



Artspace Interpretation and Recommendations Pullman neighborhood of Chicago

Based on the Survey of Artist Needs and Preferences technical report Prepared by The Improve Group

DEMAND FOR AFFORDABLE LIVE/WORK UNITS and STUDIO SPACE

The Report states that 380 individuals responded to the Survey of Artists' Space Needs and Preferences of which 131 are interested in relocating to an affordable artists' live/work community in the Pullman neighborhood of Chicago. Our experience has demonstrated that a threshold for market strength insists on a threefold redundancy, meaning that we recommend identifying at least three interested artists or respondents, for each live/work space created. This formula takes into account that not every individual interested today will decide to relocate at the time the project is complete. The formula also considers that not every interested respondent/household will income qualify for an affordable housing unit, (according to the report, only 61 of the interested households currently qualify based on HUD 2012 income limits, see Table 10 of the report) and that in some cases, there may be multiple respondents from a single household, when ultimately that household may choose to remain intact upon relocation.

Based upon this threefold redundancy formula the data supports the creation of up to 44 new, affordable live/work units in Pullman.

This is a solid number and projected project size. Typically projects utilizing affordable housing funds need to be 30 units or larger in order to reduce the per-unit cost, and successfully compete for federal funds. We do recommend staying in touch regularly with the interested artists in order to keep them informed about the project's progress, and sustain their enthusiasm. Additional outreach to new artists is also recommended. This will ensure a solid base of artists interested in moving into any new project that comes on line.

When considering the demand for studio/work space, we refer to the number of artists interested in studio/work space only or both studio/work space and occasional space options. Seventy-seven artist respondents fit this category. For the artists that may be interested in both live/work AND studio/work space, we assume that if both options were made available at the same time, that they would choose one or the other, but not likely both. Should a new creative space project in Pullman include both live/work space and studio/work space, we would consider again the 3:1 redundancy using the 77 artists interested in studio/work space (but without an interest in live/work too). Based upon this formula, the Pullman market could sustain up to 25 studio/work spaces, in addition to the 44 live/work units. The final count for any type of space would be at the developer's

discretion. Market demand at this level, is only one factor in what is a complex real estate development puzzle.

BUILDING CHARACTERISTICS

Given the unique nature of the Pullman neighborhood and its notable and varied stock of historic buildings, artists were asked about the type of building characteristics that are most important to them. Figures 1 & 2 of the report describe the results in detail. This information should be considered when planning for new live/work and/or studio/work space in Pullman. Clearly green and sustainable building methods and materials should be incorporated for all new creative space developments (we assume this would translate to operating/maintenance practices as well).

For those interested in live/work space, a higher level of importance was given to smaller buildings with 10 or fewer artist occupants, within proximity to other similar artist buildings, over larger buildings (30 or more occupants). This scattered site approach to development may or may not be feasible for a new project using federal affordable housing tax credits. This would be determined during a predevelopment scope of work. If ultimately a large-scale single building is developed, the building's internal and external design should consider how a similar sense of intimacy or experience could be recreated. It should be noted that a large-scale building did receive rankings of "very important", "important" and "somewhat important", with less than a 10% difference when compared to the smaller building rankings in the same three categories combined. So while artists consider a smaller scale live/work project more important, other options are not ruled out.

Those interested in studio space ranked the importance of large and small buildings almost equally. Overall, this data will be helpful when identifying a site or sites for a new project(s) and new creative space(s). And it should be encouraging for the Pullman neighborhood to learn that a variety of building characteristics would appeal to artists. This should also help with any future plans to market the neighborhood and its buildings to the creative community.

LIVE/WORK UNIT COMPOSITION

Not surprisingly, the number of bedrooms required by households trends toward one and two-bedroom units. This is in keeping with what we often see nationally as well as with this particular respondent group's reported household compositions (86% without children residing at home and 86% of households comprised of one or two adults).

