PRELIMINARY FEASIBILITY REPORT
East Lansing, Michigan | December 2021

Source: City of East Lansing // Photo Credit: Ella Signs

Prepared at the request of the City of East Lansing, Downtown Development Authority, & East Lansing Arts Commission
Artspace thanks the City of East Lansing’s City Council, Downtown Development Authority, and Arts Commission, especially Mayor Pro Tem Jessy Gregg, city staff Wendy Sylvester-Rowan and Adam Cummins, and volunteers Peter Dewan, Elinor Holbrook, and Meegan Holland for their leadership, coordination, and support of this study. The core group and focus group participants they assembled offered invaluable insight, hospitality, and feedback throughout the process. It was a pleasure to work with such a committed group. We would also like to thank all the 150 focus group and open house participants who made their voices heard over the course of this study.

**ACKNOWLEDGMENTS**

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**EAST LANSING CORE GROUP**

- **Phil Babcock** / Retired MSU Department of Education
- **Dan Bollman** / Chairperson, East Lansing Planning Commission
- **Matias Brimmer** / Local artist
- **Adam Cummins** / City of East Lansing, Community & Economic Development Administrator
- **Peter Dewan** / former East Lansing DDA and Brownfield Authority Chairperson
- **Gedeane Graham** / opera singer and MSU Ph.D. candidate
- **Jessy Gregg** / Mayor Pro Tem, City of East Lansing
- **Chuck Grigsby** / Chairperson, East Lansing Human Rights Commission
- **Elinor Holbrook** / former board member of multiple commissions, fundraiser/community activist
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- **Sean Holland** / artist, MSU liaison
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Source: Artspace
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Artspace is a nonprofit organization that uses the tools of real estate development to create affordable, appropriate places where artists can live and work. Because Artspace owns each of the projects it develops, we are able to ensure that they remain affordable and accessible to artists in perpetuity. Over the last three decades, Artspace has led an accelerating national movement of artist-led community transformation. While embracing the value the arts bring to individual lives, Artspace has championed the once-radical idea that artists living on the edge of poverty and chronically underfunded arts organizations can leverage fundamental social change. With headquarters in Minneapolis and offices in New York and Washington, D.C., Artspace is America’s leading developer of arts facilities with 57 completed projects to date, and has provided consulting services to more than 300 communities and arts organizations nationwide.

WWW.ARTSPACE.ORG
East Lansing, Michigan, is a classic college town. Students make up roughly half of the city’s residents, and most downtown restaurants and retailers cater to young people. The phrase “Home of Michigan State University” is emblazoned on the city’s seal and appears prominently on its website. Campus and downtown meet at Grand River Avenue, a six-lane urban thoroughfare with a wide landscaped median in the three-quarter mile stretch where it passes the MSU campus.

But as the Artspace team learned, East Lansing is committed to being much more than a college town. It has about 48,000 residents, many of whom are passionate about making their city a better place to live and work. They seek to create opportunities for young adults to stay in East Lansing after graduation, invest in art and culture offerings like the Eli and Edythe Broad Art Museum, and build a downtown that better serves the entire community. It’s clear the city would like to establish an identity that goes beyond its “college town” reputation.

For this and other reasons, the city of East Lansing’s Downtown Development Authority (DDA), Arts Commission, and City Council invited Artspace to conduct a Preliminary Feasibility Study to help determine whether a mixed-use affordable housing project for artists and their families could be created in or near downtown East Lansing.

Relationship to Lansing

East Lansing is the second-largest member of the Greater Lansing Metropolitan Statistical Area, which has a total population of 554,000. Lansing, the largest member with 112,000 residents, is also the state capital and has more affordable studios and workspaces for the region’s creative sector. Its historic Old Town Commercial District, home of the Arts Council of Greater Lansing, is the area’s main “arts district.” The grittier REO Town, with multiple performing arts spaces, is another. A focus group of artists and arts organization representatives described these two arts districts as the metropolitan area’s “most natural” fits for artists, given their affordability and concentration of creative businesses.
East Lansing civic leaders are aware of the barriers they face in creating a similar district with places for artists to live and work. Not the least of them is affordability: the presence of a major university impacts the cost of real estate. Nevertheless, local leaders have committed themselves to developing permanently affordable space for the arts, both for its intrinsic value and to complement other civic goals.

The City of East Lansing, its Downtown Development Authority, City Council, and Arts Commission, have all helped fund this study, with vocal support from Michigan State University stakeholders and the Arts Council of Greater Lansing. Representatives from all of the above — including East Lansing Mayor Pro Tem Jessy Gregg, an artist and creative business owner herself — participated in conversations over the course of this study, met with focus groups and open house attendees either virtually or in person, and joined the Artspace team for a tour of the community.

During our time in East Lansing, both young and mid-career artists told us that they feel disconnected from the community. This was especially true of artists of color. They also noted that there are few ways to connect, formally or informally, and few spaces for people to meet after graduating from MSU.

This impression is supported by statistical evidence which shows that until recently East Lansing’s total population has been in decline. The 2018 Master Plan reported that the city was experiencing a significant drop in population in the 25-29 and 30-34 age groups. This indicates that the city is not retaining a significant number of MSU graduates — they are going elsewhere for housing and jobs — and also suggests that the city is not attracting new residents from elsewhere in these age groups.

MASTER PLAN AND CED PLAN GOALS:

An Artspace mixed-use project would align with at least three of the five goals in the 2018 East Lansing Master Plan:

- Strong neighborhoods
- Enhanced public assets
- A vibrant economy
- A quality environment (including affordable housing and transportation)
- A high-performing government

An Artspace project would also advance the goals of “Creative 517,” the Tri-County Cultural and Economic Development (CED) Plan:

- Celebrate, leverage and build upon the strengths and assets of our arts, culture and creative sector to enhance economic vitality and quality of life in the region.
- Foster the environment and conditions that support and encourage artists and creative entrepreneurs for more successful businesses and expanded economic activity across the region.
- Support and enhance the work of municipalities and area agencies by integrating artists and creative entrepreneurs into municipal and government departments.
- Identify and leverage resources for building the creative and cultural community.

1 2018 East Lansing Master Plan
2 "Creative 517" CED Plan
Artspace was impressed with the commitment to density and dense multi-family developments in a community the size of East Lansing. We received public comments during this study to the vein of “The only thing I don’t support is housing that is not dense. We need apartment buildings and townhouses, not more free standing houses.” This community vision bodes well for future multi-family affordable housing.

A Focus on Downtown

Situated directly across Grand River Avenue from Michigan State University, downtown East Lansing is compact but shows recent signs of growth in the form of several high-density mid-rise developments, the tallest exceeding ten stories, that have transformed blighted buildings and surface parking lots into the new Graduate Hotel, the Newman Lofts (for residents 55 and older), Landmark on Grand River, and the Abbot Apartments and Condominiums. The privately developed student housing market is booming. Downtown feels vibrant though student-centered; both Grand River Avenue and Albert Street, one block north, are well-stocked with establishments that cater to students and their culinary, bar, and entertainment tastes.

Walkability was the top attribute mentioned by residents when asked what they like about downtown East Lansing, and it is indeed a very walkable area, especially compared to more auto-centric Michigan cities in which Artspace has worked. Downtown multi-family living is still a relatively new phenomenon but the city’s planning strategy and the DDA’s focus call for more density and more mixed-use multi-family development at mixed-income price points.

