-based artists and theater companies, filling an important niche in the arts and culture ecosystem of greater Tucson. Unfortunately, rents were not enough to cover operating costs. The City covered the annual operating gap for its 8-year run as a theater. Eventually, it was shuttered in 2000 due to structural issues. The County invested \$800,000 in structural upgrades after its closure, including replacement of the rubble foundation with poured-in-place concrete, to ensure building stability. However, estimates show a minimum of an additional \$700,000 in upgrades to make the building safe for occupants, and up to \$2.0 million total to renovate it into a fully functioning performing arts venue.

Focus group participants spoke of the need for a centrally located, 150-300 seat black box theater in Tucson. Several small theater companies require flexible arena or thrust stage venues, which is missing from the market. Currently, all the available theater spaces have proscenium stages and larger houses. While there is no inventory of theater companies in need of space, or a space needs study, we learned anecdotally that at least 3-4 theater companies need small, flexible performance space. Other informal and community groups may also occasionally need a venue of this size. The fact that the Tucson Performing Arts Center had been programmed 200+ days of the year during its active occupancy certainly backs up these anecdotal market indicators.

Of the theater companies that made the PAC their home, some have found or created their own facilities, and others remain nomadic and in search of a stable venue. We heard that a minimum of three theater companies, Borderlands Theater, Winding Road Theatre Company, and Something, Something Theatre, would potentially be interested in renting the theater for an estimated 24 weeks of shows per year.

The City of Tucson, burdened by owning a vacant building without a clear path to fund upgrades or an interest in operating the space, wants to see it activated. They will soon issue an RFP for sale of the



Historic photo of the All Saints Catholic Church



Interior of the Performing Arts Center

building. A disposition timeline is unknown, but estimated anywhere from six months to two years. In addition to the cost of upgrades and a sustainable operating plan, parking will be one of the challenges – real or perceived – that needs to be solved.

In the meantime, a local and highly respected developer, Ron Schwabe with Peach Properties, is planning a mixed-use project across the street. The development will increase the vibrancy of South 6th Avenue adjacent to the nearby Scott Street between Broadway and Cushing (14th) Street. The Schwabe plan, still in development, proposes approximately 24 units of housing, a coffee roaster, additional retail, and 80 or more parking spaces on two levels.

The Arts Foundation has entertained a strategy that would transition the church to private ownership through a lease, with an option to purchase after year three of a total five-year lease commitment. Programming would be managed by the Arts Foundation to facilitate and maximize community usage.

## OBJECTIVE

Assess the Arts Foundation’s strategy and offer recommendations for the re-activation of the Tucson Performing Arts Center as a long-term, viable cultural asset in the community.

## CHALLENGES

- Capital improvements will require a capital campaign if nonprofit arts and culture uses are envisioned in the reuse plans for the facility
- If continued use as a theater is envisioned, market research will be needed to understand the current demand and create a Sustainable Operating Plan
- The neighborhood around the building is changing quickly. These changes, including increased density, will create both opportunities and challenges
- A cultural reuse strategy and funding campaign may require more time than the City would be comfortable extending
- A satisfactory parking plan will need to be developed as part of any proposal, noting that the neighborhood may move to permit-based parking

- Clarity will be needed on the steadfastness of Pima County’s easement that requires the building to be used only for the performing arts

## OPPORTUNITIES

- The changing neighborhood provides momentum for additional redevelopment
- New uses for the space that are less capital intensive could be an option, but market research needs to be conducted before refining the concept
- Activating the site would enhance planned development in the area, offering the potential for coordinated efforts