When making a final decision about the composition of units in a project, consideration is given to such things as the market need, funding priorities/competitive scoring, operating budget and what the site or existing building can accommodate. When initially calculating unit composition based on the market, a three-fold redundancy method can be employed (see Table 35 of the report). This approach results in a maximum of 4 efficiency/studio units, 15 one-bedroom units, 18 two-bedroom units, and 6 three-bedroom units.

AFFORDABILITY

Sixty-one (47%) of the interested respondents reside in households that would currently qualify for housing units set aside for those at or below 60% AMI (income limits are set annually by HUD). While we would like to see this percentage of responding, interested artists qualifying for subsidized housing closer to half of the total respondents or slightly above, it would not substantially effect our 3:1 ratio formula and resulting recommendation. However as the development team continues outreach efforts, engaging interested artists who will qualify for affordable housing will be important.

The current HUD unit rental rates for units sized between efficiencies renting as low as \$387 (for those qualifying at or below 30% of AMI) and three bedrooms renting as high as \$1148 (for households earning between 50% and 60% of AMI) in Chicago, would be similar to what is currently being paid for housing by 62 of the interested responding artists (see Table 25). This is just a thumbnail assessment, as the actual HUD rental rates paid would be informed by the size of the unit and the household's income and include an allowance for utility costs.

Table 34 of the report describes how much interested artists would be willing to pay monthly for new live/work space. One hundred and nine (109), interested artists fall within the same current HUD range (from \$387 for an efficiency unit set aside for a household earning 30% or less of AMI up to \$1148 for a three-bedroom unit set aside for households earning between 50% and 60% of AMI). Clearly the amount many artists are currently paying and are willing to pay, fits squarely within the affordable rental rates published by HUD in 2012.

There are also many artists who would not qualify for affordable housing and that would be willing to pay more than HUD restricted rents for their space (see Table 10). A future project could consider including market rate options in addition to subsidized rents. And the community could also use this information as it embarks upon marketing other spaces in and around the Pullman neighborhood to the creative sector.

Table 23 of the report describes the amount that artists are currently paying for studio/work space rented or owned separately from their living space, and Table 27 describes what they would be willing to pay for new studio/work space as part of a new arts facility in Pullman. In both cases over half of the respondents for each question describe studio space that is relatively inexpensive. If including studio-only space in the new development or if independent building owners in and around the Pullman neighborhood would like to market to artists, then referencing what they currently pay and what they're willing to pay is very important. While there are some artists who are currently or can in the future pay quite a bit (over \$500 monthly), most artists need spaces that are less expensive. By also referring to Table 26, future space developers can get a better sense of the sizes of spaces that artists need and compare this to what they can pay. It is encouraging that many of the artists are interested in relatively small (less than 200sf) or modestly sized spaces (less than 350sf). Accommodating smaller studios is always easier and it is certainly more feasible to keep the monthly rental cost lower.

PREFERRED FEATURES, SHARED WORKSPACES AND AMENITIES

Table 29 of the Report outlines the interested respondents' preferences for shared spaces and amenities for live/work, studio or occasional creative space rentals. Those interested in live/work space have primarily prioritized shared spaces and amenities that accommodate visual arts and education (gallery, paint room, woodworking shop and classroom/teaching space). With the exception that only 7% of artists identified as woodworkers, these selections are not surprising when compared to the top practiced disciplines (see Table 2). In table 29, it is also clear that those interested in studio-only space have similar shared workspace needs as those interested in live/work. Those interested in occasional have some different priorities. A business center and rehearsal space, are ranked with greater importance by this interest group. In general, it is great when artists have similar shared space needs. This means that if incorporated into a project, the shared spaces will benefit the greatest number of artists living or working in the building.

When considering what types of shared spaces to include in a new facility it's important to consider the priorities of the potential user groups as described in Table 29. However, it will also be important to consider the capital and operating costs of including such spaces, ongoing maintenance and staffing, and whether the space will be usable by the general public as well. Shared spaces can really make a new facility unique and attractive to the arts community. Including some of these more highly ranked spaces will be important.

