



# Preliminary Feasibility Report: City of Cheyenne

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# Introduction

**A**nchoring the northern end of the fast-growing Front Range Urban Corridor, Cheyenne is Wyoming’s capital as well as its most populous community with 59,713 residents in a metropolitan area of 94,483. Cheyenne is home to the Warren Air Force Base, the oldest continuously operating facility of its kind in the U.S. The base occupies a large area of land adjacent to the City, and along with state offices is the main reason why government is the largest sector of Cheyenne’s economy.



A cowboy on a bucking bronco figures prominently on Wyoming license plates

Although Cheyenne has long been identified with mountains and cowboys, these days one can find many signs of change that reflect 21st century ideas of what makes a city dynamic. Strong evidence of this movement is exemplified in LightsOn!, a nonprofit organization affiliated with the Wyoming Community Foundation. Its mission is to create a new downtown economic anchor founded in education and built on the strength of the arts. LightsOn! has a mostly young and engaged group of people who hope to catalyze positive change through the arts. One of its first projects has been to install arts exhibitions in vacant storefronts, with a primary focus on the Hynds Building, which was one of the focal points of Artspace’s visit.

Downtown Cheyenne’s recent history mirrors that of like-size cities across the U.S. Big-box retail stores in the suburbs lured customers away from the urban core, leaving downtown streets with little commercial activity. Cheyenne has worked hard, however, to repopulate its



Downtown Cheyenne, looking towards the State Capitol

downtown with new housing, businesses, restaurants, and a hotel/conference center in the works. It still has a ways to go, but the City and our main sponsor, the Downtown Development Authority/Main Street in partnership with Wyoming Main Street, are clear about what needs to be done and have focused their long-range plans on housing, retail, office, and commercial uses. Their plans also focus on the “creative class” and the desire of young, creative people to have a more urban, walkable experience. Attracting and retaining younger people is at the top of

their list.

Their approach was shaped in part by a 2012 report, “Historic Placemaking: Strategies for Invigorating Downtown Cheyenne,” which includes the following clear-headed assessment of the strengths and weaknesses of the downtown area:

From a Placemaking perspective, Downtown Cheyenne presents a conundrum. It offers so many of the ingredients inherent in communities that radiate a strong sense of place, including:

- Historic buildings and fabric, resulting in a pleasant scale that promotes walkability;
- Stable area employment, including 8,717 day-time jobs located within one-half mile of the center of the DDA/Main Street District;
- Strong market characteristics in part due to the draw it exerts on rural communities in Wyoming, Colorado and Nebraska;
- An organization devoted to ensuring downtown Cheyenne’s vitality that benefits from a generous and reliable funding stream;
- Recent new investments downtown, including rehabilitating historic structures and launching new cultural organizations;
- Emerging plans to address parcels with high development potential via substantial federal grant funds.

At the same time, Downtown Cheyenne also suffers from impediments to fulfilling its potential, including:

- Vacant and underperforming buildings and businesses;
- Vacant and parking-dominated parcels, often held by out-of-town owners, especially on downtown’s west end;
- Gaps in the retail menu and limited housing choices;
- An economic climate that fails to generate enough return to justify rehabbing the “tired old buildings” presently offering Class B (and below) office space;
- Auto-oriented circulation patterns including one way pairs and, especially, the traffic speeds encouraged by U.S. Highway 30.<sup>1</sup>

Artspace was invited to Cheyenne to conduct a Preliminary Feasibility Visit for the purpose of assessing the feasibility of an Artspace mixed-used project in the community. The visit took place January 29-30, 2014. Artspace was represented by Wendy Holmes, Senior Vice President of Consulting and Strategic Partnerships, and Stacey Mickelson, Vice President of Government Relations. The Artspace team was accompanied by our Loveland consultant,

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<sup>1</sup>“Historic Placemaking: Strategies for Invigorating Downtown Cheyenne,” page 5.

Felicia Harmon, as well as our consultant in Montana, Jack Nickels. Felicia and Jack brought a wealth of knowledge of the Front Range and western development.

Artspace was invited to Cheyenne by the DDA/Main Street and ArtsCheyenne in the context of their ongoing redevelopment and economic development strategies. Their leaders – Christie DePoorter of the DDA/Main Street and Bill Lindstrom of ArtsCheyenne – were active architects of our visit. We are pleased to acknowledge and thank them for their involvement.

