Evaluating the Impacts of Artspace Project’s Developments: A Roadmap for Moving Forward

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EXECUTIVE SUMMARY

How would a researcher go about assessing the impacts of an artist space on resident artists and arts organizations as well as the surrounding neighborhood? This was the very real question Artspace Projects, Inc, commissioned me to address through this paper. The paper’s findings are directly relevant to Artspace, but will also be of interest to academics studying the impacts of arts and culture, other artist space developers and advocates, and Artspace’s stakeholders, including funders and municipalities.

The term artist space covers residential, studio, administrative and programming space for individual artists and arts organizations and includes everything from a theatre to a live-work artist loft. Artspace has developed a range of artist spaces but specializes in redeveloping large vacant buildings whose prior uses include industrial sites, schools, hotels and auto dealerships into mixed-use, artist live-work spaces. Artspace seeks to measure and document the social, economic and physical impacts of its developments on resident artists and arts organizations and the surrounding neighborhoods. These impacts can include everything from artists gaining opportunities to share equipment, to new businesses opening up in the neighborhood, to reductions in crime rates.

Through the proposed methodology, I offer the organization and the future research team a detailed roadmap to guide the impact study. In the course of the literature review, I determined that few similar research efforts have been undertaken and that considerable challenges exist in determining the effects of a spatial intervention. Despite these limitations, a combined internal assessment and independent research inquiry utilizing both qualitative and quantitative techniques can provide compelling evidence of the impacts of an artist space. The proposed independent research inquiry incorporates a tenant survey, fieldwork, tracking changes in tenant income through a
select sample, hedonic property valuation, fiscal (tax) impact analysis and comparative neighborhood vs. parent area trend-lines. Key data sources include individual compliance with low income housing annual recertification requirements, Form 990s, property tax data at the parcel level, and data from the Census, County and Zip Code Business Patterns, and Home Mortgage Disclosure Act.

INTRODUCTION

Artspace—At a critical crossroad

Artspace claims the distinction of being “America’s leading nonprofit real estate developer for the arts” (Artspace Projects 2008a). Its portfolio currently includes 20 completed developments in 12 states and an additional 13 projects in development or pre-development, which will expand its development reach to a total of 16 states. In addition, its national consulting service has helped communities in 45 states address their artist space needs. They are unique among developers in that they continue to own and manage their properties, striving to keep the artist spaces they’ve developed both well maintained and affordable. Founded in 1979 as an advocate for artists’ space needs, Artspace propelled itself into the role of developer in the late 1980s, and in the mid-1990s began to broaden its focus to include non-residential spaces. Only within the last few years has the organization evolved from a Minnesota organization with a few national projects into a truly national organization based in the Twin Cities.

Artspace faces mounting pressure to adopt a more proactive stance towards evaluation both because of its national prominence and converging additional factors. First, through a recently completed strategic plan, Artspace’s board has charged the organization to assess best practices and take a more focused and deliberate approach to
fostering broader community and economic development goals (Artspace Projects 2008b). Secondly, having already reaped much of the “low-hanging fruit,” Artspace is increasingly working and seeking business in communities dominated by fiscal conservatives who demand hard data on the likely return on their investments. In addition, Artspace is progressively expanding out from its well-tested business model of developing mixed-use, artist live-work spaces financed largely through low-income housing tax credits. Increasingly, they are developing non-residential projects, notably the MN Shubert Performing Arts and Education Center and the Fire Arts Center. Given this diversification, Artspace has a vested interest in codifying best practices to learn which models best fulfill Artspace’s mission, conform to good business practices and have greater impacts on their surrounding communities and why. Lastly, by adopting a proactive stance towards evaluation, Artspace would be living up to the mantle of responsibility associated with its leadership status within the field of artist space development.

**Study Objectives**

Through an impact assessment study, Artspace hopes to achieve three major objectives. First, Artspace hopes to learn why some projects have been more successful than others. Secondly, the organization wants to take conscious and proactive steps to foster success of future projects. Lastly, Artspace seeks to respond to skepticism on the part of funders, local governments and communities with hard data on social and economic impacts. Therefore Artspace seeks both a process and outcome evaluation: a best practices probe, an objective independent impact assessment, and a tool to generate statistics that can be used for advocacy.
To ensure a meaningful analysis, Artspace must first clarify what constitutes a successful project, both internally and for its external stakeholders. Without this information, researchers cannot be confident that they have selected appropriate metrics. Although one can expect Artspace’s different projects to have distinct goals specific to the unique needs of each community, many objectives will be held in common across communities and developments. Artspace’s staff has already made progress articulating what constitutes a successful project, both in their minds and the minds of diverse external stakeholders.

Artspace distinguishes between goals it has historically viewed as within its power to influence and goals that it hopes the presence of an artist space will foster, but for which it has not yet taken direct responsibility for ensuring. Artspace has always held measures of how well a project supports its mission “to create, foster and preserve affordable space for artists and arts organizations” and reflects good business practices, as within its immediate purview. Artspace may expect and claim that an artist space development will benefit broader goals (social, economic and physical) for resident artists and arts organizations and the surrounding neighborhood, but the organization does not promise these results. These differing criteria of success are outlined below:

• **Mission related success**—Is the building filled with artists/arts organizations? Are the spaces within it affordable, will they remain affordable, and are they perceived as affordable?

• **Business practice success**—Is the project completed on time and on budget? Is the building fully leased? Does it operate in the black? Does the building
generate an adequate development fee? Does the project add to a track record of success and stimulate demand for more projects and support from funders?

- **Arts related impacts**—Does the project foster the professional development of resident artists and arts organizations by facilitating social connections and providing material support? For instance, because of the project, are individual artists and arts organizations more able to network, collaborate, share equipment, or increase income/earnings from or time devoted to artwork? Does the building serve as a hub for the larger arts community and arts events open to the public?

- **Economic impacts**—In the surrounding area, does the project stimulate economic activity and investment? Is the project associated with increased jobs, new and expanded businesses, increased tourism/cultural events, and increased property values? Does this change occur without displacing current residents?

- **Physical Impacts**—Has the artist space spurred the development or redevelopment of other properties? Have commercial and residential vacancy rates decreased and/or property maintenance improved? Is the project associated with increased foot traffic and/or an upgrading of public spaces?

- **Social Impacts**—Has the development improved the neighborhood’s social connectivity by offering public events/programs and a community-gathering place that expand beyond artists and arts lovers? Is the project associated with a rise in civic activism and/or a reduction in crime? Is the neighborhood more diverse with regards to race/ethnicity, income level and educational status than prior to the space development?
Mission and business practice success and broader arts-related, social, economic and physical impacts are interconnected. For instance, if an artist space development does not predominately host artists and arts organizations, it would be much more difficult for individual artists to realize opportunities for collaboration and networking. If the facility is not covering its operating expenses, maintenance could be neglected or spaces could be vacant or underutilized and that could undermine momentum for broader investment in the neighborhood.

Although mission and business practice success and broader impacts are interconnected, different actors are best suited to evaluating them. Artspace staff may already know an individual project’s merit in terms of mission and business success, but they lack the time and expertise to conduct an evaluation of the arts-related, economic, social or physical impacts of the development. Therefore, in the methodology section, I propose a blended internal assessment and independent research investigation to best address these interrelated needs.