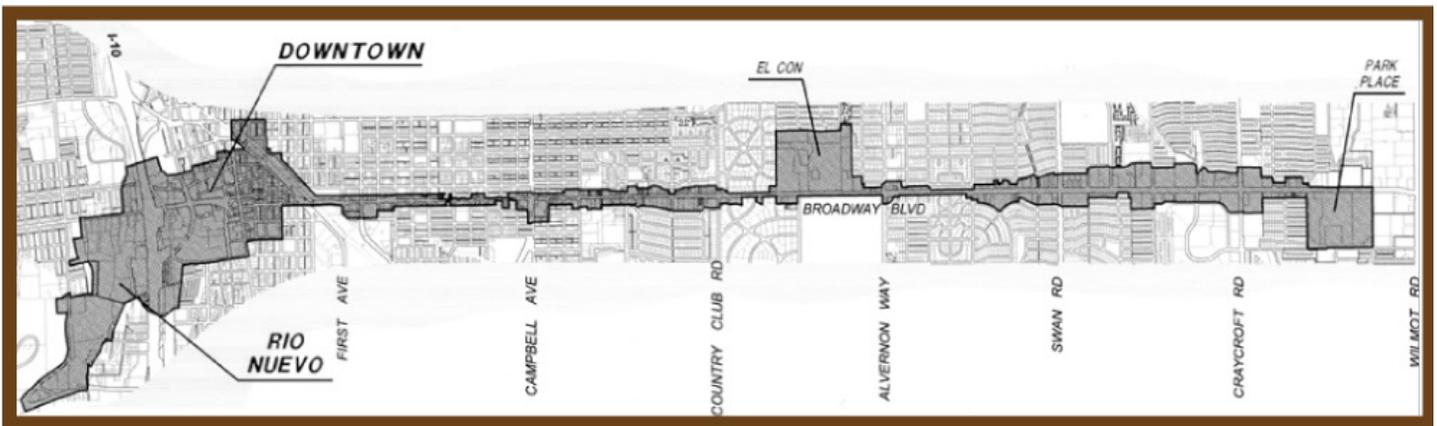
## RECOMMENDATIONS

The following recommendations will help inform and strengthen the RFP that the City of Tucson plans to issue for the redevelopment of the church:

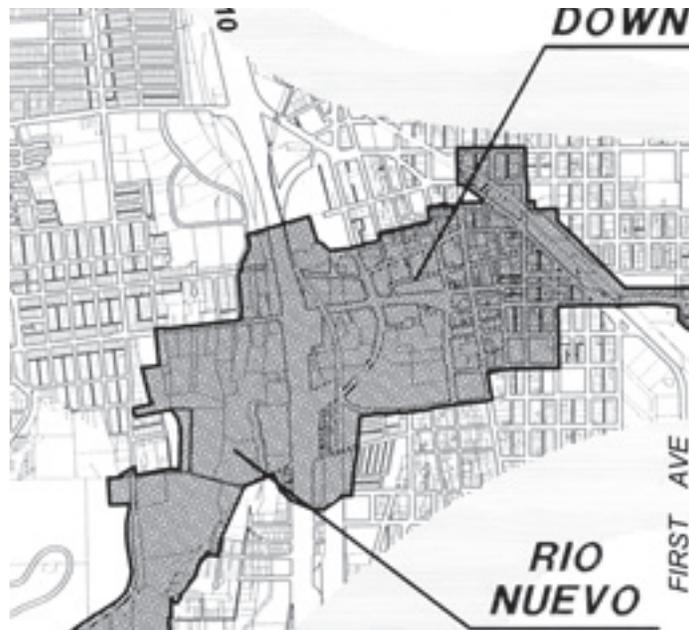
- Collect market information, including:
  - Qualitative and quantitative data from the performing arts community and other potential renters regarding their space needs, preferences, and capacity, to determine the demand for space and preferred amenities.
  - Feedback from event planners regarding the potential for the space to generate occasional-use commercial revenue to subsidize the performing and community arts uses.
- Prioritize space uses and concepts. Identify priority uses that the site can accommodate and that will lead to a sustainable operating plan. This should include commercial uses, like a café or co-working space, in addition to mission-driven uses.
- Consider costs associated with operating the facility by:
  - Conducting a Sustainable Facilities Analysis to create a Sustainable Operating Plan for the facility with a 15-year forecast.
  - Reviewing the final 1999 operating budget to inform its potential reuse as a performance venue.
  - Researching the real estate operating income and expenses of comparable facilities.
- Develop a program operating budget to plan for associated income and expenses (outside of facility costs).
- Consider ongoing subsidy options. Would the City or County support the operations if

the facility continues to serve the community as a performing arts venue? Precedent has been set for the City to support the facility and cover most of the staff and operating costs. The building is currently under the purview of the Parks and Recreation Department, which has recently adopted a master plan. Though the plan does not address arts and cultural venues in its scope, it does call for reinvestment in recreation centers, highlighting the relationship between tourism and the parks and recreational assets of the City. As a cultural and community asset, PAC could position itself as a solution to the community need for arts and cultural programming, and a significant opportunity to model a public/private partnership.

- Begin a conversation with developer Ron Schwabe to identify mutually beneficial opportunities. Is there a partnership possible for acquisition of this property with Schwabe or some other interested developer? Is there a potential for shared parking in the new development plan? Or a premise for a joint-partnership model? Is there potential for artist housing, studio or other creative spaces in the private development that might tie in with the PAC as a revitalized performing arts venue? Although the facility is outside of the current boundaries of the Rio Nuevo TIF district, is the proximity important to leveraging funding?