Before issuing the invitation, DDA/Main Street Board President Richard O’Gara, Vice President Lorri Jordan, and Ms. DePoorter visited Loveland, Colorado, where an Artspace project is now under construction, in August 2013. There they met with Felicia Harmon to discuss the financing and operational structure of the Loveland complex. The DDA/Main Street Board approved funding for the Preliminary Feasibility Visit at its August meeting, signed a letter of agreement in September, and established a Task Force in October. The Task Force, led by Ms. DePoorter, prepared the schedule and arrangements for the two-day visit, which took place at the end of January. The DDA/Main Street is clear in that it seeks a “a flagship project that can change the face of downtown Cheyenne.” It sees economic development factors – including art, arts activity, cultural energy, and historic preservation – as positive attributes of a possible Artspace project.

We also acknowledge the National Endowment for the Arts, which provided financial support. The Core Group (organized by the DDA/Main Street) proved a valuable touchstone for which we are deeply grateful. Finally, we thank the City of Cheyenne and the State of Wyoming and its elected and administrative leaders who were represented at all of our sessions, helped frame several of our discussions, and helped make this a very successful visit from our perspective.

This report contains our findings and recommendations, based on what we saw and heard during our two days in Cheyenne. It is also informed by the experiences of other communities around the United States that have invested in affordable housing and other facilities for artists. We believe that those experiences provide a useful context for evaluating the feasibility and importance of an Artspace-like project in Cheyenne. In that regard, we offer the following observations:

- Multi-tenant, multi-use creative spaces generate economic revitalization and development. Every project provides job opportunities before, during, and after construction.

- Every independent artist is, in effect, the owner/operator of his or her own cottage industry, generating economic activity by selling products or services, purchasing equipment and supplies, paying taxes, and thus contributing to the local economy.
- To create affordable live/work housing for artists<sup>2</sup> whose long-term affordability is guaranteed by covenants is to create and sustain an authentic community of local artists who collaborate not only with one another but also with other local, national, and international artists.
- Arts projects help to preserve old buildings and stabilize old neighborhoods – including downtown neighborhoods that have fallen into disuse. Arts projects also help preserve cultural heritage by providing places where cultural art forms can be passed from one generation to the next.
- Arts facility projects are catalysts for private and public investment, such as façade improvements and general beautification, in the surrounding area.
- These projects create permanent community spaces that give resident artists opportunities to interact with the public and give the larger arts community opportunities to showcase their work.
- Artists are good neighbors and active community members. Many artists collaborate with the larger educational, cultural, and business communities as teachers, adjunct professors, and volunteers with youth and cultural organizations.
- Artists are urban pioneers, willing to colonize older areas of a city that provide buffer zones between industrial and residential areas.

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<sup>2</sup> By “affordable live/work housing for artists,” we refer specifically to the kind of rental housing that Artspace has been developing around the country for the last 25 years. Artspace’s 28 operating live/work projects are apartment buildings in which each rental unit has additional space – typically 100 to 150 square feet – that is designed for use as a studio by the resident artist. Our projects feature other amenities as well, including high ceilings, large windows, wide doorways, and durable surfaces in every unit; and community rooms that serve as gathering places and galleries.

# Findings

**D**uring a Preliminary Feasibility Visit, Artspace gathers information relating to six main issues: project concept, artist market, site feasibility, financial feasibility, local leadership, and sustainable community impact.

If the project concept has been determined, we evaluate it in the context of other factors. For example, if the community wishes to adapt a particular building for use as an arts facility,



Power Plant at 800 W. 17th Street in downtown Cheyenne

we consider whether the building is structurally sound, suitable for the intended use, for sale at a reasonable price, and so on. We ask, too, whether the project concept appears appropriate to the needs of the community. Are there enough artists in the area who need and qualify for affordable live/work space to justify the time and expense of developing a project? Is the difference between market rate and affordable rents sufficient to make a live/work project an attractive option for artists of low and moderate income? Because our business model requires substantial civic investment as well as fundraising in the private sector, we ask whether the community has the financial resources and the will to make a significant

philanthropic investment in the project. We ask whether there are local leaders willing and able to advocate for the project in a variety of ways. Finally, we ask whether the project, if built, is capable of making an important difference to the community in both the short and long term. While these are not the only factors we consider in making recommendations, they help us frame the discussion.

## PROJECT CONCEPT

Many communities have a clear project concept in mind before they contact Artspace. Buffalo, New York, for example, was interested in a live/work project to catalyze development in an economically challenged neighborhood. Brainerd, Minnesota, wanted to find a use for a junior high school that was being replaced by a new facility. In Santa Cruz,

California, where real estate values are among the highest in the country, the goal was to keep artists from being priced out of the community.