BACKGROUND

Evolution and context within larger movements

A range of factors—public policy changes, different social norms, and new theories of economic competitiveness in a post-industrial economy—have influenced the evolution of artist space. Federal tax policy reforms—the establishment of charitable income tax deductions and 501c3 non-profit charitable organizations (1917, 1954) and tax credits for affordable housing (1986) and historic preservation (1976)—are the most significant federal public policy changes affecting artist space (Arnsberger et al. 2007, 39; Cummings and DiPasquale 1999, 251-307; Day 2005, 1). Through reductions in tax
bureaus, these revisions created market incentives to directly support the arts and subsidize facilities that could be used to house artists and arts groups. Starting in the 1960s, the rise of counterculture and ascendance of America’s first “art-stars” (Warhol, et. al) repositioned artists and their live-work spaces as a desirable (Zukin 1982). Government officials and real estate and banking interests gradually embraced artist lofts as a profitable way to deal with under-utilized industrial buildings in inner-city neighborhoods and attract other middle-class land uses in the vicinity (Zukin 1982). With the advent of the European creative city movement in the mid-1980s and reaching a crescendo with Richard Florida’s best selling book, *The Rise of the Creative Class* in 2002, policy makers and their constituents increasingly acknowledged artist space as fitting within a larger approach to regional economic competitiveness (Florida 2002, 404). Despite ebbs and flows of support and interest, artist space has evolved from a phenomenon of individual actors independently seeking and acquiring facilities in which to create and share their work. Today, artist space is a community and economic development strategy frequently pursued by municipalities, real-estate/capital interests and artists alike. Artspace alone gets 10-15 calls per week from cities and towns interested in this phenomenon and wanting to learn more about how to create a community of artists in their jurisdiction (personal communication with Wendy Holmes, Vice President, Artspace, October 9, 2008).

**Artist space—A diversity of approaches**

Included within the rubric of artist space are housing (live), studio (work), combined live-work, administrative and programming/presenting space and mixed-use spaces that blend the above types and/or pair artist spaces with non-arts commercial or
residential uses. Occupants are similarly diverse: individual artists (writers, visual and performing artists); nonprofit and commercial arts organizations (public and private funders/agencies, arts service organizations, presenting institutions, and education or community focused groups); and other commercial tenants (architects and designers from the related cultural industries, non-arts nonprofits, and cafes and restaurants) can all be found in artist spaces. The inclusion of non-arts residential and commercial tenants can be an intentional choice, serving financing or “mixed-use” objectives, or may represent a compromising of standards due to a lack of arts-related demand. Artist spaces can vary in scale, form and setting, including large loft-style developments in urban settings, single-family homes in small-towns, museums, theaters and education centers. A range of developers—private, artist, municipal-driven and nonprofit—is in the business of developing artist-space (personal communication with Jason Schupbach, Creative Economy Industry Director, MA Dept. of Business Development, June 13, 2008). Artist spaces employ an equally broad array of financing and ownership structures including rentals financed through affordable housing tax-credits, market-rate units, artist non-profit driven capital campaigns and cooperative ownership (Walker 2007, 113).

Evaluating impacts—The state of the field

The role artist spaces play in catalyzing neighborhood change is firmly embedded in the popular imagination (Zukin 1982; Lloyd and Clark 2001, 357-378). Artists move in, they spruce up the neighborhood making it a desirable place to live, and other members of the middle class flock to the area. This cache and population influx causes residential property values to rise and new businesses to open. Gentrification and displacement (both of other populations by artists, and eventually of artists themselves)
are assumed to accompany this process. Unfortunately, research efforts to date have made only modest progress in testing this causal model. Evidence from Philadelphia suggests that population displacement does not accompany population and housing price increases in culturally rich neighborhoods (Stern 2002). Researchers have yet to undertake comparable analyses in hot real estate markets, such as in New York City and San Francisco. Others have articulated what the expected benefits of artist spaces may generally be and hypothesizing why they may occur (Jackson and Kabwasa-Green 2007; Markusen and Johnson 2006). For example, Elizabeth Strom posits that artists’ unique class position as a group that is financially “poor” but culturally “rich” allows them to play a special role as change agents in cities (Strom 2008). These efforts notwithstanding, very few researchers have examined the impacts of specific artist spaces.

To date, researchers have attempted to evaluate and quantify the economic and social impacts of specific artist spaces on their surrounding communities in two large-scale studies. A joint study produced by Artscape and Ryerson University (Canada) assessed small-scale community and economic impacts of three cultural facilities (one theater and two live-work spaces) in Toronto and Vancouver (Jones et al. 2003). Stephen Sheppard has evaluated the social and economic impacts of the Mass MoCA museum in North Adams, MA (Sheppard et al. 2006; Sheppard, Benjamin, and Dworkin 2007). Other studies have evaluated the social benefits of art programs (Matarasso 1997) and examined how culturally rich neighborhoods show social and economic advantages, although these studies are not rooted in a specific spatial intervention (Stern 2002).
Currently, economic impact models are the most frequently employed quantitative assessment technique in the arts and cultural sector. These models are rooted in export base theory, which states that local economic growth is driven by the export (non-local) sector and are designed to estimate the impact of an industry or particular business with significant employment on the local economy. Researchers and advocacy groups have used economic impact models to tally up sector-specific direct, indirect and induced economic activity triggered by nonprofit arts and cultural organizations (Sheppard et al. 2006; Americans for the Arts 2003; Beyers and GMA Research Corporation 2004; Scanlon and Lainer 2006; Audience Research & Analysis 2006).

However, the use of economic impact models for the arts sector is subject to extensive criticism. As Stephen Sheppard points out, “economic impact studies are routinely demanded by policy makers and foundations, and just as routinely dismissed by them” (Sheppard et al. 2006, 1). The most serious criticisms of economic impact studies are that they are methodologically flawed; often researchers do not adequately demonstrate that the arts can be considered a basic (or export) industry and ignore the substitution effect, treating all spending as “new” spending, as opposed to factoring out expenditures that would have been spent elsewhere in the local economy (Sterngold 2004, 166-187; Seaman 2000, 266-285).

Economic impact models are particularly ill-suited for an analysis of Artspace’s developments. First, most tenant artists and arts groups in the live-work and even nonresidential spaces can be expected to be micro-enterprises with few or no additional employees. Even if non-arts commercial tenants were included, the resulting economic impact as measured by economic impact models, is likely to be extremely modest.
Secondly, economic impact models emphasize non-local dollars (the export base). Unlike a museum or theater that claims sizable outside patronage, the majority of artistic production occurring in Artspace’s developments is likely not exported or bought by tourists. Thirdly, when economic impact models are conducted with rigor, they exclude expenditures that are not net new spending. In other words, if a business (or in our case, an artist) merely moved across town, the town does not experience any net new induced spending unless the artist’s income goes up from external sales. If undertaken, the analysis would need to be restricted to artists/enterprises that relocated from outside the area or experienced growth attributable to relocating to the building. This would result in even more modest economic impact results. Lastly, economic impact models are constructed with industry trade data at the state level and are not reliable below the county level of geographic disaggregation.