Downtown East Lansing has weathered recent hard times well. Despite the pandemic there are few commercial vacancies, and a number of new businesses have popped up in the past year — all healthy signs of growth and the community’s dedication to its downtown.

The 2018 Master Plan mentions the need to “incorporate more places for residents who are not students and find a way for the city to accommodate three commercial corridors downtown” — that is, Grand River Avenue, Albert Street, and the long alley between them, part of a civic initiative to make downtown-area alleys more pedestrian-friendly.

With MSU conducting much of its coursework online during the pandemic, the downtown neighborhood had a unique opportunity to develop its own identity as a destination separate from the university. It took advantage by using the city’s 1% art fund for several high-profile public art projects. The city’s Community and Economic Development Division and the Downtown Development Authority (DDA) invested heavily in outdoor placemaking efforts to bring visitors downtown and enliven underutilized spaces such as the eye-catching Division Street Garage enhancements. Civic leaders point to outdoor concerts, art displays, enhanced seating, and the Albert EL Fresco pilot project as evidence that the initiative has been a
Over the course of this study, Artspace was impressed by the commitment and organization of the local stakeholders and especially our Core Group members, as well as the City and DDA’s passion for their downtown and shaping it for future growth that accommodates more diverse populations.

Given the interest in continued downtown development in East Lansing and the arts as a tool for economic development and placemaking, the DDA feels that a mixed-use live/work development could benefit artists and creatives looking for affordable space in the city. A development such as an Artspace-style creative space could bring more vibrancy, cross-sector collaborations and diversity to downtown East Lansing independent from those offered by MSU.

Over the course of this study, Artspace was impressed by the commitment and organization of the local stakeholders and especially our Core Group members, as well as the City and DDA’s passion for their downtown and shaping it for future growth that accommodates more diverse populations.
A Preliminary Feasibility Study is the first step that Artspace takes to determine whether an affordable arts development project can move forward within the context of a community’s unique needs, assets, sites, leaders, and resources.

Due to the pandemic, Artspace approached this study in a hybrid fashion, with virtual focus groups and an in-person Preliminary Feasibility Visit. An Artspace team visited the community to gather information, tour potential sites, connect with local stakeholders, and share information about how these projects come together. With this hybrid approach, we were able to gather community feedback in many different formats and build general support for the creation of affordable space for the arts sector.

The City of East Lansing was also the first community we’ve worked in to create a dedicated email address (artspace@cityofeastlansing.com) for public comment for those who were unable to attend either the in-person or virtual meetings. We are grateful for this new way to capture that feedback and interest and received multiple pages of input during this study.

The focus group sessions and in-person visit took place in September 2021. We began Sept. 8 with a virtual focus group consisting of artists and arts organizations and concluded Sept. 28 with a virtual focus group representing finance, civic, arts, and MSU leadership.

During the in-person visit from September 14-16, we met with stakeholders, visited current community assets, toured potential sites, hosted a civic/finance leaders focus group, held a “diversity in space” BIPOC (black, indigenous, people of color) leaders luncheon discussion, and facilitated a community open house at Patriarche Park. Artspace was represented by Wendy Holmes, Senior Vice President, and Aneesha Marwah, Project Manager, both from the Artspace Consulting Department, and Pablo Lituma, Rafala Green Fellow in the Properties Department.

During the East Lansing visit, the Artspace team:
- Facilitated five focus group meetings
  - Artists and Arts Organizations (Virtual)
  - Core Group and Arts Leaders Dinner (In-person at Newman lofts)
  - Equity in Space Diverse Leaders (In-person at Newman Lofts)
  - Funders/Civic Leaders Part 1 (In-person at Newman Lofts)
  - Funders/Civic Leaders Part 2 (Virtual)
- Community Open House at Patriarche Park (In-person)
- Toured potential downtown sites
- Visited existing art spaces and creative businesses in Lansing and East Lansing
Community Tour

As part of our orientation, the Core Group took the Artspace team on a driving tour of Lansing and East Lansing with an emphasis on creative districts and areas of interest mentioned by participants in our focus group with artists and arts organizations. This tour helped familiarize ourselves with East Lansing, Michigan State University, as well as with Old Town, REO Town, the Capitol area, Stadium District, and Michigan State University.

Initial Reflections from the Visit

A strong indication of the desire and need for this kind of project in East Lansing was the number of attendees who participated in multiple meetings facilitated by Artspace during the course of our study. The excitement was palpable. On our final day, we asked Core Group members to state one new thing they learned or a new opportunity they saw for their community that came from interactions with their peers through the course of the visit. Some of their responses were:

- A greater awareness of artists and creatives with disabilities.
- A connection with someone they didn’t know was an artist.
- A new awareness of the disconnect with young artists and the lack of support for individual artists.
- There is a stereotype of what an artist looks like or doesn’t that we need to address.
- The interest and positive feedback in the tactical urbanism like the painted crosswalks, the art and seating areas outside their distinctive Division Street parking structure, etc.
- The need to engage with younger and more diverse artists and provide more opportunities for them.
- An opportunity for older artists to mentor younger artists.
- The need to bridge negative perceptions about East Lansing.
- Apart from downtown, the Red Cedar neighborhood was overlooked as possible space.
- The new Tri-County Regional Planning Commission is very open to new ideas and would be a good arts partner.
The Artspace Approach

Artspace has identified six key components of community-led development based on three decades of experience working on development projects in a wide variety of cities. These six components provide a framework for assessing feasibility and providing feedback to communities on how to plan for successful, affordable, mixed-use facilities. Thus, for the Preliminary Feasibility Study, Artspace organizes information through the lens of these six components, defined below:

**ALIGNMENT WITH BROADER COMMUNITY GOALS.** A potential project can help achieve other civic goals, such as economic development or historic preservation. Artspace considers strategies and partnerships that can leverage impact, so that the operating project can be greater than the sum of its parts. Focus group attendees were asked to circle or rank their top priorities during the meetings with Artspace.

**LOCAL LEADERSHIP.** Are there leaders on the ground in East Lansing who are willing and able to advocate for the project, open doors, and keep lines of communication flowing between a developer and the community? These leaders come to the project from all industries, from elected officials who control agencies and program dollars to citizens who are passionate about making their community a better place to live, work, and create.

**ARTS MARKET.** Is there a sufficient market to support an arts facility? To answer that question, qualitative data is collected through focus group meetings. Specifically, Artspace seeks to better understand the existing arts community, its assets, challenges and opportunities. It lays the groundwork for an Arts Market Study, the second step on the path to an Artspace project, which provides quantitative data about the creative community’s space needs.

**PROJECT CONCEPT.** What type(s) of space would the community like to see created? Although many communities have a well-developed project concept in mind before embarking on this study, Artspace’s first step is to ask different stakeholders, “What type of creative spaces are needed and wanted in your community?”

While these are not the only factors Artspace considers in making a recommendation to move a project forward, they help frame the discussion – especially in the preliminary feasibility stage.

**FUNDING AND FINANCING.** Arts facilities typically represent significant investments of civic resources. Although a variety of state and federal programs can be used to generate revenue for construction, Artspace relies on local funding and financing programs to support pre-development expenses and gap funding. The Preliminary Feasibility Study considers the community’s interest and capacity to commit resources to an arts facility. Basic information is gathered about local funding options from both private and public institutions as well as philanthropic donations.