In Cheyenne, the concept of creating affordable space for artists is driven by a stated priority to create more residential units in the downtown core of the city and to catalyze continued redevelopment by attracting housing developers and by filling vacant storefronts and underutilized properties with uses that generate more “24/7” activity. Successful transformative community development projects require critical partnerships and dedication to a shared vision. Participation by a broad variety of stakeholders representing multiple sectors provides the basis for a comprehensive, organized approach to project success and sustainability.

Cheyenne’s civic leaders recognize that safety concerns in the downtown core have been an issue for many residents and visitors. Within the last year, the City has addressed this issue through the Cheyenne Police Department’s new downtown patrol program. Civic leaders tell us that “almost all of the issues have been mitigated” as a result of this new program – a positive sign for the future of downtown Cheyenne and those who believe that downtown can be the cultural and social centerpiece of the Cheyenne region.



LightsOn! promotional board on the first floor of the Hynds Building

## **ARTIST MARKET**

An in-depth Arts Market Survey is a required step in the predevelopment phase of an Artspace live/work project and a step we often recommend even if we do not expect to be involved in the proposed project as developer. A survey is needed to help the community quantify the space needs of its creative sector. Although a survey that identifies a strong market for artist live/work space does not guarantee that Artspace will develop a project – the market is but one of several variables – a weak market typically leads us to suggest alternatives more in line with the need. Artspace uses an online survey that we developed more than 15 years ago. We have used this survey instrument in more than 40 communities and have received more than 25,000 responses from artists nationwide.

The Artist Market Survey is a key component of the due diligence that Artspace conducts before committing our organization to proceed with an Artspace project in a new community or, if acting in a consulting role, before giving a community the green light to proceed on its own. The primary goal of the survey is to determine the size and nature of the

market for a live/work arts project in the community. We also use it to demonstrate a need for affordable rental housing sufficient to satisfy the various public and private entities that make financial investments in our projects. If the community is interested in having the project include space for arts organizations as well as individual artists, the survey can be modified to provide information in that realm as well.

The survey gathers a wealth of data about the area's artists, including age, gender, ethnicity, household size, and other demographic information; the arts activities they practice and the arts facility features of most interest to them; their current income and the percent generated by their art; their current studio or work space arrangement; and how much they are willing to pay for housing and studio space.

The Arts Market Survey tells us with reasonable accuracy how many live/work units the local arts community can fill, what neighborhoods are of greatest interest to the artists, and if there are special considerations, such as the need for specific kinds of studio space that might influence the design and scale of the project. If a mixed-use project is under consideration, the survey can also be used to identify the need for space for arts organizations, creative businesses, and arts-friendly commercial ventures such as coffee shops and restaurants. Developing the questionnaire, publicizing it (we attempt to reach at least 3,000 artists), collecting the data, analyzing the results, and preparing a report takes about six months.

Based on our observations and what we heard in our focus group sessions, we believe that an Arts Market Survey in Cheyenne could reveal a potential market for live/work space – in the neighborhood of 30-40 units. Artists were well-represented both at the artist focus group session, in which more than 60 artists participated, and at the evening public meeting, which attracted an audience of more than 100 civic leaders, business owners, and artists. We were impressed by the diversity of the art forms represented in these meetings. Not surprisingly – it's true almost everywhere – most of the artists said they do not make the majority of their income from their art – and most were over 40 years of age. The artists represented in the focus group were far more interested in studio space as is typical for more established artists. The artists and the public were excited about building on the energy of each other and on the energy of what's happening in terms of redevelopment in the core of the city. Affordability also seemed to be an issue – at least in terms of high-quality space – though housing costs in Cheyenne are still quite affordable compared to other cities.

The diversity of art forms and arts organizations (some traditional, others not) is a bit different than in other places we have recently visited and certainly reflective of the “western” culture. While the majority of the artists at the artist focus group are visual and craft artists, there were also musicians and other performing arts professionals; we met one



who identified herself as a “theatrical gunslinger,” a term new to us. Others self-identified as jewelry or textile artists, glass blowers, fiber artists, metal artists, graphic designers, photographer, and a healing artist.