Instead of attempting to apply an economic impact model, Artspace should concentrate on the positive social and economic changes at the neighborhood level. In addition, a plausible argument can be made to city governments that additions to housing and commercial stock free up other space for residents and businesses throughout the city, an argument that Tim Bartik has made in advocating that city-subsidized job creation should favor locals, because their movement into those jobs opens up their prior jobs for others (Bartik 1993, 297-312).

The shortcomings of evaluation techniques are not unique to artist spaces, or even the larger arts and cultural field. Place-based economic development initiatives are also difficult to evaluate. Economic developers adopt a “shoot anything that flies, claim anything that falls” approach, settling for enumerating change and ascribing causality,
albeit on shaky footing (Rubin 2001, 27-31-47). Part of the challenge lies in the difficulty of the undertaking. Spatial interventions occur in dynamic communities in which it is impossible to approximate a controlled, laboratory situation to conclusively determine the influence of a single intervention (Bartik and Bingham 1997, 246).

Researchers evaluating the neighborhood impacts of housing developments also face these challenges. The majority of housing impact studies typically focus narrowly on one metric, changes to surrounding residential property values (Ellen and Voicu 2006, 31-52; Ding and Knaap 2003, 701-728). The best of these studies employ hedonic property valuation, which we recommend, controlling for variation with a regression model. In the case of subsidized housing, researchers have expanded the scope of inquiry to include crime rates, racial transition and poverty concentration, although none have considered as broad a range of impacts as we are recommending in the proposed study (Freeman and Botein 2002, 359-378).

Furthermore, many approaches used in other disciplines, such as fiscal impact analysis and the quasi-experimental method cannot be readily adapted to our purposes. Urban planning’s fiscal impact analysis is used to project a potential development’s future public costs and revenues, as opposed to capturing post-development impacts. It also fails to capture private economic, social or physical impacts (Kotval and Mullin 2005). The quasi-experimental method, used successfully to quantify the impact of a freeway or arms manufacturing plant in small town and rural communities, is inappropriate for urban environments (with so many moving parts).
METHODOLOGY

Proposed Impact Assessment Design

Artspace’s developments can be evaluated along many dimensions: occupancy rates, affordability, project completion, rates of return, impacts on in-house artists and artists in the larger community, viability of arts organizations housed therein, and larger regional and neighborhood impacts. To generate the most relevant data on the effects of Artspace’s developments on resident artists, arts organizations and their surrounding communities, I advocate a hybrid approach incorporating quantitative and qualitative methods, an internal assessment, and an independent research inquiry. Such a combined approach meets the concurrent aims of a process and outcome evaluation. It would best blend the complementary skill sets of Artspace staff and independent researchers and address the challenges of demonstrating causality in dynamic urban neighborhoods with multiple influences. Because artist spaces do not exist in isolation, the prospective study should emphasize the role that artist space plays in neighborhood change as one among other influences rather than claim isolation of sole impacts.
<table>
<thead>
<tr>
<th>Project</th>
<th>City, State</th>
<th>Completed</th>
<th>Description</th>
<th>L/W units</th>
<th>Square feet</th>
<th>Built</th>
<th>Original Use</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern Warehouse Artist Cooperative</td>
<td>Saint Paul, MN</td>
<td>1990</td>
<td>Mixed-use: live-work and commercial (studios, nonprofits arts organizations, other nonprofit organizations, for-profit)</td>
<td>52</td>
<td>149,040</td>
<td>1908</td>
<td>Warehouse</td>
<td>Master lease with artists coop</td>
</tr>
<tr>
<td>Frogtown Family Lofts</td>
<td>Saint Paul, MN</td>
<td>1992</td>
<td>Live-work</td>
<td>36</td>
<td>61,551</td>
<td>1917</td>
<td>Printing press factory</td>
<td>Master lease with artists coop</td>
</tr>
<tr>
<td>Tilsner Artists' Cooperative</td>
<td>Saint Paul, MN</td>
<td>1993</td>
<td>Live-work</td>
<td>66</td>
<td>139,360</td>
<td>1895</td>
<td>Warehouse</td>
<td>Master lease with artists coop</td>
</tr>
<tr>
<td>Washington Studios</td>
<td>Minneapolis, MN</td>
<td>1995</td>
<td>Live-work plus community space</td>
<td>39</td>
<td>134,104</td>
<td>1911</td>
<td>School</td>
<td></td>
</tr>
<tr>
<td>Hennepin Center for the Arts</td>
<td>Minneapolis, MN</td>
<td>1997</td>
<td>Non-residential/commercial (programming &amp; administrative for nonprofit arts organizations, for-profit)</td>
<td>0</td>
<td>100,684</td>
<td>1888</td>
<td>Masonic Temple</td>
<td></td>
</tr>
<tr>
<td>Traffic Zone Center for Visual Art</td>
<td>Minneapolis, MN</td>
<td>1997</td>
<td>Non-residential/commercial (studios, administrative for arts and other non-profits, for-profit)</td>
<td>0</td>
<td>100,421</td>
<td>1886</td>
<td>Farm implement factory</td>
<td>Artists co-own the building</td>
</tr>
<tr>
<td>Everett Station Lofts</td>
<td>Portland, OR</td>
<td>1998</td>
<td>Live-work studios and live-work galleries</td>
<td>47</td>
<td>62,198</td>
<td>NA</td>
<td>Unknown</td>
<td>No Low Income Housing Tax Credits</td>
</tr>
<tr>
<td>Spinning Plate Artist Lofts</td>
<td>Pittsburgh, PA</td>
<td>1998</td>
<td>Live-work plus tenant gallery space</td>
<td>37</td>
<td>55,001</td>
<td>1926</td>
<td>Automobile dealership</td>
<td></td>
</tr>
<tr>
<td>Riverside Artist Lofts</td>
<td>Reno, NV</td>
<td>2000</td>
<td>Mixed-use: live-work and commercial (arts and other nonprofit organizations, for-profit)</td>
<td>35</td>
<td>61,320</td>
<td>1926</td>
<td>Hotel</td>
<td></td>
</tr>
<tr>
<td>National Hotel Artist Lofts</td>
<td>Galveston, TX</td>
<td>2001</td>
<td>Live-work plus ground floor commercial space</td>
<td>28</td>
<td>37,647</td>
<td>1870</td>
<td>Opera House</td>
<td>No Low Income Housing Tax Credits</td>
</tr>
<tr>
<td>Switching Station Artist Lofts</td>
<td>Chicago, IL</td>
<td>2003</td>
<td>Live-work plus community space</td>
<td>24</td>
<td>30,000</td>
<td>1906</td>
<td>Telephone Switching Station Hotel</td>
<td></td>
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<tr>
<td>Kaddatz Artist Lofts</td>
<td>Fergus Falls, MN</td>
<td>2004</td>
<td>Mixed-use: live-work, community space, commercial</td>
<td>10</td>
<td>25,450</td>
<td>1915</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mount Rainer Community Housing</td>
<td>Mt. Rainier, MD</td>
<td>2004</td>
<td>Mixed-use: live-work, community space, commercial (for-profit)</td>
<td>44</td>
<td>80,000</td>
<td>2004</td>
<td>New construction</td>
<td></td>
</tr>
<tr>
<td>Read's Artspace</td>
<td>Bridgeport, CT</td>
<td>2004</td>
<td>Mixed-use: live-work, community/gallery space, commercial (for-profit)</td>
<td>61</td>
<td>150,000</td>
<td>1925</td>
<td>Department store</td>
<td></td>
</tr>
<tr>
<td>Tashiro Kaplan Artist Lofts</td>
<td>Seattle, WA</td>
<td>2004</td>
<td>Mixed-use: live-work, community space and commercial (studios, galleries, nonprofit arts organizations, for-profit)</td>
<td>50</td>
<td>120,460</td>
<td>1906, 1907</td>
<td>Market, Hardware Store</td>
<td></td>
</tr>
<tr>
<td>Elder Street Artist Lofts</td>
<td>Houston, TX</td>
<td>2005</td>
<td>Live-work</td>
<td>34</td>
<td>38,800</td>
<td>1924</td>
<td>Hospital</td>
<td></td>
</tr>
<tr>
<td>Grain Belt Studios</td>
<td>Minneapolis, MN</td>
<td>2005</td>
<td>Non-residential/commercial (studios, for-profits)</td>
<td>129,735</td>
<td>1906 &amp; 1910</td>
<td>Brewery warehouse and bottling house</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hiawatha Artist Lofts</td>
<td>Seattle, WA</td>
<td>2008</td>
<td>Mixed-use: live-work, commercial (gallery, other nonprofit, for-profit)</td>
<td>60</td>
<td>NA</td>
<td>2007</td>
<td>New construction</td>
<td></td>
</tr>
<tr>
<td>Buffalo Artist Lofts</td>
<td>Buffalo, NY</td>
<td>2008</td>
<td>Mixed-use: live-work, community/gallery space, commercial</td>
<td>60</td>
<td>NA</td>
<td>1911, 2007</td>
<td>Printing press</td>
<td></td>
</tr>
<tr>
<td>Sailboat Bend Artist Lofts</td>
<td>Ft. Lauderdale, FL</td>
<td>2008</td>
<td>Two buildings--Live-work plus community/gallery space; Nonresidential: nonprofit arts programming/admin space</td>
<td>37</td>
<td>NA</td>
<td>1922, 2008</td>
<td>School</td>
<td></td>
</tr>
</tbody>
</table>
The scope of investigation should be restricted to artist spaces developed by Artspace. Over the last 18 years Artspace has developed 20 artist spaces in 12 states—three non-residential and 17 live-work spaces (nine of which are mixed-use, i.e. the building features both residential, live-work spaces and commercial spaces) (Table 1). Given the number, variety, geographic spread and longevity of Artspace’s artist space developments, this sample can provide answers about the impacts of artist spaces beyond Artspace’s projects and is a good data set (given the time intensive nature of the proposed research). Future research inquiries may build on this data and expand the focus to include projects developed by municipalities, private and other non-profit developers, and artist-developed projects.

