

# CREATIVE SANTA FE

## FEASIBILITY REPORT FOR AN ARTS AND CREATIVITY

### CENTER

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FOR CREATIVE SANTA FE

creative **santa fe**  
STRENGTHENING OUR CREATIVE ECONOMY



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## INTRODUCTION

This is a report prepared for Creative Santa Fe that details the needs assessment for and feasibility of an arts center dedicated to cultural economic development. Over the past seven years, the City of Santa Fe and members of the Santa Fe community have studied the creative economy and the needs of the community for education, training, physical spaces, entrepreneurship development, and access to technology and markets. All of the studies and reports commissioned by the City of Santa Fe lead to the conclusion that a need exists for a site devoted to creative sector economic development.

In looking at community needs and best practices in creative sector economic development and support, Creative Santa Fe focused attention on physical facilities that provide a central site for co-location of creative businesses and community organizations; affordable artist studios; and accessible short-term rehearsal, presenting and meeting space. As a result of assaying best practices in creative sector economic development and information from comparable communities that have established similar centers, Creative Santa Fe is exploring plans for programs and activities, as well as looking at appropriate physical facilities that could become a one-stop arts and culture development and support venue. To be viable and financially feasible, such a facility would need to provide programmatic activities, including artist career development; creative business support; and community resource linkages, as well as have defined earned income potential (such as through rental of space or co-location of other mission consistent businesses) and would need to serve the broadest possible population of the creative sector of Santa Fe.

## **I. METHODOLOGIES USED TO ASSESS THE NEED FOR A CREATIVE CENTER**

The methodologies used to assess the need for a creative center were interviews, questionnaires, community task forces, economic data collection and examination, research of best practices in communities around the U.S., and preparation of a business plan including financial projections, and a preliminary architectural examination of a city-owned physical space to be used for a creative center.

## **II. RECOMMENDATIONS FROM EXISTING RESEARCH**

Studies conducted by the City of Santa Fe demonstrate need for a creative development facility.

In 2001, the Santa Fe Arts Commission developed a proposal for a community arts and cultural center to encourage collaboration among multi-disciplinary art forms to draw the Santa Fe community and its visitors to interact with the creative and artistic process; to provide a common artistic creative space and commonly required resources, space, equipment and personnel needs to Santa Fe performing arts organizations; and to increase professional training and employment opportunities for performing and technical artists and college students wishing to make their career in the performing and/or technical arts.

In June of 2003, Angelou Economics of Austin, under contract to the City of Santa Fe, prepared a Community Assessment with the goal of building awareness on economic issues and their long-term impact by organizing efforts and creating community-wide buy-in and support. More than 350 individuals and businesses took part in the information gathering for this part of the study. Several community leaders took

issue with the fact that this study did not have the arts and cultural industries as a separate category, but rather was included with other “Services.”

A revised report by Angelou, including arts and cultural industries, was presented in the spring of 2004 as a part of an “economic road map for Santa Fe’s economic development efforts.” More than 200 individuals and organizations in the Santa Fe region provided personal input, with another 1,352 responding to a survey. Over 700 residents were in attendance in April, 2004 for the presentation of results of the study at the Lensic, Santa Fe’s Center for the Performing Arts.. Angelou focused on seven areas for concentration, which included Arts and Culture, Design, and Publishing and New Media. Recommendation 4 in the Community Development section was: “Recognize the importance of arts and culture to Santa Fe’s economy. Involve arts and culture in economic development.”

**BBER study shows a physical space is top priority for creative sector development.**

To specifically follow-up on the Angelou study, the University of New Mexico Bureau of Business and Economic Research (BBER) (funded by the McCune Charitable Trust, Azalea Foundation and Burnett Foundation) conducted research focused on the arts and culture economy in Santa Fe. This included over 100 in-depth interviews done with a variety of people representing various sectors of the community; analysis of demographic and historical economic data; and a review of academic and planning literature on issues relevant to experiences and challenges that Santa Fe faces. The findings of this study were presented to over 600 people at the Lensic in November, 2004.

Four task forces, focused on Engaging Youth; Creating Opportunities in the Creative Economy; Supporting the Arts and Cultural Entrepreneur; and Marketing Santa Fe were formed and included participation by over 200 people. These task forces met in December of 2004 and January of 2005. The report-out of key issues was held at the Sweeney Center on March 28, 2005. The group, which included over 150 people from the task forces as well as other interested parties, was asked to rank the issues in terms of priority over the next three years.