We were impressed at the number of working artists who attended the community meeting the first day as well as the artist focus group. Many artists attended both the community meeting and one or more focus group sessions. There is clearly much need and energy around the creation of affordable and sustainable space for artists. Artists also had ideas and thoughts about buildings and neighborhoods and most were excited by the possibility of having space in or near the downtown area. Other comments made by local artists and arts professionals included:

- Most artists have studios in their homes or apartments, and most would like to be a part of a community rather than in an isolated “home” studio.
- Some are interested in live/work, studio, and fabrication-type spaces.
- Many artists want to be part of a community that includes coffee shops and restaurants within walking distance, if not within the same building.
- Several artists wonder if well-designed and affordable spaces could help draw artists and creative people who grew up in or near Cheyenne back to the region.
- Access to state-of-the-art equipment is an important goal.
- One artist remarked that Cheyenne is not known as a cultural hub, in fact, quite the opposite; yet they feel – and we certainly met – many artists who “beg to differ.”
- Cheyenne’s proximity to Colorado and the Front Range communities of Ft. Collins and Loveland is definitely perceived as a plus.
- There is a perceived need for an arts center space with interactive space for children.
- Wyoming is graying. We need to invest in youth and intergenerational activities.
- We need a place to take arts classes.
- Lots of musicians are here and need places to perform, rehearse, and live.

This group was really interested in how to begin the conversation and how to frame key talking points for the non-believers. They are keenly aware that they live in an area where arts and artists did not necessarily rise to the top in conversations about downtown redevelopment. We would emphasize the points on pages 3-4 of this report that focus on economic impact and community development.

When asked about locations where artists want to be, it was clear that most artists want to be close to the urban core. Translating geographic preferences into quantifiable data is one of the goals of an Arts Market Survey. Not surprisingly, the overwhelming sense from the group was that they are eager to be part of a larger effort – one in which artists have a higher profile and a true community of artists of all disciplines can emerge.

## SITE ANALYSIS

During a Preliminary Feasibility Visit, Artspace’s primary goal is not to select a site but to identify candidates for further study should the project move forward. Several factors to consider include location, building capacity, availability, viability, and ability to impact the broader community. In Cheyenne we concentrated our visit on three primary sites. The physical amenities we seek for artist housing – high ceilings, open floor plans, and access to natural light – are present in all of the sites we visited. The sites described in this section are not the only ones identified by the community as potential sites for an Artspace development.

Any decision impacting site selection will be influenced by several factors:

- There are 308 households in downtown Cheyenne – in terms of repopulating the urban core, a good beginning. Strategic placement of downtown housing projects moving forward will be key to sustained community impact.
- There are many signs of hope in downtown Cheyenne, from the spectacular Depot and Depot Plaza to the new retail and coffee shops on key downtown streets. Building on this momentum will be important.
- On the western edge of downtown, there is growing energy for redevelopment. Staying abreast of these plans will be necessary as the City considers investment in this area. Private sector development in this area could have a big impact.
- A 2013 designated “Main Street” community by the National Trust for Historic Preservation, Cheyenne has new opportunities for downtown façade and building improvements.

- A substantial part of downtown Cheyenne, as shown on the map at right, is within the Downtown Cheyenne Historic District and is afforded protection by the National Register of Historic Places. The Historic District’s primary significance is that it is the original core of Cheyenne’s central business district. Most of the buildings we looked at are within the boundaries of this district. (The DDA/Main Street’s designated district comprises 78 blocks. In order for the DDA/Main Street to participate in an Artspace – or any similar – project, it must be located in the district.)



Here are thumbnail sketches of the properties we visited:

## **POWER PLANT**

**800 W. 17th Street**



Exterior (above) and interior (right) views of the Power Plant

Located on the west edge of downtown Cheyenne, this amazing property – Cheyenne’s sole source of power in the late 1900s – fell into disrepair after it was taken offline, but it has been lovingly attended to by its current owner, a private citizen who purchased the property in 2012. The Power Plant calls for some kind of reuse that is both creative and mixed-use. It is eligible for designation on the National Register of Historic Places. It is stunning in size at 50,000 square feet and is open to the air, without a roof in many places.

With the West Edge Project (see below) now moving forward, this block of West 17th Street could be a “gateway” site for downtown. Its repurposing as a mixture of housing and creative/commercial space makes a lot of sense. Given the Power Plant’s unique architecture and open spaces, creative uses in the performing arts certainly come to mind. Even without a roof, the 17,000-square-foot open section of the building could be converted to a summer performing arts space, an arts and food market, or event space for Cheyenne’s many and varied arts and western events.