Researchers should examine the full spectrum of Artspace’s developments to determine how variations in scale, use, setting, and financing structures contribute to a project’s impact. Artspace primarily redevelops large vacant buildings whose prior uses include industrial sites, schools, hotels and auto dealerships into mixed-use, artist live-work spaces financed largely through low income housing tax credits. Due to this reliance on low income housing tax credits, Artspace’s residential projects are all rentals. Artspace has deviated from its primary model of repurposing old buildings into mixed-use, artist live-work spaces on 13 of its 20 projects. Two projects feature new construction. Eight live-work projects are not mixed-use because they do not feature commercial spaces beyond community spaces or a shared resident gallery. Three developments are non-residential. Although they will not be considered in the proposed study, it is noteworthy that several additional non-residential projects are currently in development or pre-development, including the MN Shubert Performing Arts and
Education Center, the Fire Arts Center in Minneapolis and components of Tannery Arts Center in Santa Cruz. These represent an organizational diversification beyond the residential model and confirm the importance of including the three completed nonresidential spaces in the study.

**Internal Assessment**

To provide critical insight into each project’s merits and weaknesses and essential background on the pre-development process, I recommend that Artspace conduct a comprehensive internal assessment. An integral component of this study, the internal assessment would comprise Artspace’s process evaluation and inform causal influences for the independent research inquiry.

Artspace should use the following criteria to assess each project’s performance over time:

- **Mission success**—Is the building filled with artists/arts organizations? Are the spaces within it affordable, will they remain affordable, and are they perceived as affordable?

- **Business practice success**—Is the project completed on time and on budget? Is it fully leased? Does it operate in the black? Does Artspace earn adequate development fees? Will the project add to track record of success and stimulate demand for more projects/support from funders? Does the building offer physically and financially competitive spaces? Are non-arts commercial tenants compatible with resident artists and arts organizations? Is the project legally in compliance with IRS affordable housing strictures?
• **Predevelopment context/process evaluation**—What was the degree of community involvement and/or political receptivity? Who were key development partners? What were specific community objectives for the project? What were notable financing or zoning challenges? Did the project utilize low-income and/or historic preservation tax credits? Did the artist space development incorporate historic preservation or repurpose an existing vacant building or brownfield site? Is the project part of a pre-existing cultural district (organic or planned) or are there hopes that it will generate a cultural district? Was the pre-existing local real-estate market “hot” or “cold”? Is the artist space intended to serve artist pioneers or preserve space for local artists at risk of dislocation?

Artspace staff members already possess a good working understanding about how each project meets the above criteria. Additionally, they have access to relevant data sources, including financial records and Housing and Urban Development (HUD) affordable housing compliance documents. But their insights are compartmentalized in the files and minds of individuals responsible for particular developments. Though it represents a sizable commitment of time and staff resources, a comprehensive internal assessment would be vital for informing best practices and providing background data on contextual and causal factors for the independent research inquiry.

To ensure that the internal assessment can be successfully realized given the staff’s already ambitious workloads, Artspace should consider retaining an outside consultant to facilitate the process, keep the project moving, and provide technical assistance/advice as needed. So that the assessment can provide the most relevant findings, Artspace should critically examine both successful and failed projects, including
projects that stalled in pre-development or have been sold, such as the Calhoun building in Minneapolis. Artspace should restrict the analysis to relevant timing benchmarks (predevelopment, opening, 1 year, 5 years, 10 years, and other critical junctures like an expiration of tax credits) to make the undertaking more manageable.

**Independent Research Inquiry**

Through an independent inquiry, researchers can measure and evaluate the economic, social and physical impacts of Artspace’s developments on artists, arts organizations and the surrounding neighborhood.

**Arts-related Impacts**

To determine the impacts of the development on resident artists and arts organizations, researchers should take up the following questions:

- Do artists/arts organizations perceive the spaces appropriate to their needs?
- Do artists/arts organizations perceive the spaces as affordable?
- Are artists/arts organizations able to share equipment and/or resources?
- Do artists/arts organizations engage in collaborations and/or networking?
- Are artists able to increase the amount of time devoted to making artwork or productivity?
- Are arts organizations able to financially stabilize or grow?
- Are artists able to increase their overall income and/or the percentage of income they earn from their artwork?
- Are artists able to increase their assets?
- Are artists able to attain recognition/prominence within their field?
• Do artists perceive that living or working in the artist space helps validate their identity?