Above: Map of the Rio Nuevo Multipurpose Facilities District (Tax Increment Financing District, or TIF) image from <http://rionuevo.org/rio-nuevo-documents-and-information/>; below magnification of downtown, same image



## SITE #3

### **Julia Keen School Julia Keen Neighborhood**

This 1954-erected, former elementary school is a 37,000 square foot building on 9.7 acres. Though it closed in 2004, the building is still owned by the Tucson Unified School District (TUSD). The single-story facility encircles an interior courtyard and includes an auditorium, classrooms, cafeteria and administrative offices. It played an important role as a school and a community gathering place in the primarily residential Julia Keen and the adjacent Barrio Centro neighborhoods. Neighbors, parents and their children gathered there for various school and community functions. Residents we spoke with feel that the school's closure made the neighborhood less connected and noticeably lacking a common gathering space. Despite the Julia Keen Neighborhood Association's desire to see it reactivated, efforts have been hampered because the site is in the Davis-Monthan Air Force Base flight path and "crash zone." This designation not only forced the school's closure, but continues to limit gatherings to specific limited numbers, as of yet undetermined, whether it takes place indoors or outdoors. However, conversations have begun to alleviate these concerns.

Three proposals were brought forward in 2016 to the TUSD for consideration. One, submitted by Penske Truck, is for a portion of the open space to be used for a truck rental business; the second is from the Julia Keen Neighborhood Association, involving the adaptive reuse of the building primarily for art studios, single-family homes, live/work space and community purposes, and; the third is from Flowers and Bullets, proposing to reuse interior and exterior spaces for urban agriculture and art education, the "Midtown Farm, a Cultural Arts and Education Community Initiative."

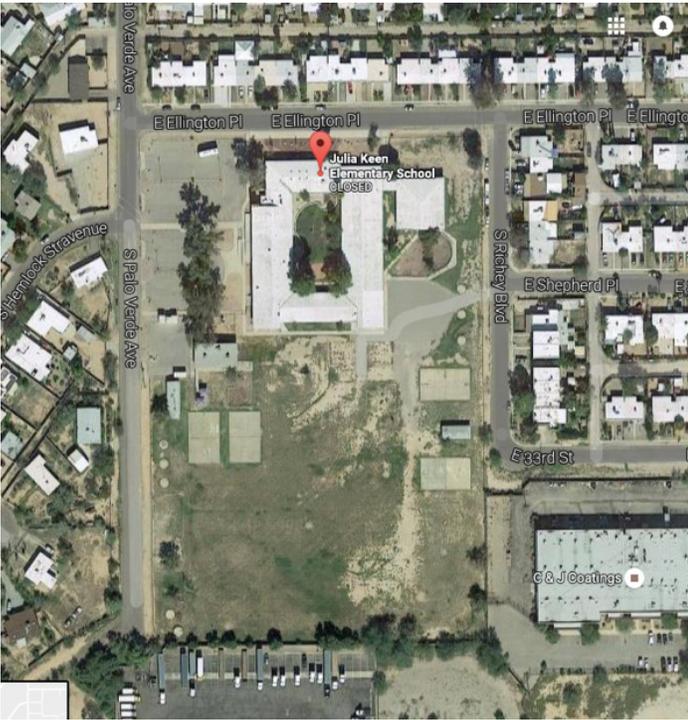
Our primary focus was on the proposal put forward by the newly established nonprofit, Flowers and Bullets. Founded in 2012, Flowers and Bullets is a 501(c)(3) focused on urban agriculture. The organization is fiscally sponsored by the YWCA and led by a core group of dynamic, mostly Latino, young adults. Many of its leaders grew up in the Julia Keen and Barrio Centro neighborhoods and want to give something back to the community.

Flowers and Bullets has put together the beginning of an impressive business plan for reuse of the campus that includes the following elements:

- Urban farming on the land surrounding the building and in the interior courtyard
- A commercial kitchen in collaboration with the YWCA
- Healing arts and gallery space, focused on plants for healing
- Gathering space for the neighborhood

This vision translates into the following types of spaces referenced in their 2016 proposal to the TUSD:

- Education space
- Food production space



Overhead view of Julia Keen neighborhood

- Farmer's Market
- Community spaces
- Art production space
- Health and healing spaces

Flowers and Bullets is in the process of gathering community input with a door-to-door survey and a series of monthly neighborhood meetings. At the time of writing, they have completed four such meetings and have received encouraging feedback, including interest in green space, a safe space for convening, and a space that offers the neighborhood a sense of community and ownership. Importantly, the neighborhood has expressed a desire for the project to keep the history and the memories of the school alive.