## **HYNDS BUILDING**

**1602 Capitol Avenue**

The H. P. Hynds Building has been the topic of many redevelopment scenarios that have yet to come to fruition. Built in 1919 by a prominent Cheyenne businessman who modeled it after New York City office buildings he knew, the Hynds is an elegant five-story structure with beautiful interior spaces. The County Assessor’s office lists its area as 39,264 square feet, plus 8,712 more in a full basement. This is about the same size as a 30-unit Artspace live/work project now under construction in Loveland, Colorado. Our initial impression is that the market for live/work space in Cheyenne is likely to be comparable; if so, the Hynds is definitely in the ballpark in terms of the size we would need.

If the Hynds Building is not developed as artist live/work space, it should be considered as a strong candidate for creative uses such as working studios, spaces for creative businesses, collaborative working spaces, and the like. Creative uses on the ground floor would enliven this important building no matter what happens on floors two through five.



The Hynds Building was built to last, and its interior (right) shows that it has been well-maintained.

## **THE HOLE**

### **206 W. Lincolnway**

Redevelopment of the Hynds Building has been rendered more complicated by its next-door neighbor, a vacant space commonly known as “The Hole.” The Hole once housed a bakery, but the building was destroyed by fire in 2004, and a complex ownership scenario has kept the property vacant. Earlier this month, however, Wyoming Business Report reported that a new nonprofit entity, the Children’s Museum of Cheyenne, has acquired the Hole and is planning to erect a new 38,000 facility on the site. If this report is accurate, it is very good news for downtown Cheyenne and a boost for the Hynds Building as well. The Children’s Museum development could shed new light and interest in the Hynds Building and give greater momentum to a redevelopment scenario that gives prominence to the arts.



The Hole, seen from the street, with the Hynds Building on the right.

## **CAREY BUILDING**

### **308 W. 17th Avenue**

Originally known as the Carey Building (and subsequently known as the Fowler Building and Z’s Furnishings), this 40,000-square-foot brick-and-stone masonry structure was built in

1876 in the Italianate style. Today, its upper floors are covered with metal paneling installed in the mid-20th century to give the building a more “modern” look. Although the Carey is



The Carey Building today (left) and as it originally looked (right). Many a beautiful old façade can be found hiding under mid-century “improvements.”

vacant now, it was consistently used for many years for retail, office, and residential space. If the metal cladding were removed to reveal the original exterior, the building could be listed as a contributing structure to the Downtown Historic District. It would also be a much more attractive property for a mixture of uses similar to those it housed in the late 19th century. It is about the same size as the Hynds Building, which is to say that it ought to remain a candidate if an Artspace project moves forward in Cheyenne.

### **WEST EDGE PROJECT**

The West Edge Project is a City-driven development initiative on the west side of downtown Cheyenne. The project aims to mitigate storm water, manage brownfields, and create civic amenities as part of a larger effort to revitalize the flood-prone Capital Basin on the City’s west side. Still in the planning and information-gathering phase, it is intended ultimately to create a mixed-use neighborhood.



Artist’s rendering of public spaces in the West Edge Project area

Artspace would consider this area highly in terms of a location to anchor the arts and to create opportunities for arts spaces to play a catalytic role in redevelopment.

## FINANCIAL ANALYSIS

An Artspace live/work project typically represents a significant investment of civic resources. While an assortment of federal and state programs can be used to generate revenue for construction, we typically look to the community for predevelopment revenue and a commitment of affordable housing allocations, typically in the form of Community Development Block Grants (CDBG), HOME funds, Tax Increment Financing (TIF), or the equivalent.

When considering financial feasibility and return of investment, it is important to note the multiple points of impact of a potential project site. “Returns on investment” include not only affordable housing but also blight remediation, adaptive reuse of historic buildings, and infrastructure investment in the cultural economy. Communities, civic leaders and politicians have to share in this vision to maximize impact.

Working in western states comes with its share of challenges. Chief among these are a relative lack of foundations with significant philanthropic resources, which complicates fundraising for our projects; the need for a longer learning curve in working with many key financing agencies, which means that projects can take longer; and the need to educate the public about the benefits of artist live/work housing in their communities.

A case in point is Minot Artspace Lofts, a mixed-use Artspace project that opened last year in North Dakota, a state that has much in common with Wyoming. The Minot project took nearly eight years to complete – most projects require three to five – in part because it was difficult to obtain the foundation support we needed to fill the philanthropic “gap” – that is, the difference between what an Artspace project costs to build and the total public resources available to pay for it, typically between 10% and 15% of the overall budget. It was also difficult to secure Low Income Housing Tax Credits, our primary public funding tool, because the North Dakota Housing Finance Agency’s funding criteria made our projects uncompetitive. Happily, we ultimately persuaded the Finance Agency to revise its criteria and overcame the philanthropic hurdle as well, and the project is now fully leased and financially successful. But it was a tough grind.