Researchers can use tenant surveys to answer these questions. Researchers could primarily administer the survey online but should also include paper surveys to accommodate the estimated 10-20% of residents who may not have regular Internet access (personal communication with Beth Bowman, Project Manager, Artspace, July 23, 2008). Rather than selecting a random sample of residents, the researchers should solicit participation from all tenant artists and arts organizations. Artspace and the respective property management companies should offer support to maximize participation. For instance, Artspace could offer a rent credit lottery incentive, and the management companies could compile an outreach database of email addresses or send out survey notices with rental invoices.

Although this technique will not allow the research team to conclusively prove that changes experienced by the artists and arts organizations were caused by the addition of the artist space alone, it will capture impacts by asking artists and arts organizations to assess the development’s influence. Expanding the survey to a comparison group of artists and arts organizations would increase its validity, but identifying, soliciting participation from and attempting to control for variations in artists’ career stages and organizational missions, among others, would present formidable logistical challenges to the research team and substantially increase costs.

To augment the survey findings, researchers could solicit detailed narrative accounts of how the artists have experienced their new spaces by conducting focus groups and one-on-one mobile interviews during field work site visits. Artist focus
groups of 5-7 individuals would help paint a collective portrait of how the development has affected resident artists and arts organizations. Through these animated discussions, artists can trigger each other’s memories about the role the artist space has played, engage in collective fact checking, and elaborate on impacts catalyzed by group dynamics (i.e. opportunities for collaboration, networking, equipment sharing, or joint event programming). Through one-on-one mobile interviews, researchers would be able to tour the artist space including individual live-work units. Artists that might be reticent to speak in a large group would have the opportunity to reflect on and convey how the artist space has affected them, in their own intimate and familiar space. An artist’s ability to point to his or her portfolio, workspace, or living area would give researchers an opportunity to use photographic documentation to record relevant aspects of the artist space and the artist’s use of it for conveying salient features to the study audience.

**Income**

To address the question of whether the artist space has enabled residents to increase their incomes and/or the percentage earned from their artwork, researchers should augment survey responses with quantitative analysis of individual and nonprofit organization tenants’ changes in income, over time. This technique will allow researchers to empirically estimate changes in income experienced by resident artists and nonprofit organizations over time. Two main data sources will be of particular value. First, in conjunction with an affordable housing project’s annual low income housing tax credit recertification process, residential tenants living in affordable housing units must submit detailed information on their income to the building’s property managers annually. Second, all nonprofit organizations must file Form 990, an annual tax return
with the IRS, which details their annual revenues and expenditures. Since these organizations are public charities, their annual tax returns are in the public domain. An online clearinghouse, Guidestar.com, provides convenient access to historical information for all nonprofit organizations for a fee.

For this analysis, the research team must design a representative random sample that is large enough to ensure statistical reliability while keeping in mind the constraining factors surrounding data collection. In order to document change in income over time, the sample should be restricted to tenants who have occupied an Artspace unit for three or more years. For residential tenants, the property managers should synthesize information on a tenant’s annual income and allocate that income into arts and non-arts related income for every year of occupancy. This should be doable given the Schedule C and related information in a tenant’s file. The property managers should strip the records of all identifying information (name, unit number, etc), replacing this with a unique number. This technique is not infallible. Gaps in the data exist. For instance, the IRS only requires tenant files to be maintained for eight years. Residential tenants who occupy market rate units and for-profit commercial tenants will not be captured. Nevertheless, this technique will provide a good estimate of changes to tenant artists’ and arts organizations’ during occupancy.

**Larger Artistic Community**

An artist space will have consequences for not only resident artists and arts organizations, but also the larger artistic community. Researchers should investigate the following criteria to assess this impact:

- Does the building serve as a hub for art events open to the public?
• Is the space a gathering place for the larger arts community?
• Can any artistic innovations, movements or trends be traced to the building, beyond one particular artist?

To best determine the answers to these questions, researchers should include relevant response sections in the resident tenant survey, described above, and augment these results with interviews with key community informants during fieldwork site visits. Key community informants for this impact area might include the organizers of area-wide arts crawls and/or festivals, local building managers, local arts critics and funders. Researchers should ask Artspace staff members, local building managers and tenants who are active in the community to help identify specific individuals who are knowledgeable about this area and other areas treated subsequently. Efforts to identify and interview independent local arts ecology watchers should be included.

Economic Impacts

Whether and how an artist space contributes to economic activity and investment in the surrounding neighborhood and larger region is of critical concern to neighboring business owners and residents, private developers, and elected and appointed government officials. Because few in-house arts enterprises are expected to become major employers, researchers must look beyond standard economic impact models to assess the more nuanced economic role that artists play. Key questions the researchers should address include:

• Has the artist space increased tourism and/or cultural events?
• Is the artist space associated with businesses opening or expanding in the neighborhood?
• Is the artist space associated with increases to neighborhood employment levels?
• Is the artist space associated with a positive change in the surrounding neighborhood’s mix of industries and/or businesses (i.e. more creative clusters)?
• Has the artist space increased or stabilized the surrounding neighborhood’s property values and tax base without displacement?
• Has the artist space triggered the in-migration of out-of-town artists?

Relevant questions that researchers will be unable to adequately answer, given the limitations of available data sources, include:

• Is the artist space associated with increased area sales and sales tax revenues?
• Is the artist space associated with a positive change in the surrounding neighborhood’s mix of occupations (i.e. more members of the creative class)?

As detailed below, I propose researchers employ a variety of techniques to answer these questions including fieldwork, comparative neighborhood vs. parent area trend-lines, hedonic property valuation, fiscal (tax) impact analysis, and tenant surveys. Unfortunately, the researchers will be unable to fully evaluate all of Artspace’s completed projects. The available data sources do not span all relevant years and the geographical level of analysis is not consistent across sources (Table 2). As is detailed below, I recommend the available data sources be utilized practically, with alternate sources augmenting gaps when possible.
Table 2: Data Source Availability for Artspace’s completed projects (as of September 2008)

<table>
<thead>
<tr>
<th>Methodology/Data Source</th>
<th>Occurrence</th>
<th>Level of Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenant Surveys</td>
<td>x</td>
<td>Residential</td>
</tr>
<tr>
<td>Field Work</td>
<td>$</td>
<td>Organization</td>
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<tr>
<td>Individual LIHTC</td>
<td>Annual</td>
<td>Tenant</td>
</tr>
<tr>
<td>Recertification</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Form 990</td>
<td>Annual</td>
<td>x</td>
</tr>
<tr>
<td>Residential property sale values</td>
<td>Parcel</td>
<td>m m m m m m m m m m m m m m</td>
</tr>
<tr>
<td>County and Zip Code Business Patterns</td>
<td>Annual 1995-2006</td>
<td>County, Zip Code</td>
</tr>
<tr>
<td>Municipal Building Permits</td>
<td>m m m m m m m m m m m m m m m m</td>
<td></td>
</tr>
<tr>
<td>Home Mortgage Disclosure Act</td>
<td>Annual 1997-2007</td>
<td>Tract, Zip Code, Place, County</td>
</tr>
<tr>
<td>Municipal Crime Data</td>
<td>Annual</td>
<td>x</td>
</tr>
<tr>
<td>Census Data</td>
<td>1980, 1990, 2000</td>
<td>Tract, Zip code, Place, County</td>
</tr>
</tbody>
</table>

Key:
- x: Data available
- m: Need to collect data from individual municipalities. May not be available electronically. May charge fee.
- S-$: Data may not be available to researchers.
- $-$-$: Represents variability in costs related to field work based on travel required for a Twin Cities based research team.