The top priority issues (Invest in Space; Map Assets; Outreach and Community Building; Engage Youth; Innovative New Draws, New Events, and New Technologies; Marketing; and Creative Santa Fe organization building) became the focus of seven work groups, which were tasked with developing Visionary Goal Statements, listing the Opportunities and Constraints, determining what can be accomplished in the first two years, and the role of Creative Santa Fe in each group moving toward their goals. The compilation of the work group recommendations forms the basis for the Community Agenda and Priorities for Creative Santa Fe. The workgroup dealing with “investments in space” completed the first set of plans for a Santa Fe “Beehive.” The Beehive planning underlies the Creative Santa Fe Railyard Arts Center business plan.

Creative Santa Fe *Best Practices in Cultural Economics* study shows that a mission-consistent arts-centered development is the state-of-the-art for creative sector economic development.

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In March, 2005, as part of the long-term planning process to implement a plan for the creative industries in Santa Fe, Creative Santa Fe commissioned a report by the firm of McCollum and Diaz, of Santa Fe and Austin, TX. This firm provided a nationwide

analysis of policies, initiatives, and infrastructures other cities in the US are employing towards reaching their cultural economic development goals. The subsequent report, *Best Practices in Cultural Economics*, identified several areas of focus that directly inform Creative Santa Fe's current planning. Successful programs and facilities that serve as models for this initiative focus on specific types of activity: beehive-type creativity centers for arts and cultural development; service organizations that nurture and grow small arts businesses and assist artists in learning more about the business of art; workforce development initiatives to prepare a cultural workforce for the future; clustering critical masses of arts activity and developing arts districts to produce synergy among arts, business and economic development interests; and spaces within and outside of districts for artists to live and work, exhibit and perform.

In 2005, two community groups explored and developed concept plans and proposals that explored the concept of development of an arts facility that would serve multiple community needs. The Santa Fe Beehive Center for Economic Development and the Santa Fe Artyard Project both detailed community needs and formulated different specific plans for multi-tenant creative facilities that would support a broad range of arts and culture activities. Both plans identified the south Railyard area, in the triangle between Cerrillos Road and Baca Street, as the most attractive location for a multi-tenant multi-function creative business and arts facility. While the ideas in both of these plans had support from the community, neither had the wherewithal to move beyond the concept stage.

In 2007, Creative Santa Fe retained a consultant to undertake a review of successful community-based arts centers. This report focuses prior thinking and

development on what is most practicable to fulfill community needs, and brings together current thinking, energy and initiative to focus on planning for concrete implementation.

### **III. CREATIVE COMMUNITY RESOURCES AND SERVICE NEEDS**

#### **A. Existing creative sector resources.**

Creative Santa Fe acknowledges and respects the fact that the Santa Fe community has developed a significant number of resources for artists and businesses.

**Artist-focused** creative development opportunities include:

- Residencies and master-class workshops at the Santa Fe Art Institute (SFAI);
- Classes for teens at Fine Arts for Children and Teens (FACT);
- Workshops for youth and teens at SFAI;
- Workshops for youth at the O’Keeffe Museum, the New Mexico Museum of Art, SITE Santa Fe and CCA;
- Research opportunities at the O’Keeffe Research Institute;
- Teen College at the College of Santa Fe (CSF);
- New media workshops for teens and adults at the Center for Contemporary Art (CCA);
- Presenting and exhibition opportunities at CCA, Wise Fool studio, the Lensic, the James A. Little Theater, High Mayhem; and Warehouse 21;
- Classes and degree programs in a variety of fine art and craft techniques at Santa Fe Community College (SFCC) and through partnership between SFCC and UNM;
- Classes and degree programs in a variety of fine art and craft techniques at CSF; and
- A broad range of film support through the New Mexico Film Office.

**Business development** resources (which focus on the particular needs of creative sector businesses) include:

- Degree and/or certificate programs in gallery and business management at the SFCC;
- Undergraduate and graduate degree program in business management at CSF;
- Course in professional practices at CSF; and
- One-time workshop from Creative Capital sponsored by SFAI.

Business development resources (not focused on the particular needs of creative sector businesses) include:

- Business assistance from SCORE;
- The Santa Fe Business Incubator;
- SF Small Business Development Center; and
- WESST Corp.

**Other programs** focusing on creative economic sector include:

- Housing assistance from HomeWise and the Santa Fe Community Trust;
- Creative Tourism: both International Conference and artist/organization website listings; initiatives of Creative Santa Fe and City of Santa Fe.