To combat any notion that funding isn’t available in Cheyenne, our Core Group immediately presented us with data to the contrary. The funding sources they identified include:

- **Community Development Block Grants.** Artspace is very familiar with the CDBG program; we use these funds on almost every project, typically in the early phases of predevelopment. In Cheyenne, CDBG grants range in size but can be at least \$500,000, we were told, and an Artspace project would qualify for significant

support. We were pleased to see that City officials are think creatively about how best to apply these scarce resources to maximize community impact.

- **Community Facilities Grant and Loan Program.** This fund assists communities looking to expand or repurpose former schools or other government facilities for a community purpose. All projects must relate to economic development. If we move forward with a project in Cheyenne, this financing tool could help steer us to a site.
- **Business Ready Communities Program.** This Wyoming Business Council initiative provides financing for publicly owned infrastructure that the serves the needs of businesses and promotes economic development within Wyoming communities. BRC grants can be large – Cheyenne received \$860,000 for pedestrian and streetscape improvements in 2011.
- **Wyoming Cultural Trust Fund.** This state initiative provides grants of up to \$50,000 for a variety of cultural and heritage projects, including the preservation and rehabilitation of historic buildings and sites. The Fund makes grants bi-annually.

At our Funding/Finance focus group session, we heard civic and business leaders discuss the creative economy as an important piece of the organic evolution that has already begun to transform Cheyenne. We also heard, loud and clear, that increasing the density of downtown living is a City priority. There was broad agreement that matching the desire of artists to live and work downtown with the City’s desire to redevelop and repopulate downtown would be a dynamic combination.

Among civic and elected leaders, there appears to be a broad consensus that the arts are an important part of what makes Cheyenne special and that an Artspace live/work project would be a good fit for the community. Some of the loudest champions of this idea came from the business community who were eager “to see downtown come back to life.” To the extent that our first impressions were correct, we see no major financial impediments at this time. We acknowledge, of course, that public programs that can be used for this type of development, such as the CDBG program, are constantly under fire and increasingly competitive.

SOURCE	AMOUNT	PCT.
<b>Public Sources</b>		
Federal low income housing tax credits	\$ 4,497,843	44.45%
Federal historic tax credits	\$ 1,693,301	16.73%
HOME funds (city)	\$ 132,877	1.31 %
Iowa EZ Sales Tax Rebate	\$ 150,000	1.48 %
<b>Private Sources</b>		
Private sector (philanthropic gifts)	\$ 2,327,537	23.00 %
First mortgage	\$ 540,000	5.34 %
Sponsor loan (Artspace)	\$ 534,773	5.28 %
<b>TOTAL</b>	<b>10,119,399</b>	<b>100%</b>

**FIGURE 1: Public and private sources for an Artspace project in Council Bluffs, Iowa.**

1986 to encourage the development of affordable housing and amended in 2008 to extend the definition of eligible projects to those intended for artists. If the project involves a building on the National Register of Historic Places, federal and state Historic Preservation Tax Credits can also be used. Figure 1 shows in simplified form the financial sources for a \$10 million, 36-unit Artspace live/work project in Council Bluffs, Iowa.

**LOCAL LEADERSHIP**

Strong local leadership is an essential ingredient of any arts project. Without someone on the ground who can advocate effectively for the project, open doors, and keep lines of communication open between the developer and the community, there is little chance of success. For this reason, we place a very high value on local leadership.

Cheyenne is uniquely positioned as both the largest city in Wyoming and the state capital. In many respect it sets the tone for the rest of the state. It is certainly in a leadership position, and we met strong leaders in both the public and private sectors. On the other hand, we were surprised to discover that some members of the Cheyenne arts community believe two other Wyoming cities, Casper and Laramie, have stronger leadership in the arts. Whether this is accurate we cannot say. But it does suggest to us that Cheyenne’s leaders would do well to explore the arts communities of these cities, as well as those of Ft. Collins and Loveland in nearby northern Colorado, to see whether there are lessons to be learned from them.