Northern Warehouse Artist Cooperative, Frogtown Family Lofts, Tihliner Artists' Cooperative, Washington Studios, Hennepin Center for the Arts, Traffic Zone Center for Visual Art, Spinning Plate Artist Lofts, Riverside Artist Lofts, National Hotel Artist Lofts, Switching Station Artist Lofts, Kaddatz Artist Lofts, Mount Rainer Community Housing, Read's Artspace, Tashiro Kaplan Artist Lofts, Elder Street Artist Lofts, Grain Belt Studios, Hiawatha Artist Lofts, Buffalo Artist Lofts, Sailboat Bend Artist Lofts.
Tourism/Business Expansion

Fieldwork techniques should be a key tool to help researchers determine whether the artist space is associated with increased tourism or cultural events and/or new or expanded area businesses. The interviews with key community and arts informants, would reveal whether the artist space has served as a hub for arts events open to the public and reflect the space’s economic significance in terms of increased tourism and cultural events. To determine whether the artist space is associated with new or expanded neighborhood businesses, field researchers can interview representatives of neighborhood associations, neighborhood business associations, and chambers of commerce who can offer first hand knowledge of the changing business environment and any causal linkages to the artist space they perceive. For instance, perhaps the cache of an artist space attracted architecture or design firms to the area, or maybe restaurants opened up or expanded to serve the new concentration of artists or because the artists attracted other visitors or residents to the neighborhood.

Researchers can supplement these findings on area businesses formation and expansion with annual data from the County and Zip Code Business Patterns for a subset of the artist space developments. To undertake this analysis and many others presented subsequently, I propose researchers use comparative neighborhood vs. parent area trend-lines. By establishing historical trend-lines of a given indicator (in this instance, number of business establishments) both before and subsequent to the artist space development, researchers can observe if a shift in the indicator is detectible after the artist space intervention. By incorporating a trend-line for the parent area, patterns that may be due to larger economic pressures should be exposed. This approach will not conclusively
demonstrate a causal relationship between the artist space intervention and changing socio-economic indicators. When a slightly larger parent area is utilized as a comparison group, it can be expected that the change detected at the neighborhood level is also influencing the larger region (spatial auto-correlation). However, attempting to select alternate neighborhoods for a matched-pair comparison group is nearly impossible in dynamic urban settings.

*Employment/Mix of Industries*

Researchers should also use the County and Zip Code Business Pattern data, comparing neighborhood vs. parent area trend-lines, to determine whether the artist space is associated with increases to neighborhood employment levels and is associated with a positive change in the surrounding neighborhood’s mix of industries. By tracking annual changes in employment levels, gross payroll and industry composition at the zip code and county level, researchers can observe whether the neighborhood experiences a growth in jobs, salary levels or creative industrial clusters subsequent to its development and relative to the parent area.

Unfortunately, County and Zip Code Business Patterns data are not without limitations. Unlike the decennial Census of Population, the lowest level of geographic information available is the zip code, not the census tract, a better approximation of a neighborhood. Consequently, researchers must gauge neighborhood experience at the zip code level and use county data to provide parent-area comparisons. Additional shortcomings of this data source include data suppression to protect privacy, occasional misclassifications of businesses by industry, and the absence of information on sales/profits and self-employment. Significant to this study, the failure to track self-
employment is likely to result in an under-count of working artists and designers who engage in self-employment at higher rates than the general population (Markusen and King 2003, 28). Furthermore, the County and Zip Code Business Patterns data are also only appropriate for developments completed after 2000. Zip code level data are only available after 1995 and in 1998 a new industrial classification system (NAICS) was adopted, making data comparisons over time difficult. By using this data source for developments completed after 2000, the researchers can accumulate two-to-three years of pre-development baseline data. Despite the limitations of the County and Zip Code Business Patterns data, they are the best available source for gauging an artist space’s contributions to neighborhood employment, business formation and expansion, and change in industrial mix.

**Property Values**

The impact of the artist space on property value is of concern to elected officials and neighboring residents. Often city officials specifically seek increases to property values to increase their community’s tax base. Neighboring residents may welcome increased personal equity and investment to their community or conversely fear increasing tax burdens or involuntary displacement. To address the question of whether the artist space has increased or stabilized the surrounding neighborhood’s property values and by how much, researchers should use the hedonic property valuation method. Displacement will be captured through a subsequent analysis using Census data.

The difficulty in determining how much property value appreciation is due to a single intervention, such as a new artist space, is that many other factors in the same environment are contributing to value changes. The hedonic method of property
valuation uses a statistical process (multivariate regression analysis) to tease out how much change can be attributed to the artist space versus other factors such as characteristics of the property, overall ups and downs in the housing market, and spatial effects. With this technique, market variations are controlled for by collecting sale price data at the individual parcel level for a number of years prior to and after the artist space development. Spatial control is introduced by collecting data for a large comparative parent area. Stephen Sheppard has successfully used this technique to evaluate Mass MoCA’s effect on the property values of North Adam’s MA. By geocoding the data and graphically displaying the results in a map, the typical bull’s eye impact pattern makes for a clear and compelling argument (Figure 1).

Researchers face challenges in using the hedonic method of property valuation. It requires a minimum of two years of post-development data, which means that the three projects Artspace developed in 2008 are not yet suitable for analysis. In addition, commercial properties turn over far less frequently than residential properties, so this technique cannot be used for an analysis of commercial properties. The researchers must obtain the parcel-level data from individual municipalities (usually from the County Assessor’s office). Although the data should be available as part of the public record, municipalities may not have them available electronically and can be expected to vary in cooperation, responsiveness and administrative fees charged. New England states and New York pose particular challenges: New York because of a pending law suit and New England because the data is not available at the county level. Finally, this technique is highly technical and requires specific skills (Sheppard 2008).
Gentrification/Population Displacement

To test whether any artist space-catalyzed increases to residential property values came at the expense of population displacement associated with gentrification, the research team should use comparative neighborhood vs. parent area trend-lines from Census data to track changes in neighborhood racial composition, rental rates and the percentage of the population that moved in the last five years, to detect possible “red-flags” for population displacement. To conduct the Census data neighborhood vs. parent area trend-line analysis, I recommend using data from the 1980, 1990 and 2000 Censuses.
All artist space projects developed prior to 2000 (eight out of twenty developments) are suitable for this analysis. When 2010 Census data becomes available, in 2012 or 2013, Artspace will have an opportunity to extend the Census data analysis to developments completed after 2000. In 2010, the Census Bureau also plans to release period estimates for 2005-2009 at very small geographic levels, which may present an opportunity to expand the research prior to 2013.