**POTENTIAL SITES.** At this stage, the primary goal is not to select the final site, but rather to identify candidates for further study. The factors under consideration include: location, size, ease of acquisition, and potential for sustained positive impact. As a project moves into predevelopment, these (and perhaps other) candidate sites will be evaluated in the context of a refined Project Concept, Arts Market Study data, and a deeper understanding of local development priorities and funding sources.
Commitment to Equity in Creative Space

At Artspace, we are committed to using our platform as consultants and nonprofit developers to elevate the voices of those who all too often are not included in real estate decisions. Every community has room to improve in addressing diversity, equity, inclusion, and access (DEIA) issues, and East Lansing is no exception. In each of the findings of this report, we identify areas where DEIA opportunities exist for the community. Creative space is not developed in a vacuum, and communities like East Lansing have historic imbalances of power and instances of racism that need to be further evaluated for all parties to truly feel welcome in any future community driven space.

One method we used to identify DEIA challenges in East Lansing was by inviting artists and cultural leaders who identify as BIPOC — black, indigenous, or a person of color — to share their challenges and issues around creative space in East Lansing and offer their perspectives. Reflections from those conversations are included throughout the report, most notably in the section devoted to alignment with broader community goals section, especially since supporting a diverse cultural community is an important goal for East Lansing.

Bringing Artspace’s National Experience to East Lansing

In addition to the information gathered about East Lansing, this report is informed by Artspace's experience working in other cities that have invested in affordable facilities for artists and arts organizations. The following thoughts provide context for evaluating the feasibility and demonstrating the importance of creative spaces in East Lansing:

Mixed-use arts facilities with long-term affordability have been shown to:

- **Generate economic revitalization and development.** Each development provides indirect, direct, and induced economic impact as well job opportunities before, during, and after construction.

- **Preserve old buildings, stabilize neighborhoods, and revitalize vacant and underutilized properties.** They help create activity and foot traffic in areas devoid of creativity.

- **Catalyze private and public investment,** such as façade improvements and general beautification, in the surrounding area.

- **Create community spaces** that give the public opportunities to interact with the artist tenants through gallery events, demonstrations, performances, and installations. They also provide opportunities for other local artists to showcase their work.

- **Support independent artists** who are each, in effect, cottage industry business owners, generating economic activity by selling products or services, purchasing equipment and supplies, and paying taxes.

- **Build community.** Artists and creatives are active neighbors and community members. Many collaborate with the educational, cultural, and business communities as teachers, community conveners, and volunteers. The spaces provide a place where cultural art forms can be passed from one generation to the next.
Successful arts buildings serve not only their residents and other tenants but also the surrounding community. They accomplish this by aligning with as many complementary goals as possible, effectively becoming more than the sum of their parts. When multiple goals, such as walkability, downtown revitalization, or historic preservation, can be addressed by an Artspace initiative, it has all the more potential to foster long-term, sustainable impact. It also helps to bring more stakeholders to the table who are eager to see the project succeed.

To help us determine the goals that matter most in a community, Artspace uses the Preliminary Feasibility Study to obtain input from a broad cross-section of stakeholders. Once we understand their priorities, we look for ways to bring these goals into alignment. During the East Lansing focus groups and open house, Artspace outlined the mission-driven goals that we know could be possible through creative space development. Participants were then asked to choose their top three goals from the list in the table below. The top five choices, each with more than twice the votes of the sixth-place choice, are shaded.

In East Lansing, the top five goals were:

1. Supporting a Diverse Cultural Community

East Lansing is supportive of its arts and creative sector. This came through in discussions about how the city could help advance the development of a mixed-use arts facility, about its promotion of cultural activities outside of MSU, and about its award-winning pop-ups that serve creative placemaking functions.

On the other hand, from conversations with artists and BIPOC leaders who attended the Equity in Space discussion, it appears that East Lansing has some distance yet to go to make non-white artists feel that they have space and true voice in the community. It was mentioned that although East Lansing presents itself as wanting diversity in the community and liking the idea of it, the community and city have done very little to truly reach out and engage with populations that identify as non-white. “East Lansing is progressive in wanting diversity but not willing to make changes to accommodate it,” said one participant. “We’re invited to bring our culture and our art,” said another, “but we are not necessarily welcome here.”
The arts and cultural sector, events, and pop-ups are all great ways to bridge cultural divides and to break down barriers and silos. One participant observed that the best way to reach people of color is through churches, barbershops, sororities and fraternities, not just the traditional channels.

Communication needs to happen differently, in other words. East Lansing needs to find those individuals who can act as bridges between the BIPOC community and East Lansing leaders (whether in retail, arts, city government, etc.) to reach this goal. Lansing has a much more integrated community, and the Old Town historic district and events should serve as a model of how to break down barriers to be more inclusive.

East Lansing’s population is approximately 15% Asian, but we met very few artists who represented that demographic in the community.

Through the development process of an Artspace project, we encourage local leaders and Core Group to make a concerted effort to keep this goal at the top of mind, as it is apparent the community hopes that a creative space project can help address it.

2. Maintaining Affordability

Long-term affordability is a high priority for artists and a core value of every Artspace project. We heard repeatedly from East Lansing artists that there is not affordable space for nonprofit organizations or individual artists in the community. Emerging artists therefore tend to gravitate to Lansing. Affordable housing and creative space is needed in East Lansing to attract and retain young professionals who are graduating from MSU.

3. Anchoring an Arts District

Although there is no formal arts district in East Lansing, the city has many arts assets that could seed such a district. Locals talked about a variety of arts-related places and activities, including the MSU Broad Art Lab and Saper Gallery on Albert Street; Valley Court Park, and events like the Art Festival, Farmers Market, and the Summer Solstice Jazz Festival. Downtown also hosts the new annual Fashion & Fiber Festival launched in October 2021 by Mayor Pro Tem Gregg in the street in front of her business, Seams.

Other activities include music at the Albert Street Plaza, part of the EL Fresco PLACE series, and the community is working on pop-up opera, dance, and other events to continue to activate downtown. The Farmers Market in Valley Court Park is very successful and there’s momentum to create a small amphitheater there for the Film and Jazz Festival. A more formal arts district/corridor could also help open doors for artists, especially diverse artists. It was mentioned that there is a need for “more doors,” and right now only the East Lansing Art Festival serves — modestly — in that capacity. “In Lansing, REO Town and Old Town have many doors for artists, but East Lansing does not have that right now,” said one participant.
An Artspace-style project could be an anchor to create more of a sense of place and add significant year-round activity to the heart and soul of the City. Residential artist tenants are also their own cottage industries. Artists support creative businesses through the purchase of materials and services and by offering classes, workshops, arts retail and coordinating art crawls and exhibitions/performances.

4. Sustaining Creative Businesses and Nonprofits

An affordable, self-sustaining mixed-use art facility helps to ensure a long-term home for creative businesses and nonprofits as well as individual artists. A critical mass of creatives also offers increased visibility to the buying public and an opportunity for artists to share networks, materials, and ideas. Arts leaders mentioned that East Lansing presented itself as more of a "consumer of the arts than a supporter of the arts." This statement piqued Artspace's interest, because the presence of affordable housing and creative space for artists with significant public investment and support could make a huge difference in changing that perception.

5. Retaining Recent Graduates

Retaining recent graduates — or "stopping the brain drain" — is an age-old challenge for college towns like East Lansing. Communities across the U.S. use different strategies to keep college students from leaving after graduation. Access to well-paying jobs, opportunities for growth, a cool place to live, and affordable housing are a few of the most sought-after needs of recent graduates.