**B. Current needs for creative sector development support.**

All of the studies commissioned over the past seven years by (including Angelou, the BBER study, the Economic Development Plan and Best Practices in Cultural Economics) all state strongly that a single facility with integrated programs and services dedicated to the advancement of the creative business sector has the greatest potential to have a profoundly positive impact on our cultural economy.

In the City and County of Santa Fe there are no current plans for affordable co-location of arts and culture non-profit and for-profit business, nor are there any arts and culture organizations stepping forward to develop ongoing programming that stimulates the economic development of arts and culture sector—particularly that aspect of the sector that is comprised of individual artists and the small businesses (like framers, fabricators, and art material retail and wholesalers) who rely on the arts and culture sector for their own economic support.

#### **IV. COMPARABLE CREATIVE COMMUNITY INITIATIVES**

The initial Best Practices Survey by Creative Santa Fe assayed a variety of creative sector support and development initiatives, particularly those that are financially sustainable and stand-alone, requiring a minimum of ongoing community funding. To more clearly focus thinking the following Current Comparables study looks closely at multi-tenant arts centers, and includes fully realized program models as well as facilities that are in process. What follows are examples of successful community-based initiatives.

##### **State-of-the-art creative economy development centers as program models:**

##### **Flashpoint, Washington, DC**

Flashpoint is a project of the Cultural Development Corporation (CuDC) in Washington, DC. CuDC engages artists and cultural organizations in community development and revitalization projects throughout the District of Columbia. Designed in the model of a community development corporation, CuDC pursues community-initiated real estate development; supporting artist households, arts-related organizations and small businesses; and facilitating other programs and projects that stimulate economic activity

and improve DC's quality of life, developing self-sufficient, affordable spaces for artists and cultural organizations. Opened in 2003 as part of the Mather Studios complex — which includes 12 artist residences (CuDC's first artist housing project), Flashpoint is operated by the CuDC. Flashpoint includes: a contemporary art gallery; a 75 seat theatre lab; a dance studio; office space and workstations; shared office equipment and meeting space; and a wide range of specialized management services. All Flashpoint spaces are available to area arts organizations and businesses at affordable rates with emphasis on inclusion and diversity among activities.

Flashpoint provides services and training for cultural organizations to help strengthen their management capacity and offer affordable exhibit and performance spaces that will enable arts groups to focus on their artistic goals and expand their visibility. The Flashpoint Business Center offers workshops, roundtables, discussion forums and one-on-one technical assistance tailored to artists and cultural organizations building their businesses. A membership program called the Red Circle offers reduced or fee-free services and priority access to rental space and resources, including use of the Business Center.

**Revenue and Organization:**

- The Cultural Development Corporation is a private non-profit. Support for CuDC, the managing organization, comes from a mix of grants and donations and earned income from memberships, program fees, and space rental.

## **Artists Alliance / Alianza de Artistas Inc., New York**

The Artists Alliance / Alianza de Artistas Inc. (AAI) is a non-profit arts organization founded in 1999 by visual artists based in New York City's Lower East Side. AAI operates a program of 40 affordable long term artist studios, 4 free rotating studios with 6 month artist-in-residence sessions, the Cuchifritos art gallery/project space, the Matzo Files gallery space, and a host of other locally-based contemporary art and educational initiatives. AAI is dedicated to nurturing and supporting under-recognized, emerging, and mid-career artists in the creation and exhibition of new work, by providing access to vital basic supports such as affordable work-space, exhibit space, and professional development. AAI is further committed to serving and reflecting the diverse multicultural community of the Lower East Side of New York City through contemporary art education, interaction with local community, promoting discussion and awareness of the visual arts, and advancing work that honors the neighborhood's unique multiethnic traditions.

AAI is based in a 100 year old five story neo-gothic former public school at 107 Suffolk Street, owned by the City of New York. Rapid gentrification over the past several years has created an economic boom causing huge cultural flux in the area. Every day new stores and bars open, altering the dynamic of the neighborhood and creating a growing economic and cultural disparity among its residents. In the midst of such rapid growth, the facility still remains unrenovated, and is in danger of being sold. For the past several years the visual artists at 107 Suffolk Street have worked to help secure this city owned building as a community arts center.

### **Revenue and Organization:**

- AAI is a non-profit and receives support through grants and donations, and earned income from program fees and contracts. The building is owned by the City of New York and leased to tenants and organizations.