Statistics for the census tract level of geography will best approximate neighborhood change. For the parent area, both the county and the “place” (city or town) level of geography should be used. Selecting the county has the advantage of consistency since this is the geographic parent-area data available for the County Business Patterns data. Statistics for the (usually) smaller “place” level of analysis will also be presented. This will provide an opportunity to differentiate between city and county trends, which is critical as surrounding suburbs typically experience greater population growth and higher socio-economic conditions than central cities. To ensure consistency of census tract boundaries (which are sometimes altered between decennial censuses), I recommend the research team utilize the Geolytics’ neighborhood change database to obtain statistics standardized to the 2000 Census’ census tract boundaries.

Researchers should also probe key community informants on their impressions of whether the neighborhood experienced population displacement associated with gentrification and whether they view the artist space as a contributing influence. Long-time residents or business owners, community activists such as neighborhood organization employees and government officials can augment quantitative findings with their own first-hand impressions of changing neighborhood population dynamics. This
technique will also allow researchers to draw some conclusions about the potential negative impacts of population displacement, for developments completed after 2000, for which no Census data is yet available.

**Tax Base**

To address the question of whether the artist space has benefited the community’s tax base, researchers should aggregate any residential property value increases attributable to the artist space as calculated by the hedonic method of property valuation and multiply the result by the local property tax rate. Additionally, since Artspace co-owns its properties with for-profit partners (as per low income housing tax credit financing), all of Artspace Project’s developments pay annual property taxes or payments in lieu of taxes. Before redevelopment as artist spaces, these properties are off the tax rolls, because they are typically owned by municipalities or in foreclosure. To calculate the total annual tax revenue attributable to the artist space, the property taxes paid on the artist space should be combined with the taxes earned from any artist space triggered increases to the surrounding residential property values. This will result in a conservative estimate because artist space-catalyzed increases to tax revenues from upgrades to adjacent commercial properties cannot be measured.

Similarly, researchers will be unable to adequately address the question of whether the artist space associated with increased area sales and sales tax with existing data sources. No national level data source provides information on sales at low levels of geographic disaggregation for the years of interest. Sales tax information is collected by municipalities. Although the data is in the public record, municipalities may not keep data at the census tract or zip code level of geography and may not provide it.
electronically. Given the uncertainty of availability of sales tax data and the time required to try to gather this information, I am not advocating a sales tax analysis.

**Artist In-Migration**

To examine the question of whether the artist space has triggered the in-migration of out-of-town artists, researchers should include a question in the resident tenant survey that asks the artist’s previous area of residence at the time of their initial tenancy. Researchers should also attempt to address this question through interviews with key community informants who have on-the-ground knowledge about changing neighborhood dynamics. Unfortunately, no other data sources yield information that quantify whether the artist space has drawn artists to the area that dwell outside the Artspace building. Although researchers have successfully used the Census’ 5% PUMS sample to trace migration patterns for individuals working in artistic occupations, this analysis is not statistically reliable at the neighborhood level and any patterns detectible at the city or metropolitan area level cannot reasonably be attributed to an individual artist space (Markusen and Schrock 2006).

**Mix of Occupations**

Researchers will be unable to adequately answer the question of whether the artist space is associated with a positive change in the surrounding neighborhood’s mix of occupations (i.e. more members of the creative class). Occupational statistics are not captured through the County and Zip Code Business Patterns data. Unfortunately, even the best source of occupational data, the Census, is not a robust data source for tracking changes in occupational mix over time. In 1998 the occupational codification systems
changed significantly, making comparisons between 1980/1990 and 2000 Census years much more difficult.

**Physical Impacts**

The development of an artist space will unequivocally have a physical impact on the immediate development site. Artist space proponents and government officials may expect the artist space development to catalyze a range of physical impacts in the surrounding neighborhoods, and these are of direct significance to neighboring residents and business owners. The key questions researchers should address are:

- Did the artist space development incorporate historic preservation or repurpose an existing vacant building or brownfield site?
- Has the artist space catalyzed the development or redevelopment of other properties?
- Is the artist space associated with decreased commercial and residential vacancies?
- Is the artist space associated with increased maintenance of private property?
- Can the artist space be linked to any upgrading of public spaces (streetscaping, etc)?
- Has the artist space catalyzed an expansion of services offered in the neighborhood?
- Has the artist space contributed to increased pedestrian activity?

It is worth pointing out that the distinctions between physical, economic and social impacts are not rigid. Physical investments in the neighborhood, ranging from the development of other properties to increased maintenance of private property, will have
an economic impact. Increased upgrading of public spaces and reduced commercial and residential vacancies can be expected to benefit social impacts, such as a reduction in crime and increased perceptions of safety. Researchers would be remiss if they failed to expand on these interrelationships in the final study, but as an organizing structure I have grouped all physical impacts under one heading.

Researchers should again draw on mixed methods to answer the questions listed above. The question of whether the artist space incorporated historic preservation or repurposed an existing vacant building or brownfield site should be easily answered through the predevelopment context probe within Artspace’s internal assessment. To address the questions of broader physical impacts the artist space may have catalyzed within the surrounding neighborhood, researchers should again seek out interviews with key community informants. These individuals might include local elected representatives, local business owners, community activists, or long-time residents, and should include known critics of the space. Researchers should make an effort to conduct a subset of interviews during walking tours of the neighborhood and document notable neighborhood features with photographs.

Researchers should augment first-hand personal accounts with comparative neighborhood vs. parent area trend-lines from quantitative data sources, specifically the Census and Home Mortgage Disclosure Act (HMDA) data. For development completed prior to 2000, researchers should use Census data and neighborhood vs. parent area trend-lines to directly address the questions of whether the artist space is associated with decreased residential vacancies. To address the question of whether the artist space is associated with increased physical maintenance of private property, the researchers can
track the volume and frequency of loans for home renovations from HMDA data. The Home Mortgage Disclosure Act requires most lending institutions to report mortgage loan applications, including the outcome of the application, information about the loan and applicant and location of the property. These loans may be used to fund renovations or to purchase a home. HMDA data is available for the census track, county and place level of geography through an online data clearinghouse, dataplace.org, which will allow researchers to track comparative neighborhood changes against the city and county parent areas. Unfortunately, although the Home Mortgage Disclosure Act information is released annually, it is only available starting in 1997. I recommend researchers only use this data sources for developments completed after 2000. This would allow the researchers to generate two-to-three years of pre-development, baseline data and to draw some conclusions about projects developed after 2000, for which no Census data is available.

Data on building permits, either for new construction or renovations/maintenance, would be an excellent metric to address whether the artist space is associated with increased development/redevelopment of other properties or increased maintenance of private property. However, due to the challenges of obtaining this data, I am not advocating using this source. Although dataplace.org offers information on permits for new housing construction from 1996-2005, this information is not available at the census tract (or neighborhood) level. Therefore, researchers would need to collect this information from individual municipalities. Although the data is in the public record, municipalities may not keep data at the census tract or zip code level of geography and may not provide it electronically. Given these limitations, and the fact that census data
and the HMDA act offer other metrics that measure changing levels of physical investment in a neighborhood, I am not advocating utilizing building permit data.