They have also completed a 4-year operating income and expense budget that includes earned and contributed revenue, staffing, program and material costs and a long-term three phase growth plan that projects out to 2022. At this stage, a capital budget for building rehabilitation has not been developed.

Since our visit, Flowers and Bullets have a long-term agreement with the TUSD for use of the school building for their programs, a huge victory for the organization as well as the surrounding neighborhoods.

## OBJECTIVE

Provide feedback regarding the reuse of the Julia Keen School for the arts and cultural purposes outlined by Flowers and Bullets.

## CHALLENGES

- Property use restrictions need to be sorted out with the Davis-Monthan Air



Interior of the Julia Keen school

Force Base, TUSD and the City of Tucson before any campaign for campus reuse is implemented. We understand these conversations are underway and will be shortly resolved.

- Any community-focused reuse plan will require significant capital and start-up cost investment.

## OPPORTUNITIES

- Redevelopment of the school and the grounds will be a great source of neighborhood and civic pride
- Creative and agricultural/food programs at the school will positively impact this neighborhood that feels blighted by the large, city-block spanning, vacant property
- Urban farming and producing space are allowable uses under the current conditions, which potentially gives the “Midtown Farm” proposal a foot-in-the-door
- Philanthropic interests may align well with the concepts put forth by the Flowers and Bullets proposal

## RECOMMENDATIONS

Next steps for Flowers and Bullets:

- Create a capital financial analysis to estimate a capital budget for the Julia Keen School’s reuse
- Continue to strengthen the case for support by positioning this project as a “demonstration” project for the many food deserts in the Tucson metro area. Note: this was part of the case made with the TUSD that helped them come to agreement over the reuse plan for the school.
- Build general organizational capacity to strengthen programs and infrastructure, including a staffing plan. Some of this has been outlined in a document the organization has created to begin building support. As a part of the staffing plan, consider creating internship opportunities in partnership with local educational institutions.
- Create a case statement that includes language for funding proposals. Focus the narrative on economic empowerment including workforce development and vocational training, healthy foods access, and education. Both the arts and urban agriculture programs can be addressed in these terms for the funding community.

# STRATEGIC APPROACH TO CREATIVE SPACE INFRASTRUCTURE:

## RECOMMENDATIONS FOR A COORDINATED SPACE DEVELOPMENT INITIATIVE

The next four pages summarize Artspace’s recommendations for a comprehensive plan for cultural development and creative space infrastructure, starting with the PAC, Dunbar and Julia Keen School projects.

### 1. COORDINATED NARRATIVE AND FUNDING

Without funding from a major bonding package, these projects may lie fallow for years. Individually, these three projects have great potential to tell a story about Tucson’s diverse, neighborhood-based cultural and creative infrastructure. Collectively, Flowers & Bullets, Dunbar and the PAC are even stronger. Together, they project a clear message of the power of grassroots, community-driven initiatives, even though each is distinct with unique audiences. In short, they can become greater than the sum of their parts.

Thus, we recommend exploring opportunities to link these projects. A simple first step could be opening lines of communication so the initiatives can support one another and share best practices or programming. As a next step, consider bundling the synergistic stories for a grant proposal that would help fund all three, at least in the planning stages, if not beyond.

Another suggested strategy we heard during the visit, is the creation and support of creative-focused neighborhood hubs. This addresses the problem of rising rents downtown and the decentralization of the creative community. From a general messaging and potential city planning perspective, these three projects create a series of creative hubs that can be connected through marketing, outreach and a common theme of social equity. By considering them pilot projects, planning efforts, like cultural planning, zoning, development incentives, public/private partnerships or funding, can be directed around them.

Whether these projects proceed independently or in a coordinated effort, some of the key messages to attract local, regional and national funders could be:

- Building social equity
- Access to healthy food
- Vocational education or workforce development
- Sustaining and advancing cultural relevance
- Supporting and strengthening diverse cultural assets

- Positioning arts as part of the solution that helps solve larger community challenges, such as job training, and healthy food production.