For the thousands of graduates coming out of fine arts and other creative industry programs every year at MSU, a mixed-use project in the Artspace style could be transformative. Affordable space to live and work, a community in which they can make an impact, studio space, entrepreneurial spirit, and creative partnerships could go a long way toward persuading recent college graduates to stay in East Lansing after graduation.

Articulating the ways in which project goals align with community goals is useful in that it helps to establish the vision for the initiative and to guide future decisions, conversations, partnerships, and outreach. This process is not limited to one study. It evolves as the project moves forward and Artspace continues to listen to community members and invites new and diverse voices to the table.
The first questions Artspace asked the artist and arts organization focus group participants in East Lansing were, "What kind of creative spaces are in your community?" and "What additional spaces are needed and/or wanted?" Artspace also asked the BIPOC leaders focus group how they would like to be included in the conversation around any new creative space that is developed in East Lansing.

The Artists/Arts Organization Focus Group and Open House attendees were asked to prioritize the type of artist/creative space they would like to see in East Lansing. There was strong interest in affordable artist live/work housing; other desired spaces included performance space, shared creative space, public engagement/community space, artist-in-residency space, and private studio space. Many of these uses can be accommodated in the ground floor of a mixed-use project.

Open House attendees prioritized needs as follows:

- Live/work Artist Housing: 15
- Affordable Working Studios: 9
- Performance Space: 9
- Collaborative Makerspace: 5
- Artist-in-Residence Space: 4
- Classroom/community space for collaboration/mentoring: 3
- Space for specific art forms: 2
- Industrial Space: 2
- Universally accessible live/work spaces: 2
- Multi-generational opportunities: 2
- Creative Business Space: 1
- Practice Space (e.g. for musicians): 1
- Space for writers: 1
Here’s a more detailed look at the top five categories:

**Live/Work Artist Housing** is residential space where artists can work as well as live. Artspace live/work units meet standard residential codes and are somewhat larger (100 to 150 square feet) than typical dwelling units. They are rental units financed in part by federal Low Income Housing Tax Credits and subject, therefore, to certain restrictions. A common restriction limits units to households whose annual incomes are between 30% and 60% of the Area Median Income. Artspace live/work units include such artist-friendly design features as durable surfaces, large windows, high ceilings, and wide doorways.

**Performance Space** serves organizations and individuals looking to rent space for private events, performances, rehearsals, or community gatherings, usually for a fee or hourly rate. A typical space could take the form of a proscenium theater, black box, concert hall, or flexible event space.

The Hannah Community Center has an underutilized 483-seat theater. We also learned of a new mid-sized performing arts center being built in Lansing and of the study that was conducted for the need for this space. In addition, a new 700-seat performance space at Friendship Baptist Church in Lansing opened right before the pandemic. We think it’s likely that the market for any new performance space will be captured by these existing and new spaces.

Artspace has a number of smaller flexible performance and meeting spaces in many of our buildings. If such a space were included in an Artspace project in East Lansing, finding an organization interested in running/renting/programming would be key.
Shared Creative Space offers shared equipment, education, and community for working creatively and/or making things. These spaces usually are run by nonprofits or businesses and can be accessed through a membership basis. They include co-working and makerspaces and can be designed for specific purposes such as ceramics, 3D printing, community kitchens, and woodworking. These types of spaces provide access to space and/or equipment that is expensive, impractical, or in some cases hazardous. Interest in these types of spaces has increased nationally in the last few years. Shared creative space is a growing trend that is rooted in many traditional and contemporary art forms.

Public Engagement/Meeting Space was identified in more than one discussion as a kind of space that East Lansing lacks. Artspace residential projects invariably have community rooms that serve this function not only for residents but for the surrounding neighborhoods as well.

In our projects around the country, Artspace has also welcomed many coffee shops that serve as informal meeting spaces. These and many of the kinds of spaces mentioned above can also be created beyond an Artspace development by local entrepreneurs and developers.

Private Artist Studio Space is commercial space specifically designed for the creation or practice of art. Studio space can be rented under an annual lease agreement or on an occasional or short-term basis by individual artists or small businesses. Uses can include fine arts studios, industrial work space, teaching, offices, recording studios, soundproof rooms, etc. Keeping the sizes and price points flexible ensures greater market applicability. The third floor space in the Hannah Center would be great for this type of space.

Other Spaces of Interest

At both the virtual meeting and the in-person open house, participants were asked what other spaces are needed in East Lansing. Among the responses: low cost gallery/performance space available to non-MSU students, permanent space for outdoor film screenings, space for public art, mid-size performance space (200
Defining a Project Concept in East Lansing

There is a strong desire in East Lansing to develop a facility that provides sustainable affordable space for the creative sector, acts as a destination for the greater community, and attracts a younger/middle aged demographic to stay locally.

Based on the information gathered during this study, Artspace recommends the exploration of a downtown mixed-use, live/work artist housing development as the priority project concept for East Lansing. A development with affordable live/work housing for artists on its upper floors and private studio/collaborative space/commercial space on the ground floor would be appropriate to pursue in downtown. This concept was articulated by city staff and reiterated by participants in the focus groups and Open House. The city and other arts advocates should also use these findings as an advocacy tool to prioritize other spaces in the community for the creative sector.

The mixed-use concept would be a strong addition to the higher density projects recently completed or in the works downtown. Going forward, another way to engage diverse cultural leaders and business owners would be through the mix of businesses that could be located on the ground floor of a mixed-use housing development. This provides an exciting opportunity to be more intentional about making space specifically for and with BIPOC businesses and nonprofit organizations in mind.

ARTSPACE & TENANT PARTNERSHIPS:

Buffalo, NY - The Buffalo Arts and Technology Center (BATC) is an anchor tenant in our mixed-use affordable artist housing project in Buffalo. The BATC occupies 15,000 sq. ft. of space on the first and lower level of the historic electric car factory that houses 36 units of artist housing on floors 2-5. The focus of the BATC is two-fold: 1. To provide high quality art instruction to low-income children in the neighborhood, with an eye toward potential art careers and 2. To provide medical technology training to low-income adults in the neighborhood and assist with job placement at the nearby medical campus. There is a synergistic relationship with both the nearby hospital and the artist residents, some of whom act as faculty in the BATC program.

Seattle, WA - The Hoa Mai Vietnamese Bilingual Preschool located on the ground floor of Mt. Baker Station Artist Lofts, is the first bilingual Vietnamese-English daycare in Seattle. The Transit-Oriented Development is ideally located and offers a sliding scale for tuition based on family income. It serves the multicultural needs of the neighborhood.
**Arts Market**

The term “arts market” refers to the demand for the kinds of space that artists, creative businesses, and arts nonprofits regularly need and use, and the arts uses that exist in the community. One goal of the Preliminary Feasibility Study is to obtain qualitative data from artists and others familiar with the local arts scene. The conversations that develop through the tour, focus groups, open house, and Core Group discussions all help frame Artspace’s understanding of the arts scene and whether or not there is grassroots support for market need and how that does or does not support the proposed priority project concept and/or location.

Artspace intentionally keeps its definitions of artist and creative broad to be as inclusive as possible. Residents of Artspace buildings range from veterans, formerly homeless, retirees, service workers, teachers, parents – and they also happen to be creative. They are likely to earn a portion of their income from something other than their art. In fact, a look across the Arts Market Surveys that Artspace has completed in the past 15 years shows that only about 10% of artist respondents make 100% of their income through their art.