### **Torpedo Factory Art Center, Alexandria, VA**

The Torpedo Factory Art Center is the centerpiece of Alexandria's Potomac River waterfront, attracting approximately 700,000 visitors annually. The facility is home to 82 artists' studios, six cooperative galleries, two workshops, and the Alexandria Archaeology Museum.

The Torpedo Factory Art Center, an actual torpedo factory during World War II, was used for US government storage (including Congress and the Smithsonian) before it was purchased by the City of Alexandria, VA, in 1969. In 1974 the City moved forward with developing the site to be an art center. Artists were juried into the facility even before initial renovations were completed. In the 1970s, the resident artists worked in very uncomfortable conditions, including poor heating and no air conditioning. From 1982 to 1983, the building underwent a major renovation as part of a waterfront development plan. The building 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, and studios were rebuilt to address artist needs. Today, the Torpedo Factory Art Center is home to over 160 professional artists who work, exhibit, and sell their art. Along with over 1,000 cooperative gallery members and some 2,000 art students, the Torpedo Factory Art Center draws artists from across the region and attracts visitors from around the world. The Torpedo Factory Art Center is a working example of

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

**Revenue and Organization:**

- The building is owned by the city of Alexandria, VA, which leases space to artists and organizations. Revenue for the Torpedo Factory is generated from membership fees, website fees, and rent (studio, gallery, workshops, classes, The Archaeology Museum and special events). No admission is charged. City costs for the building include staff (at least 4) and general facility and administrative costs.

**The Dairy Center for the Arts, Boulder, CO**

The historic Watts-Hardy building, a 40,000 square foot dairy processing and storage facility abandoned in the late 1980s, became the Dairy Center for the Arts in the 1990s. The facility includes three theater/performance spaces, three galleries, classrooms, a main lobby, and a conference room. The Dairy Center for the Arts provides an affordable home for artists and art organizations, and encourages appreciation and advancement of the arts in Boulder and surrounding communities through programming, education, advocacy and outreach. Arts organizations that make their home at The Dairy pay rent less than 60% of market value. An average of 300 people visit the Center per day (150,000 per year).

**Revenue and Organization:**

- The City of Boulder owns the building and The Dairy Center is a non-profit organization. Revenue is generated from membership fees, sponsorship, ticket sales, rent (resident organizations, classes, performances, special events). Resident organizations pay rent at less than half the market rate.

**Mesa Arts Center, Mesa, AZ**

Open since Spring 2005, Mesa Arts Center is a massive seven acre center with 212,775 square feet of space—the largest facility of its kind in Arizona. This central gathering place is designed to showcase a world of arts and culture – everything from art exhibitions to world-class performances to state-of-the-art studios for art education. Performing arts facilities include 4 theaters, 17 dressing rooms, back of house and technical areas as well as a lobby and concession area. Mesa Arts Center also has 5 galleries, a meeting space, lecture hall, lobby atrium (for artwork), sculpture courtyard, collection and storage spaces, as well as 14 visual art studios and classrooms. The Center operates a retail store to help artists sell their work, hosts festivals and offers a strong arts program for children and youth. An estimated 1-2,000 people per day (350,000-500,000 people each year) visit the Mesa Arts Center.

**Revenue and Organization:**

- The City owns and operates the Center and City funding is the biggest source of revenue. Revenue is also generated from participation fees (tickets, classes) and from sponsorships and donations and a non-profit foundation helps to supplement programs and raise money. Costs include a large number of staff, facility upkeep and more.

## **18th Street Arts Center, Santa Monica, CA**

18th Street Arts Center began in 1988 as a complex of artist live-work spaces and the headquarters of High Performance magazine when a group of artists decided they needed more affordable studio space. A 1.2 acre site in Santa Monica's Pico neighborhood, zoned specifically for manufacturing and the arts with a hodge-podge complex of five buildings that had once incubated Judy Chicago's groundbreaking feminist "Dinner Party" installation slowly turned into a diverse intergenerational, intercultural, multidisciplinary beehive with a creative cluster of live/work and day studios, galleries, offices and public spaces, housing some 30 tenants including Highways Performance Space, four galleries, a dance studio, non-profit arts organization offices and artist live/work and day studios. In addition to the tenants, 18th Street implements programs such as one of the few international artist exchange programs in Los Angeles, a presenting and exhibition program, quarterly public events, and career development workshops for artists and arts businesses. Every year more than 160,000 people participate in arts programming of 18th or its tenant organizations.