Key questions to consider regarding philanthropic support:

- Who are the best national and regional prospects in this arena? Would the United States Department of Agriculture (USDA), for example be a prospective funder of the agricultural-related components of the project that could help leverage local or regional philanthropies.
- How can the organizations prepare themselves for national funding consideration? Could they submit a combined proposal to a local or regional philanthropic entity that would understand the value of the collaborative and help take the project to the next level? The local and national funders will ultimately provide leverage to one another and strengthen the collective.

## 2. POLICY AND PUBLIC/PRIVATE PARTNERSHIP

During our conversation with City staff, we discussed policy-level concepts that exist or could be created to support creative development projects and emerging creative-focused neighborhood hubs. Ideas that we have seen in other cities to support artist space, districts and infrastructure include:

- River North (RiNo) Business Improvement District (BID) in the RiNo Art District in Denver, Colorado. The RiNo Art District successfully worked with local property owners and businesses in the District (see map) to create an arts-focused BID. In addition to the typical BID-led street and infrastructure improvements, the RiNo BID provides support for the creation of space and programs for creative businesses and individual artists. Businesses and property owners decided to self-tax because they understand the importance of the “arts” to attracting their market rate tenants – residential and commercial. Established in 2015, this is the country’s first BID in an arts district. It will be an important story to follow for other communities considering similar initiatives. See [www.rinobid.org](http://www.rinobid.org)
- The Crossroads Arts District in Kansas City, Missouri. Created in 2006 and up for another 10- year renewal, this arts focused neighborhood in Kansas City set up an innovative program that supports tax abatements for properties occupied by artists and arts activities. This Planned Industrial Expansion Authority (PIEA) program successfully retains, attracts and encourages the kind of artistic activities that have helped the neighborhood thrive and grow.

Recent news of artist space displacement, in reaction to the Ghost Ship tragedy in Oakland, shines a particularly bright light on how zoning and building code issues can be a serious barrier for many arts-focused nonprofit organizations. The City is looking for ways to streamline the process to change zoning, which will increase the adaptability of sites and buildings for “creative” purposes.

Pay close attention to zoning and code enforcement issues that make conversion of buildings for arts uses sometimes challenging. Cities can often inadvertently create barriers for “outside the box” projects like these without thinking about the longer-term community gains. Work with a code enforcement consultant to take a measured approach to code and zoning issues. Work with the City to educate about the importance of a reasonable approach so that the project costs do not make the leasing and management of buildings cost prohibitive to the creative sector while still paying close attention to life/safety issues.

In terms of funding, Community Development Block Grant (CDBG) funds have been used for a few nonprofit capital projects but is a shrinking resource. Most arts funding has come through County-wide bond issues that go before the voters in a general election. The last Bonding proposal that favorably passed with funding for cultural organizations was in 2004. The most recent bond issue for \$816 million (99 projects in total) failed in the Fall of 2015 to narrow margins. Information about when the next bond issue will be on the ballot has not yet been released. Outside of the occasional bonding bills, the City of Tucson and Pima County do not play a role in funding capital for cultural projects.

City support in lieu of direct funding could include:

- Integrating these projects into community development initiatives and cultural facility planning efforts. For example:
  - Pair these projects with a city staff contact to assist with public private partnership strategies. Many cities offer a similar approach for economic development efforts and development projects and it may already be built into the City’s infrastructure.
  - Expand parks infrastructure to include cultural community facilities, like the PAC
  - With signs of gentrification in the downtown core and weaker infrastructure outside the core, could this initiative pave the way for cultural facility planning that also helps combat displacement and creates strong neighborhood creative hubs?
- Positioning arts as a solution rather than something else to fund. For example:
  - Arts programming as a community education strategy: Flowers and Bullets’ educates neighborhood residents about energy rebates offered by the City and how residents can grow their own food.
  - Aligning these projects with job creation and training programs
- Directing physical city infrastructure and community support programs around creative hubs, using these three projects as pilot opportunities. New processes and policies could arise from the implementation of these models.

### 3. COLLECT SUPPORTING DATA

Each of the three projects and a coordinated space development initiative would benefit from an assessment of the existing cultural assets in the form of asset mapping, and the collection of data on the space needs and preferences of the creative community.