**WHO IS AN ARTIST?**

Artspace's definition of an artist is very broad. An "artist" is a person who has a demonstrable commitment to the arts or a creative pursuit? While the term is broad and varies from community to community, if affordable housing is utilized in a project, all “artists” must still qualify for affordable housing by income:

- A person who works in or is skilled in any of the fine arts, including but not limited to painting, drawing, sculpture, book art, mixed-media and print-making.
- A person who creates imaginative works of aesthetic value, including but not limited to film, video, digital media works, literature, costume design, photography, architecture and music composition.
- A person who creates functional art, including but not limited to jewelry, rugs, decorative screens and grates, furniture, pottery, toys and quilts.
- A performer, including but not limited to singers, musicians, dancers, actors and performance artists.
- In all culturally significant practices, including a designer, technician, tattoo artist, hairdresser, chef/culinary artist, craftsperson, teacher or administrator who is dedicated to using their expertise within the community to support, promote, present, and/or teach and propagate their art form through events, activities, performances and classes.

**Arts Community Profile**

During the virtual Artists and Arts Organizations Focus Group and other meetings, participants discussed their creative space needs, current creative assets, cultural barriers faced by artists who identify as black, indigenous, or people of color, and other challenges and opportunities for East Lansing/Lansing artists. Artspace uses this information to assess the feasibility of project concepts. It also lays the groundwork for the quantitative Arts Market Study, the next step on the path to an Artspace project (for the complete path, see Appendix A).

East Lansing’s strong connection to MSU and its many programs runs deep in the arts community. Many more arts and cultural careers are possible here than in most communities of this size. Among the artists we met were painters, potters, quilters, fiber artists, jazz composers, opera singers, musicians of all stripes, theater artists, dancers, teachers, arts administrators, and others. For a full list please see Appendix C.
CREATIVE ASSETS:

We asked participants in the Artists and Arts Organization Focus Group to identify the area's existing arts assets, and we were pleasantly surprised by the number and range of assets they could name: 89 in all, ranging from big institutional entities like the Broad Museum and the Wharton Center for Performing Arts to a little contra dance group that meets at a church. Many participants didn’t know that all of these are in their own community. Mapping them for a visual representation could be a powerful tool to demonstrate the strength of the creative community. For a list of all the assets named, see Appendix E.

DESCRIBING THE ARTS SECTOR

What words and phrases best describe the arts scene in East Lansing? We put that question to the Artists and Arts Organization Focus Group, and this is what they said. The more times a word was said, the larger the size of the type in which it appears. “Siloed” was the most frequently stated word, followed by “scattered,” “young,” “hidden,” and “segregated.”

CHALLENGES AND OPPORTUNITIES

We asked artists at their focus group and community members at the open house to share their thoughts about the greatest challenges and barriers the creative sector faces in East Lansing, and we encouraged them to focus on space-related issues. This feedback helps Artspace plan for subsequent steps if project planning moves forward, and it helps civic leaders, such as city officials and the Downtown Development Authority, understand challenges to progress and opportunities that can address them.

One comment we heard repeatedly was the cost of living and working in East Lansing has led many artists to relocate to Lansing. This tells us that there is a significant need for affordable live/work housing for artists in East Lansing. In all, we received more than 75 comments, a full list of which can be found in Appendix D. The top challenges that were repeated include:

- Affordable and accessible space (housing, studios, theater, stages)
- Lack of focus on emerging creative sector in terms of grants, coordination, information, gathering places
- Siloed nature after graduates leave MSU
- Transient and older population

Similarly, we asked artists and open house participants to share their thoughts about opportunities that exist for artists/creatives in the community, again with a lens on space. Their responses are in Appendix D, and some of the space-related opportunities are discussed in more detail in the Project Concept section. A few of note include:

- 1% for the Arts Fund to work with more diverse artists in different neighborhoods
- Make Albert EL Fresco permanent along Albert Ave.
- An Arts District down Michigan Ave
- Off campus partnerships with MSU students in experiential learning and the Broad, and all arts/humanities disciplines.
- Michigan traditional arts programs
- In general more partnerships between Lansing and East Lansing creative organizations and businesses.
Key Takeaways

There is a strong market for an Artspace mixed-use project in the Lansing metro area. Many artists and creatives at Michigan State University don’t see themselves staying in East Lansing after graduation because there aren’t enough options for creative work or affordable living space. Lansing is more affordable and is perhaps the more logical starting place for artists due to its relative affordability and a well-developed grassroots arts scene.

Forming partnerships with Lansing businesses in Old Town and gleaning best practices from the Greater Lansing Arts Council may help East Lansing further develop its own distinct arts identity. Having residential space for artists will make a big difference in keeping the arts graduates and attracting them back. The recent, denser real estate developments and extensive placemaking efforts in downtown East Lansing are the types of activities that will begin to attract more creative people and complement a new Artspace development well.

Given the context and Artspace's understanding of the current arts market and needs of the creative sector, a mixed-use concept could help support an underserved creative sector and help activate downtown East Lansing and put it on the map equally with Lansing as a place that artists and creatives want to be.

An Arts Market Study or pre-development scope of work should include facilitated conversations with potential “commercial” tenants interested in new space and in helping to bring creative vitality to the ground floor of a project and activate downtown. The well-established and skilled DDA could be a big help in brokering these conversations.

Arts Market Study

During the Preliminary Feasibility Visit, Artspace heard from many artists and a broad cross-section of community leaders about the need for affordable space for artists in East Lansing. The next step is to quantify the market for an affordable mixed-use project of the kind that civic leaders would like to have in or close to downtown East Lansing. For this information we rely on an Arts Market Study, an online survey of the area’s artists and creatives to determine if there is sufficient demand for such a project, how many residential units should be planned, how large they should be, and what other kinds of creative spaces the project should contain.

Other types of creative spaces can include makerspace, classroom space, studios, and a variety of arts-related and arts-friendly uses. Quantifying the market need for these spaces can help attract funders and operators, and related data can be used to plan spaces and programs that are both affordable and self-sustaining, whether in an Artspace project or developed independently in the area.

STEP 2: ARTS MARKET STUDY

The Arts Market Study will enable Artspace to test the priority project concept, a mixed-use affordable arts facility. The data collected helps refine the project concept, influence site selection, and guide future creative space development. The AMS Study gathers information about:

- Amount artists can pay for studio/work space
- Amount artists can pay for housing
- Types of shared or community spaces that are most important
- Types of private studio workspaces that are most important
- Location preference
- Types of amenities that are important

In addition to providing key information about the need for space within the possible context of a future Artspace project, this survey also provides valuable information for other developers and organizations who might consider carving out space for artists in their buildings and planned projects. Not every type of needed space can be accommodated in a single project. Having arts market information available to multiple interested parties is important to supporting new creative space opportunities.
ARTIST PREFERENCE IN AFFORDABLE HOUSING

Artspace live/work projects are unlike most affordable housing in that we use an “artist preference” policy to fill vacancies.

For each project, we appoint a committee that includes diverse artists who are not applying to live in that project. The committee interviews income-qualified applicants to determine their commitment to their chosen art form or creative pursuit. It does not pass judgment on the quality of an applicant’s work, nor is it permitted to define what is or is not art. Artists do not need to earn any of their income from their art form.