That said, mixed-use arts projects of the kind Artspace has developed over the years can tap into a number of federal and state funding programs. Chief among these are Low Income Housing Tax Credits, a federal program established in



We were highly encouraged by the participation of the Mayor, City Council members, and City staff. Every meeting had a representative from the City, the DDA/Main Street, and ArtsCheyenne. Nearly all of the City Council members and Mayor attended our noon session, and they were very engaged from the start. They asked good, tough questions about the uses and commitments of CDBG and HOME funds and encouraged the notion (without making promises) that some combination of these programs might be employed to support an Artspace project in Cheyenne. Our takeaway from these meetings was that the City is inclined to be a willing and supportive partner. The business community was well-represented throughout the discussion group sessions as well. This tells us that there are solid connections among Cheyenne’s civic and business communities and helps instill confidence that all necessary parties are willing to work together to see something successful happen downtown. A strong alliance needs to continue for an arts project to be supported.

## **POTENTIAL FOR COMMUNITY IMPACT**

Space for creative people and businesses has been proven to benefit communities by:

- Animating deteriorated historic structures and/or underutilized spaces,
- Bringing vacant and/or underutilized spaces back on the tax rolls and boosting area property values,
- Fostering the safety and livability of neighborhoods without evidence of gentrification-led displacement,
- Anchoring arts districts and expanding public access to the arts, and
- Attracting additional artists, arts businesses, organizations, and supporting non-arts businesses to the area.

That said, some sites have more potential than others to generate sustained community impact, and Artspace takes this fact into consideration when we assess the relative value of potential project sites. Other key elements to keep in mind as the project evolves include the need to quantify the project’s job-creation capacity, to develop synergistic ties to other organizations and other areas of the core city, to identify community-based commercial tenants in the creative business sector, and to ensure that artist support services and programs are in place before the project goes into operation. Artspace can help facilitate these things but can never substitute for the local drive and talent needed to make these projects more than about a singular community of artists.

As the project concept evolves in Cheyenne, it will be important to continue to emphasize the project’s “placemaking” capacity by admitting multi-disciplinary artist residents and organizations and incorporating community-accessible space for programming, collaborations, and rentals. Not only will the artist residents require shared spaces, but the community would benefit from having access to workshops and classes, performances and

demonstrations, lectures, and other on-site events.

We met with many who have a vested interest in Cheyenne, particularly the downtown core, and the benefits that space for creative individuals and businesses can offer. In focus groups and a public meeting, we heard from individual artists, arts agencies and organizations, developers, nonprofits, community activists, local residents, business owners, educational institutions, property owners, and funders.

Although many neighborhoods balk at the notion of an affordable housing project in their midst, affordable live/work housing for artists is rarely if ever controversial. Indeed, in our experience it is precisely the opposite: many communities embrace affordable housing for artists as a means of spurring economic development in challenged neighborhoods or retaining artist populations at risk of displacement by gentrification.

# Next Steps

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Cheyenne is well-positioned to “reboot” itself to encourage more downtown (and near-downtown) development by creating a healthy urban environment that attracts visitors, retains recent graduates and younger creative professionals, and enhances the regional economy. We believe that building on the impact of the creative community is a dynamic step toward that goal. Therefore, we believe it is critical for Cheyenne to conduct an Arts Market Survey to understand the depth and breadth of its creative community. Indeed, if serious discussion is to begin, it’s time for the community to quantify the need for artist live/work and studio space and other kinds of spaces for the creative community so that others whose support will ultimately be needed can have reliable information about the market for affordable live/work artist housing in Cheyenne and the collective economic power represented by that market. Our gut feeling tells us that Cheyenne could support 30-40 units of artist housing and/or studio space. But bankers do not accept gut feelings as sufficient reason to offer a mortgage loan: they require the statistical evidence of market need that an Arts Market Survey can provide.

Since retaining and attracting young people is such an important part of the challenge and opportunity that Cheyenne has before it, concentrating on the needs of recent college graduates will be an important goal of the market survey information. Although Artspace has resident artists of all ages in the more than 1,100 live/work units we have created over the last quarter-century, people under 40 and artists with families occupy the majority of our units.

Cheyenne needs to develop space for artists in the context of other community needs. Because resources are limited and the arts are under-supported, we recommend attaching space for the creative sector to other high-priority projects being considered or part of a larger plan. It makes very good sense to incorporate creative space into a larger development that includes such things as a wellness center, maker space, community arts center, ground floor studio spaces, and so on.

In Cheyenne we believe the next major steps should be:

1. **Establish a Core Group of advisors** – the group that was assembled for our visit could provide some or all of its members – who will be key ambassadors for the project moving forward. Be sure to include young Cheyennites, millennials, and persons of color in the decision-making process.