### **Revenue and Organization:**

- 18th Street is a non-profit organization and owns its own facility. It is supported through a mix of earned income from rent; service contracts for artist business development with local city government; international arts exchange contracts with governmental arts entities (including Australia, Finland, France and Israel); and public and private grants. Tenants pay rent that is generally half of market rate, and a portion of live/work studios are subsidized to accommodate artists of very low income or who have

disabilities. 18th Street charges no fees for public art events or galleries.

There are five paid staff members.

## **V. ASSESSMENT OF EXISTING PROGRAM MODELS**

Utilizing the information gleaned from the Angelou and BBER Studies and the Creative Santa Fe (CrSF) Best Practices survey and the Current Comparables, CrSF has determined that while many models exist for service delivery, the focus of a facility model should be on the development of a multi-tenant facility. Multi-tenant non-profits use a non-profit umbrella organization as management to provide programming and also serve the management/landlord functions for a broad variety of mission consistent tenant businesses and individuals and organizations that co-locate in the same facility. A multi-tenant facility offers two clear advantages: a centralized location for a number of creative sector businesses and significant earned income to support program and service delivery.

### **Non-profit Multi-tenant Facilities: Benefits of Centralized Location**

As shown in the description of comparable initiatives, non-profit multi-tenant facilities create a strong central locus of arts and culture sector support. Often such facilities are created in industrial districts or neighborhoods where there is a depressed economic climate. Research has shown that these kinds of facilities have a stabilizing influence and can often lead to ancillary economic improvement as other artists or creative sector businesses move in and change the character of the community. The non-profit structure of the management or ownership of such multi-tenant facilities becomes significant in such a scenario. The non-profit creates a stable base of lower-fee operations, and one that is less likely to be adversely affected by gentrification or other

external economic development factors that may come in to play as such centers become more successful.

The critical mass of services offered to resident organizations and artists, along with the programming and opportunity to interact with art and artists creates a “center” for artists and creative sector businesses in neighborhoods and communities where such activities are usually decentralized. Such centralization leads to efficiencies of effort through concentration of services and economy of scale (as at 18th Street Arts Center and Flashpoint, with centralized community business center facilities). “One-stop” centers that provide comprehensive linkage to community services offer creative sector businesses and individuals with the greatest ease of access to available resources. In addition, centralized one-stop centers minimize duplication of services and enable peer organizations in the same communities to focus energy and attention on other priorities.

### **Earned Income to Support Program and Operations**

All arts and culture multi-tenant facilities strive to provide affordable rental of work, performance, business and workshop space; however, the key variable for any income profile is the percentage of space available for generating earned income. The importance of earned income cannot be overstated. The degree to which a facility can derive earned income from short/medium and longer-term leasing to individuals and mission-consistent for-profit and non-profit creative sector business can be crucial in determining the long-term sustainability of such facilities.

### **Public Anchor Facility for the South Railyard**

The redevelopment of the Santa Fe Railyard has provided space for several new public non-profit facilities, including Warehouse 21, and the Farmer’s Market, as well as

co-location with high profile for-profit arts businesses, yet the southern end of the Railyard has no similar facility. The proposed Railyard Arts Center will serve as a public arts facility in the south Railyard.

#### **CREATIVE COMMUNITY INTEREST IN INITIATIVES**

As evidenced by the four major studies undertaken by the City of Santa Fe and by community-based foundations and organizations, a great deal of community involvement helped shape the concept of developing a facility to increase economic activity in the arts and culture sectors. Momentum continued to build after the studies with community task forces that worked together over many months to further develop the vision of a beehive or community space to be used by creative workers to build and strengthen their businesses and to create a space where creative organizations can work together to strengthen their program offerings.

## **RECOMMENDATIONS FOR NEXT STEPS**

Creative Santa Fe recommends that the City of Santa Fe explore development of a site that can foster the creativity economy of Santa Fe.

Any community arts facility will need to be directly responsive to the interests of the people it hopes to serve. The groups and individuals who over the past three years have been involved in and whose efforts have informed thinking about Santa Fe's need for a creative sector economic development facility understand deeply the multiplicity of points of view extant in our region. Creative sector businesses, artists, craftspeople and peer art and culture organizations should be surveyed to inform the direction of programming development and the manner and scope of resource linkage provision in any proposed facility. In addition, community members, creative sector stakeholders, and potential tenants of such a facility should be involved in the design charette process to precede development of architectural plans. Such focused community input will help to ensure that the facilities, programs and services are targeted to, and most effectively meet the stated needs, of a broad spectrum of community stakeholders.