Although the IRS challenged the “artist preference” policy in 2007, it dropped the challenge after the Housing and Economic Recovery Act of 2008 became law. That law states: “A project does not fail to meet the general public use requirement solely because of occupancy restrictions or preferences that favor tenants...who are involved in artistic or literary activities.” This clause was threatened again in December 2017, but through broad reaching advocacy efforts, the new Tax Cuts and Jobs Act retains the artist preference language in the final signed version of the law.

Local Leadership

Strong local leadership is essential to the success of any community-led development. Authentic community engagement and cross-sector stakeholders, all must act in partnership to advocate effectively for the project. Without voices on the ground locally to keep communication flowing between the developer and the community, there is little chance of success.

Artspace invests time and effort at the very beginning of a proposed project to work with the community to identify local leaders well-equipped by position, experience, and influence to serve as members of the Core Group.

Core Group

The local leaders who make creative projects possible can come from many sectors but must share a willingness to work hard toward a common vision.

The Core Group that led the Preliminary Feasibility Study in East Lansing exemplified this quality. The group is representative of both public and private sector interests, a key factor in building support for an Artspace project.

The Core Group (for a list of members, see page 2) met for months prior to Artspace's first virtual focus group on September 7 and in-person visit on September 14. Several members of the group toured the City Hall Artspace Lofts in Dearborn, Michigan, together to get acquainted with the Artspace model for live/work housing. This is a terrific indicator of the passion and interest in taking this initiative to the next step.

On our first evening together, we asked Core Group members what they hoped to achieve through the course of this feasibility study, and — if they had a magic wand — where the project would be located and who would be involved as partners?

In responding, they expressed a shared interest in the “connective tissue” between MSU and the downtown community, and they were especially interested in how East Lansing would measure up against other communities in which Artspace has conducted feasibility studies. They were also interested in having new eyes to help “see the future” and wanted feedback on the concept of a “Corridor for the Arts.” Although (unlike their peers in many Artspace communities) they were not focused on a particular building or site, their preference was for a downtown location.
Civic Leaders

Mayor Pro Tem Gregg, several council members, the DDA, Arts Commission, city staff, and a representative from State Representative Julie Brixie’s office participated in focus groups with great enthusiasm for a creative space development in East Lansing. It was noted that the community’s overall lack of quality affordable housing, both for-sale and rental, makes it a challenge for newcomers to move to East Lansing. They also underscored their commitment to downtown, its walkability, density, and making it more of a destination. Our overall impression is that there is the political will and know-how to move a project forward. In fact, the current leadership feels poised to take on a project at the size and scale of a typical Artspace project.

One missing link was a strong connection to leaders of the two counties, Clinton and Ingham, that East Lansing is in. We are certain, however, that those connections can be made in order to benefit a larger community-based project. It’s possible that East Lansing, being the wealthier of the two neighboring cities, doesn’t get as much attention as Lansing.

Potential Partnerships

Both formal and informal partnerships can help Artspace-like projects address multiple community goals. We rely on local leaders to bring important opportunities for such partnerships to our attention and to make meaningful introductions. We heard from civic leaders who support the concept of a more diverse cultural community and would like to bring in organizational partners from Lansing or surrounding areas that can help bring in some of that desired diversity.

Focus group participants and Core Group members were asked to identify potential partners that could enrich an arts facility project or be complementary.

Community Planning Priorities

In the Civic and Finance leaders focus groups, Artspace asked about other civic planning priorities that a project like this should take into consideration. We heard a lot about downtown and the infrastructure investments, including plans for more affordable housing, a focus on walkability, creative placemaking, and a non-motorized vehicle plan. The city has also doubled efforts to support small businesses especially in the wake of the COVID-19 pandemic.

Beyond downtown, the MSU Museum/Sciences Gallery, Broad Museum, and Wharton Center have all recently gone through leadership changes that have resulted in more diversity and community engagement. A senior housing project, Age Alive, is planned in the Spartan Village at MSU, bringing greater age diversity to East Lansing.

The city recently completed its 2021 Residential Target Market Analysis Market Study Report, which aligns well with this sort of initiative. The report specifically mentions the kind of mixed-use development involving live/work and loft space over street-level retail as a kind that is missing or underrepresented in East Lansing.

The city is also undergoing an environmental sustainability plan and looking to address early childcare solutions. It was mentioned that a county-wide affordable housing millage has also been discussed.
Funding and Financing

An Artspace project represents a substantial financial investment for the community where it is located. Strong city and state leaders can often identify and prioritize funding for projects they feel strongly align with their community goals. A typical project of 50 to 70 units of affordable housing for artists plus community and commercial space costs $15 to $20 million. Predevelopment expenses, the “soft” costs, such as architects’ fees, that must be met before construction can begin, are usually about $750,000, regardless of the size of the project.

In most cases, however, only a fraction of the capital investment comes directly from the community itself. This is because Artspace relies on its track record and 40+ years of experience in 23 states to tap into federal programs, such as Low-Income Housing Tax Credits (LIHTC), Historic Tax Credits (HTC), and HOME funds, to provide long-term equity for development projects. These programs, and others like them, exist to encourage the development of affordable housing, the rehabilitation of historic buildings, economic revitalization of neighborhoods, and other public purposes.

2021 FIGURES FOR INGHAM COUNTY, LANSING-EAST LANSING, MI MSA
Area Median Income and Rent (Only for Live/Work Space) - 4-Person AMI: $79,100
(Source: novoco.com)

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The local community plays a significant role in the broader funding and fundraising effort, especially during the early steps of the process. We look to the community for private and public pre-development funds and commitments of affordable housing allocations in a combination of Community Development Block Grants (CDBG) and HOME funds, Tax Increment Financing (TIF), and private philanthropic support. If affordable housing is not part of the project, the community’s financial role is likely to be much greater.

Philanthropy

In addition to the public funding sources identified on the following pages, philanthropy is an important tool for funding Artspace developments. This comes in the form of gifts from foundations, corporations, and in some cases individuals. For example, this study was funded partly through the City of East Lansing, the DDA, and the City’s Arts Commission. Many of the key people we met during the course of this study are important connectors to the private funding community. Major funders and individual donors to the Broad Museum should be considered as well as the private and foundation funders listed on the following pages. It is not known at this time how many of the Detroit and/or Ann Arbor-based foundations might also provide support for the right opportunity in East Lansing, but this should be explored upon completion of the Arts Market Study.

BRAINSTORMING POTENTIAL FUNDERS

The Civic Leaders and Financing focus groups were a first step to identifying potential public, private, and philanthropic resources for a potential East Lansing project. These meetings had representation from Michigan State University, City of East Lansing (staff, commissioners, and elected officials), Horizon Bank, the Rotary Club, Musselman Realty, Capital Area Housing Partnership, Fraser Law Firm, the Arts Council of Greater Lansing, local business owners, and other community members. Downtown sites were all

Source: City of East Lansing // Photo Credit: Ella Signs
discussed as the priority location with the goals of adding vibrancy, energy and diversity to the downtown area. The group expressed confidence in identifying resources for projects that are a priority for the community.

The focus groups brainstormed potential funders to engage in conversations about a mixed-use live/work project.