2. **Prepare for an Arts Market Survey.** We would recommend focusing on individual artists and their families. Find all the places and groups that artists belong to and where the younger artists are “hanging out.”
3. **Discuss relevant next steps** and get up-to-date information about downtown development to help determine where space for artists might be best placed.
4. **Take a page from your neighbors.** Cheyenne is in a rich region for the arts. Exploring artist space stories from Laramie, Casper, and the Front Range cities of northern Colorado will help Cheyenne leaders better understand the opportunities and challenges that lie ahead. We also encourage Cheyenne leaders to visit their counterparts in Minot to obtain the benefit of that community’s firsthand experience in helping an Artspace project come to fruition.

We believe a project that includes both affordable live/work housing and space for creative businesses and working studios would provide a tremendous boost to the reputation and visibility of the local arts community as well as stable, permanently affordable space. The presence of a critical mass of creative people would do much to ensure a permanent presence for artists, enhance the area’s reputation as an arts quarter, partner in educational activities, and catalyze additional development.



## BUILDING BETTER COMMUNITIES THROUGH THE ARTS

What makes a city great? Across America, cities large and small are discovering that one essential quality of every great city is a great arts community. In an era when people are freer than ever to choose where they live, vital arts communities help cities attract and retain residents and businesses. Thriving arts districts are magnets for tourists, restaurants, theaters, and creative industries. In a great city, the arts are not an extra, something to be considered only after “more important” items on the civic agenda are funded. In a great city, the arts are as fundamental as streets, parks, and public transportation.

At Artspace, helping cities integrate the arts into their civic agendas is part of our core business. Over the last two decades we have completed 35 major arts projects that contain more than 1,100 affordable residences – each with space for a built-in studio – for artists and their families and provide more than a million square feet where artists and arts organizations work, teach, exhibit, rehearsal, perform, and conduct business.

We have seen firsthand the power of the arts to transform urban landscapes. Two of our earliest projects helped launch the celebrated renaissance of Saint Paul’s Lowertown neighborhood during the 1990s. In Reno, a lively arts district has sprung up around an Artspace project that opened a decade ago. An Artspace project in Seattle turned an abandoned block in Pioneer Square into the center of that city’s independent gallery scene.

### **What is Artspace?**

Established in 1979 to serve as an advocate for artists’ space needs, Artspace effectively fulfilled that mission for nearly a decade. By the late 1980s, however, it was clear that the problem required a more proactive approach, and Artspace made the leap from advocate to developer. Today Artspace is widely recognized as America’s leader in creative placemaking.

As a mission-driven nonprofit, Artspace is committed both to the artists who live and work in our projects and to the communities of which they are a part. We work with civic leaders to ensure that our projects successfully deal with the issues they were designed to address.

## **Our programs**

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

### *Property development*

Development projects, which typically involve the adaptive reuse of older buildings but can also involve new construction, are the most visible of Artspace's activities. Artspace typically completes two to four projects each year. Most projects take three to five years from inception to operation.

### *Asset management*

Artspace owns or co-owns all the buildings it develops; our portfolio now contains more than \$500 million worth of real property. All our projects are financially self-sustaining; we have never returned to a community to ask for operating support for a project once it has been placed into operation. **Revenues in excess of expenses are set aside for preventive maintenance, commons area improvements, and building upgrades.**

### *National consulting*

Artspace acts as a consultant to communities, organizations, and individuals seeking information and advice about developing and operating affordable housing and work space for artists, performing arts centers, and cultural districts. Our expertise as an arts developer gives us not only a unique perspective but also a unique set of skills, and sharing this knowledge we have amassed over the years is central to our mission.

## **Our history**

Artspace's first live/work project opened its doors in 1990. In the mid-1990s, Artspace developed its first project outside Minnesota, the 37-unit Spinning Plate Artist Lofts in Pittsburgh. Invitations to work in other states soon followed. Artspace is now the nation's leading developer of live/work housing for artists with 28 live/work projects in operation from coast to coast. In all, these projects contain 1,168 residential units.

Artspace is now a nationally prominent organization with offices in Minneapolis, Seattle, New York, New Orleans, Los Angeles, and Washington, D.C. We have projects in operation, under construction, or in development in more than a dozen states. Our national consulting program has helped communities in 45 states address their arts-related space issues. The nature of our work is evolving, too, to include multiple-facility projects, long-range planning, arts districts, and arts initiatives designed to serve culturally specific groups such as native Hawaiians, the communities of color in New Orleans, and the Native Americans of the Northern Plains.