**Social Impacts**

An artist space’s potential social impacts on the surrounding neighborhood matters to neighboring residents and business owners and all who are concerned about that community’s well-being. The significance of social capital is increasingly being acknowledged by community development practitioners, academics and the general public, since the publication of Robert Putnam’s best selling book, *Bowling Alone* (Putnam 2000, 541). To examine the artist space’s social impacts on the surrounding neighborhood, researchers should take up the following questions:

- Is the artist space associated with increased social connectivity (public events/programs, new community gathering places, volunteerism, civic engagement) in the surrounding neighborhood?
- Has the artist space benefited youth development?
- Is the artist space associated with increased neighborhood diversity of income, race/ethnicity, and/or educational status?
- Is the artist space associated with increased rates of home-ownership?
- Is the artist space associated with decreased neighborhood crime and increased perceptions of safety?
- Is the artist space associated with increased confidence in or desirability of the neighborhood?
- Has the artist space increased the neighborhood’s cache or buzz factor?
Social Connectivity

The question of whether the artist space is associated with increased social connectivity as is measured by increased public events and new community gathering places should be answered through artist focus groups and interviews with key community informants, most likely neighborhood residents. This probe of inquiry would overlap with efforts to determine arts-related and economic impacts, specifically whether the artist space serves as a hub for art events open to the public or is a gathering place for the larger arts community, and whether the artist space has increased tourism and/or cultural events. However, the emphasis in this case is not on a specific arts community or economic gain, but on social connectivity with surrounding neighborhood residents. Given this shift in focus, neighborhood residents and community activists should be interviewed, in addition to arts event producers, funders, critics, and local business interests who would be better informed to address the other emphases.

Civic Engagement, Volunteerism and Youth Development

Researchers should address the questions of whether the artist space has benefited civic engagement, volunteerism or youth development through both the tenant artist survey and through artist focus groups. Through the tenant artist survey, researchers could generate statistics about the extent of artists’ civic activity, volunteerism and youth development activities, whether these efforts take place within the neighborhood surrounding the artist space, and whether individual artists report increasing these activities after having moving into the artist space. Researchers should use artist focus groups to obtain specific narrative accounts of the kinds of civic activity, volunteerism and youth development occurring and the unique circumstances surrounding them.
Unfortunately, neither of these approaches will adequately reveal whether civic engagement or volunteerism has increased for the general neighborhood population as a result of the artist space development, but no practical method is available with which to gauge this.

*Occupancy Tenure/Diversity*

To determine whether the artist space is associated with increased rates of home-ownership and/or increased neighborhood diversity of income, race/ethnicity, and/or educational status, researchers can track comparative neighborhood and parent area trendlines on mix of housing tenure, income distribution, unemployment and poverty levels, racial composition, and levels of educational attainment, using Census data. As previously described, researchers will only be able to do this analysis for developments completed prior to 2000.

*Safety*

To determine whether the artist space has increased perceptions of neighborhood safety, researchers must rely on interviews with key community informants including neighborhood residents, community activists and local business owners. An additional data source, crime statistics, is very relevant for the impact assessment study, but the likelihood that the data will be unavailable or very difficult to obtain is too great to use this source. Crime statistics are tracked by individual municipalities and are not available in a comprehensive online clearinghouse. Therefore, the research team would need to conduct extensive reconnaissance to obtain these records. Since crime statistics are also confidential and sensitive, the willingness of police departments to release these data varies by jurisdiction and is often only available historically at larger geographic levels.
Neighborhood Confidence

Researchers can use a combination of methods to determine whether the artist space is associated with increased confidence in or desirability of the neighborhood. For developments completed prior to 2000, researchers should use Census data to track changes in the neighborhood’s population size and median (owner-occupied) home value against parent areas as a general proxy for levels of confidence in or desirability in the neighborhood. For developments completed after 2000, researchers should use HMDA data to track changes to the volume and frequency of loans for purchase of a home. Both of these techniques should be combined with interviews with elected officials and neighborhood residents and business owners to obtain first-hand narrative accounts of the perceptions of neighborhood change and to determine how much credit community members cede to the artist space. This technique will also be the primary means of determining whether the artist space has increased the neighborhood’s cache or buzz factor. In addition, Artspace staff may be able to provide historical press clippings to corroborate these findings.

Causal Factors/Other Influences

All of the above techniques and lines of inquiry, when treated separately, will still not address a question of primary significance to Artspace and their stakeholders…which of Artspace’s artist space developments have had the greatest positive economic, physical and social impacts on resident artists and arts groups and the surrounding neighborhoods, and why? Researchers should determine whether specific circumstances, such as the type of artist space development (live-work, nonresidential, mixed-use, etc.), degree of community involvement/political receptivity, financing structure, zoning challenges, or
external influences such as the pre-existing real-estate climate or economic stagnation/growth, are causal influences for a project’s success. To achieve this, researchers should conduct a final comparative review examining the various impact findings—arts related, economic, physical, and social—for each artist space. Researchers should draw upon the predevelopment context/process evaluation that Artspace completed within its internal assessment to learn the unique circumstance surrounding each development. Researchers should also use interviews with a variety of key community informants (government officials, community activists and local business owners) to enumerate what other possible influences may have contributed to experienced neighborhood change. Through this final culminating assessment, researchers should detect patterns of factors that contribute to an artist space’s ability to positively benefit resident artists and arts groups and the surrounding neighborhood. Artspace can then draw upon this information to guide future development decisions and maximize future opportunities for success.

CONCLUSION

Artspace’s impact assessment study represents both a critical opportunity and a formidable challenge for the organization. Through the impact assessment, Artspace can identify best practices and gain the ability to strategically influence social, economic and physical impacts experienced by tenant artists and arts organizations and the surrounding neighborhood. Artspace could also use favorable findings to garner support for future artist space developments in new communities. Furthermore, by proactively embarking upon a groundbreaking impact study, Artspace would cement its reputation as a pioneering leader in the field of artist space development.
Artspace’s comprehensive impact evaluation also poses methodological challenges. An impact study of this scale has never been undertaken for the types of artist spaces developed by Artspace, so this research effort is effectively embarking upon uncharted territory. Through the proposed methodology, I have outlined an array of ground-breaking techniques that will do the best possible job of measuring change experienced by resident artists, arts organizations and the surrounding neighborhood. Used in combination, these quantitative and qualitative methods will provide compelling evidence for the causal role the artist space may have played, although it is impossible to fully account for other influences.

Despite the methodological challenges, the potential findings are of tremendous interest and significance, not just to Artspace, but to its diverse array of stakeholders including: funders, elected officials, artists and arts organizations (both current and prospective tenants), and neighboring residents and business interests. How does an artist space benefit resident artists and arts groups? Can they increase the amount of time they devote to art making, share equipment, engage in collaborations, or increase income? What are the impacts on the surrounding neighborhood? Does the artist space contribute to new business formation or the emergence of “creative clusters”? Does the development help increase or stabilize property values without displacement? Is the project associated with reductions in crime, new community gathering places, or increased diversity of income, race or educational status? Can the development be linked to physical upgrades in the surrounding neighborhood, such as a reduction in vacancies, new streetscaping or other development/redevelopment? These are the vital questions.
Artspace’s future impact assessment study will address, allowing Artspace to move beyond speculation, to solid evidence.
REFERENCES