- **Jackson Charitable Foundation**, the philanthropic arm of a Lansing-based global annuity firm that awards grants that promote economic stability and other initiatives.
- The MSU Federal Credit Union’s **Desk Drawer Fund** has generously provided funding for various community projects; the Credit Union is building a space downtown and also has two massive buildings in East Lansing’s northern tier.
- **TechSmith** is a software developer that is moving its headquarters to East Lansing and has expressed interest in more community involvement.
- The **Dart Foundation**, a low-key foundation that likes to work quietly in the community to support projects and initiatives.
- **Cinnaire** is a CDFI (community development financial institution) that provides predevelopment loans and gap-filling resources for community-based projects, including LIHTC-funded projects. It recently provided a $300,000 predevelopment loan for the 21-unit mixed-use Allen Place Project in Lansing.
- **CEDAM** (Community Economic Development Association of Michigan) is a non-profit trade association serving community developers. It helps communities navigate affordable housing.
- **Michigan Community Capital** is a non-profit development organization that focuses on the creation of affordable housing in very low-income neighborhoods and is also an alloctee of New Markets Tax Credits (NMTC).
- The **Tri-County Regional Planning Commission** serves Clinton, Eaton, and Ingham counties and provides technical assistance and other resources for community-based projects and affordable housing.
- The **Capital Region Community Foundation** serves the area with a focus on creating vibrant, thriving communities.

Other suggestions included the 1% for the Arts Fund, MetroNet, Olds Foundation, Delta Dental Foundation, Larry Page (Google co-founder), Meijer Foundation and the MSU Foundation.

**Low Income Housing Tax Credits**

The largest source of funding for most Artspace residential projects is the federal Low Income Housing Tax Credit (LIHTC) program, administered by the U.S. Department of Housing and Urban Development (HUD) and state housing agencies in accordance with Section 42 of the IRS Code.

LIHTCs come in two varieties, known as 9% credits and 4% credits after the variable in the formula used to calculate them. Of these, 9% credits are much more popular with developers because they can pay for up to two-thirds of a project’s construction budget, more than twice as much as 4% credits. They are therefore extremely competitive, and it is not uncommon for a developer to have to apply two or more times before receiving an award; 4% credits, which take the form of tax-exempt bonds, are easier to obtain.

In Michigan, LIHTCs are administered by the Michigan State Housing Development Agency (MSHDA), an agency Artspace knows through its project in Dearborn. Whether LIHTCs are a possible funding source for a project in East Lansing will of course depend on the project, but if the project concept involves affordable housing, LIHTCs will be on the table.

Both East Lansing and its two counties, Clinton and Ingham, have track records with the LIHTC program. Woodward
Way, a 49-unit project in Meridian Township (Ingham County) received an award of 9% credits in 2020 and is now under construction. Lansing, the state capital, has a long history with the program. In 2021, the Stadium North Lofts project in Lansing received an allocation of 9% LIHTCs for two 66-unit projects, one for seniors and the other for families.

Recent LIHTC awards in both cities bodes well for a potential future Artspace initiative. While an Artspace project would probably be a mixed-use facility, with non-residential uses (which cannot be paid for with LIHTC-generated funds) on the ground floor and housing above, we encountered no resistance to this concept in any of our meetings and believe it is a viable model for East Lansing. Applications for 9% LIHTCs in Michigan are typically due in February and October.

**UNDERSTANDING LOW-INCOME HOUSING TAX CREDITS (LIHTC)**

Source: NPR, Illustrations by Chelsea Beck/NPR. Explainer by Meg Anderson, Alicia Cypress, Alyson Hurt, Laura Sullivan and Ariel Zambelich/NPR and Emma Schwartz/Frontline
**Potential Public Sources**

This is a preliminary list of other potential public sources discussed during the study as well as other Michigan funding sources with which Artspace is familiar.

- **MSHDA** also has a **Mortgage Resource Fund** and **HOME** funds that can be used to fill gaps in projects utilizing the less lucrative 4% LIHTCs.

- The **Michigan Economic Development Corporation** offers grants for brownfield cleanup and redevelopments tied to job creation. Artspace projects frequently qualify for job creation initiatives because so many artists are self-employed entrepreneurs running their own cottage industries. Job creation aligns with East Lansing’s goals of bringing more vitality and opportunities to the downtown area.

- **Michigan Community Revitalization Program (MCRP)** funds can be used for the non-residential components of a project. Artspace’s project in Dearborn, the City Hall Artspace Lofts, includes a separate commercial building which received $1 million in MCRP funds.

- **Federal Home Loan Bank**. The Indianapolis office serves the state of Michigan and is one of twelve government-sponsored Federal Home Loan Banks that provide equity to support housing financing and community investments.

- **Illinois Facilities Fund (IFF)** is a CDFI (community development financial institution) that serves the Midwest region. IFF provides bridge loans, gap financing, and other kinds of technical assistance for affordable housing and other kinds of community development projects. IFF has played an important role with Artspace projects in the Chicago area as well as in Dearborn.

- **State and Federal Historic Tax Credits (HTCs)**. To qualify for the federal program, a property must be listed on the National Register of Historic Places either individually or as a contributing member of a designated historic district. Although East Lansing was incorporated in 1907 and has several National Register properties within its limits, none of the sites Artspace visited would qualify for HTCs.

- **HOME Program** provides federal funding to state and local governments to fund affordable housing developments. Although East Lansing is an Entitlement Community, it does not have a dedicated allocation of HOME funds. Any HOME funds for a potential qualifying project in East Lansing would be through the Tri-County partnership.

- **Tax Increment Financing (TIF)**. A tool available to local communities for assisting economic development, redevelopment, and housing. Clinton County and Ingham County both have brownfield redevelopment agencies authorized for redevelopment projects. Downtown East Lansing has three TIF districts, and every site we visited was in one.

- **Community Development Block Grants (CDBG)** are tools that cities can use for a range of activities that benefit low- and moderate-income individuals or prevent or eliminate slums and blight. The funds vary from year to year but average about $500,000 annually; 15% are designated for social services; while the remaining 85% are typically used for infrastructure improvements.

- **Michigan Council for the Arts and Cultural Affairs**’ capital program provides up to $100,000 for eligible projects.

- **Brownfield Redevelopment Authority (BRA)**’s purpose is to assist development projects that face economic challenges due to environmental constraints. Assistance is provided through tax increment financing and/or Michigan Single Business Tax (SBT) credits.
The Dearborn Example

City Hall Artspace Lofts in Dearborn, Michigan, completed in 2015, consists of two residential buildings — the former City Hall and Annex — containing 53 live/work units for artists and their families, plus a connecting structure that houses an Arts and Technology Learning Lab and seven commercial spaces. The total project area is 105,500 square feet. The project was developed by Artspace with the assistance of three community partners: the City of Dearborn, the East Dearborn Downtown Development Authority (EDDDA), and the Arab-American National Museum. The table shows in simplified form the financial sources that made the project possible.

### SOURCES OF FUNDING AND FINANCING
**CITY HALL ARTSPACE LOFTS // DEARBORN, MICHIGAN**

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CONCLUSION

The financial information Artspace gathered during the Finance and Funders Focus Group, other meetings, and subsequent research suggests that there is sufficient capacity in East Lansing to underwrite an arts market study, predevelopment, and capital funding of an affordable mixed-use, artist live/work project in downtown East Lansing. Although no funding process is ever easy, it is clear that the resources and tools exist here to support an affordable housing project aligned with local goals. Additionally, Artspace’s recent development experience in Dearborn and feasibility work in Mount Clemens have given us a head start in identifying and navigating potential state, regional, and local funding sources.
Potential Sites

While site selection is a critical component of any project, it should not drive the project. During a Preliminary Feasibility Visit, therefore, Artspace’s primary goal is not to choose a site but to identify candidates for further study should the project move forward. Our goal is to gain a deeper understanding of the project concept and to assess each site we visit for its ability to serve that concept, its alignment with broader community goals, and issues that affect its cost of acquisition and development. Factors we consider include location, size, physical conditions, adaptability to project concept(s), construction type, zoning and land use restrictions, ease of acquisition, and potential for sustained impact on the broader community.