#### Asset Mapping

Asset mapping can help the Arts Foundation and the City strategically direct policies, initiatives and planning efforts for the greatest impact of limited resources and investment. It can also help the City should it consider targeting economic development efforts in collaboration with arts infrastructure locations outside of downtown. Some considerations for undertaking an asset mapping process:

- Include for-profit, nonprofit, and community-driven and arts-related projects and businesses
- Ensure that culture bearers and immigrant artists are represented
- Identify clusters of individuals (e.g. artist studios locations and zip-codes where artists currently live)
- Identify creative assets located within the vicinity of each of the three projects
- Identify any naturally occurring creative hubs in Tucson
- Identify transportation infrastructure that connects hubs
- Locate fresh food options and/or food deserts relative to creative hub locations
- Identify opportunities for creating walkable hubs based on existing assets

#### Space Needs Assessment of Tucson's Creative Infrastructure

Conducting surveys of Tucson's creative individuals, organizations, and businesses can help illustrate the space needs and preferences of the creative sector. If widely distributed, surveys could provide valuable data for each of these three projects and inform cultural planning efforts.

During our visit, we documented some general space needs, trends, and concerns voiced by participating artists and arts organization representatives. This type of anecdotal information can be used to inform survey development:

- A need for a non-union flexible-use performance space with 150-300 seats, equipment that is in good working condition and adequate parking options
- Dance, theatre and music groups all need a safe space where experimental work can be tested and developed. This type of work is supported at the community level.

- A need for centralized makerspace or specialized studios. For example, printmakers and photographers want space to store and share large and/or expensive equipment
- Dunbar Springs area musicians expressed concern about rising rents
- Affordable artist workspaces like those at the Steinfeld are fully leased
- Artists made downtown cool and now cannot afford it. Average commercial space is \$2.00-\$2.50 per square foot per month. Some successful ventures have secured lower rents. Space needs to be \$.50 per square foot or less for large spaces
- Culture and heritage focused artists feel overlooked and unable to secure resources that tend to go toward more “hipster artists.” They need to have a voice at the table

Formal surveys can provide quantitative information to:

- Help the Dunbar Coalition identify potential long-term and occasional-use tenants, set rent structures and develop or test long-term operating assumptions
- Inform program and business plans and a capital needs assessment for PAC. Identifying the performing arts community’s interest in using PAC, their capacity to lease space and their specific needs for rehearsal and performance space, will indicate the feasibility of their project concept. This information can then help tell the story to potential funders.
- The Flowers and Bullets proposal for the Julia Keen School integrates arts into the re-use vision. Data collected from the arts and cultural community can help inform programmatic and space use decisions, including whether to incorporate artist studios and/or space for creative-business focused, arts, and education tenants.
- While artist housing did not rise to the top of the space needs in our discussions, data collection in the form of a survey may reveal the need for and interest in affordable artist live/work space. If indeed a need exists in Tucson, survey data can be used to conceptualize and plan for artist housing projects. As noted earlier, the PAC facility could be enhanced by nearby artist housing. Local developers working in any identified or emerging artist hubs may also find that artist housing is an interesting avenue to explore. A survey can provide information about what artists can pay, how much space they need, if they qualify for affordable housing (subsidized with federal low income housing sources), and any amenities or features they prefer for their housing/work space.

This report completes the scope of work that Artspace agreed to conduct for the Arts Foundation. We are open to discussion of a second consulting contract that could include designing and administering a survey of space needs and preferences, developing capital and operating budgets, and other tasks needed to advance the three projects or broader space development initiative strategy from the drawing board to predevelopment. Regardless of any next steps, we extend our sincere thanks for the opportunity to learn more about this dynamic community.

# APPENDIX I



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



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



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

## ABOUT ARTSPACE

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

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

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

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



## Property Development

Development projects, which typically involve the adaptive reuse of older buildings, but can also involve new construction, are the most visible of Artspace's activities. To date, we have completed more than 41 major projects. A dozen more are under construction or in the development pipeline. Artspace live/work projects are operating from coast to coast.

## Asset Management

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

## Consulting Services

In addition to its roles as developer, owner, and manager, Artspace acts as a consultant to communities, organizations, and individuals seeking information and advice about developing affordable housing and work space for artists, performing arts centers, and cultural districts, often within the context of historic preservation.



# APPENDIX II

## ARTS MARKET SURVEY

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

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

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

For commercial space, Artspace identifies creative businesses and organizations that are seeking space, effectively playing a curatorial/business development role with prospective tenants. The amount of commercial space in a project depends on the building, size of parcel, market demand, market conditions and location. Communities in which Artspace has completed a Preliminary Feasibility Visit or a similar scope of work, but in which Artspace is not pursuing development of an affordable facility, an Arts Market Survey can still be conducted to help assess and quantify the needs of the local arts market.