Table 28 of the report, describes special design features that are priorities to those interested in studio/work space or in work space associated with live/work space. The priorities between those interested in live/work space and those interested in studio-only space are very similar. They are also very similar to what we see in our survey work nationally. Developers of future live/work and studio/work space should pay close attention to the information provided in this table when making design decisions.

DIVERSITY

The interested survey respondents are a less racially/ethnically diverse group than the population at large for Chicago, IL as reported in the 2010 census. For instance, 45% of Chicago residents describe themselves as white, compared to 72% of the total artist survey respondents. This is not unusual in our experience with similar surveys nationally. However, it will be very important for the community and future space developers to continue outreach in an effort to increase the diversity of interested artists. The types of non-arts specific groups and organizations that could be informed about the project as it moves forward, in order to reach artists who may not have taken the survey includes libraries, community and cultural centers, churches, neighborhood newspapers, barbershops, as well as member-based culturally specific organizations and businesses that cater to culturally specific interests. We want to be certain that all artists have an opportunity to participate in this unique and exciting project.

OTHER CONSIDERATIONS AND THOUGHTS

- Responding artists participate in a great variety of artistic and creative activities (see Table 2). And while arts education/instruction often ranks among the top four or five selected activities in our national surveys, it is particularly high for Pullman. Also, given that Chicago is such a great theatre town, there are likely more performing arts artists that could be informed about the project. It is not uncommon for it to be more challenging to reach this sector initially, but ongoing outreach will help. Overall a new project will invite an exciting mix of artists and practices to live and work in the community.
- The majority of survey respondents have received a higher education (see Table 8) and make less than 10% of their income from the art (see Table 11). This is also a common finding and makes for an interesting profile and story.
- Regardless of the type of space artists may be interested in (live/work, studio/work or, occasional creative space), a new arts facility would be attractive to many in the creative community who have never lived in Pullman. This is an exciting finding, and demonstrates that the survey achieved an important goal, reaching a broad-spectrum of artists and spreading the word about the historic Pullman neighborhood (see Table 13).
- Table 30 describes the types of programs or classes that artists would be interested in taking. The fact that the top preference across-the-board was for an opportunity to use art-making equipment that they don't currently have access to, suggests that collaborative studio space that offers shared equipment and working space (similar to the popular makerspace or hackerspace movement) may be an appropriate addition to the project or to the Pullman neighborhood in general.
- The findings in Table 32 (desired neighborhood features or amenities) and Table 37 (transportation interests), indicates that a new project should be located within close proximity to public transportation options. Having a car-sharing program associated with the project or the neighborhood would also be a welcome element.
- We are pleased that such a great number of artists are interested in renting their live/work space. This is important if affordable housing tax credits are to be utilized for project funding. It is worth noting however, that single-family home ownership is also of interest to many. And 137 artists have requested information about homes/buildings for sale in Pullman (Table 38). This should be helpful information to those in the neighborhood interested in marketing individual homes to the creative community.
- Regardless of their interest in relocating, renting studio space or occasional creative space, 71% of respondents are interested in learning more about this project and 53% in being added to an interest list. Ongoing communication will be key in

keeping the respondents invested in the project and building a foundation for a future lease-up process.

CONCLUSION

Overall, there is demand for an affordable, arts facility development that includes live/work, studio and other creative spaces in the Pullman neighborhood of Chicago. There is also interest by the creative community in other types of spaces including single-family homes, which supports the neighborhood's interest in marketing itself to artists more generally. While the response to the survey was very good, there are likely many more artists who did not hear about the study or chose not to respond. Ongoing outreach will likely uncover new artists who would be interested in learning more about the project should it move forward.

The Pullman creative space initiative is an exciting opportunity for both this historic neighborhood and the arts community and we wish you the best with it!