Given our mission to keep our projects affordable in perpetuity, Artspace gives high priority to sites that can be conveyed below market rate. Sites owned by government agencies, which can often donate them as part of their contribution to the project, are especially valuable.

Downtown Site Context

Until recently, downtown East Lansing was not widely viewed as a neighborhood. Now it is. With hundreds of residential units having been completed in the last two years and hundreds more on the drawing boards, the mixed-use nature of downtown is becoming more obvious. In that the first goal of the 2018 Master Plan is “to have strong neighborhoods,” it is reasonable to begin the site search in the downtown neighborhood. A project that would add permanently affordable housing for East Lansing’s creative sector, space for creative businesses and nonprofit organizations, and perhaps other kinds of space, would certainly strengthen the downtown neighborhood and address other Master Plan goals as well.

SITE TOUR OBSERVATIONS

Artspace toured six potential sites in downtown East Lansing to evaluate their potential for an Artspace-style development. We also asked attendees at the Sept. 15 open house to identify their preferred sites for this type of development on a map.

All of the sites we visited had potential for reuse as artist housing, but all had significant drawbacks related to location, size, cost of acquisition, or other factors. Here are our impressions, followed by a comparison of the three that stood out as being best aligned with community goals.

Core Group Touring Sites // Source: Artspace

Source: City of East Lansing
1. Valley Court, 201 Hillside Court

This half-acre site on the western fringe of downtown is tucked into a hillside between a 31-unit residential building and a small parking lot that is used seasonally for a weekly farmers market. There is a small public park, Valley Court Park, directly across the street. The site contains an underutilized one-story building, originally a public works facility, part of which is rented by Helping Hands, a local nonprofit service agency. The site is owned by the city.

A project here could “anchor” the west side of downtown and one end of a potential arts district. Valley Court Park is a potential asset; having this adjacent greenspace would benefit families and artists alike. Valley Court Park has also historically been underutilized and is undergoing a visioning study. Recent and significant downtown infrastructure improvements make this site much more attractive with its connectivity along Albert Street. The nearby Oakwood neighborhood, up the rainbow stairs would likely be in favor of this project and a great neighbor to an Artspace development.

Expanding the Farmers Market by adding an artists market — a very common and compatible use that Artspace has seen in many cities — has been proposed here, and in our view provides excellent redevelopment potential.

2. Evergreen Properties: 314-344 Evergreen Avenue

This 1.1-acre property, formerly five residential parcels, is located on the east side of Valley Court Park, close to the downtown core. It is owned by the DDA, which purchased it with redevelopment in mind. Two houses and one multifamily building were demolished in the summer of 2021, while the site is owned by the City in Artspace’s opinion provides the best potential for redevelopment in a partnership with the City that includes a reconfiguration/expansion/improvement of the Farmers Market into an farmers/arts market. The synergy between the artists living and working on that site and being able to sell their goods at the market is a very compelling partnership that could be a national example. The City believes that brownfield conditions exist, similar to other downtown sites, because the original use was a public works facility. Public funding would be available to help with brownfield cleanup. The site would need to be rezoned from a community facility, and is currently below grade allowing for greater density. Stormwater management would also need to be integrated, public funding could be available through MEDC for some of the site improvements.
two houses remain on the properties and can be demolished as part of a redevelopment project at any time. The DDA spent $5.5 million to acquire the properties, and it will naturally wish to recoup that sum in any agreement that turns the site over to a developer.

This site is interesting to Artspace due to its proximity to Valley Court Park and all the downtown amenities. However, a $5.5 million price tag would be a non-starter for a development that seeks to ensure long-term affordability.


This three-quarter-acre surface parking lot on the east side of downtown is owned by a public/private partnership between the city and a private entity. The property has served as a parking lot for the adjacent shopping center for decades, but it is zoned for maximum density and is very close to the heart of downtown, making it ripe for development. The public/private ownership scenario would make this property more challenging for an affordable mixed-use development. And there is no compelling reason for the city to let go of it; the private market will undoubtedly redevelop it in the coming years.

4. City Hall: 410 Abbott Road

The current City Hall building was constructed in 1963 and has a 1980s addition. The building itself is 55,000 square feet on a one-acre site, including the adjacent parking lots. Unlike the historic Dearborn City Hall buildings that Artspace converted into 55 units of live/work space in 2017, this City Hall dates from an era of civic buildings that do not lend themselves to conversion to residential use. This property would probably need to be razed to make way for a new construction mixed-use development. While this is a terrific site, moving city staff and functions to a new site and razing an existing structure could add a number of years to what is typically a three-to-five year timeline.

5. Hannah Community Center: 819 Abbott Road

The original portion of this historic school building was built in 1926. At three stories and 112,300 square feet, the former school is in impeccable condition. It is currently being used for community center operations, including a pool, gymnasium, fitness center, senior center, and more. The third floor is currently mothballed and not in use. While the building is beautiful and would make a terrific conversion to live/work housing, there is not enough space for a project of 30 to 50 units, and the building’s location in a residential neighborhood several blocks north of the downtown core is less than ideal.

Moreover, displacing the many community organizations that use the building would not be in
accord with Artspace's mission. There is also an existing gallery space on the second floor for emerging/mid-career local artists, one of the few of its kind in East Lansing.

We note, however, that this site ranked the highest among participants at our open house. We encourage the city to look at the results of the Arts Market Study, if it elects to have Artspace conduct one, to figure out the best use of the third floor spaces. A community makerspace, private studio spaces, art classes could all be suited for the undeveloped space, especially since the rooms once used to teach home economics are already equipped with sinks and the appropriate power sources.

6. Division Street Garage: 199 Division Street

At 36,000 square feet, this seven-story structure in the heart of downtown warranted a visit on the strength of its ideal downtown location and city ownership. That said, the Division Street Garage is a cultural pop icon affectionately called the "hamster cage." Moreover, it is home to a few creative businesses, including SCENE Metrospace- a collaboration between the City and MSU. The garage has deferred maintenance issues and its ground level is unsightly, though the city and DDA have done some amazing creative placemaking and art interventions. We even used the space for our final wrap-up breakfast meeting. But in the final analysis, the building is iconic and an art piece, and razing it could be a political issue that Artspace would like to avoid.

Ultimately, the garage will need either a significant overhaul or demolition. There is no doubt that it could make a cool redevelopment site, but the cost would be too steep for an affordable housing project. There is an oversupply of parking downtown from an occupancy perspective (even if might not be in the ideal locations), and this garage is both the oldest (30+ years) and the least utilized. However, as other surface parking lots are developed, this may be considered a community need again and stay a parking structure.
Comparing the Top Sites

Artspace’s top three sites for a potential project are the Valley Court site, the Evergreen Properties, and the Bailey Parking Lot. Here is a head-to-head comparison of the three.

<table>
<thead>
<tr>
<th>Name</th>
<th>Valley Court</th>
<th>Evergreen Properties</th>
<th>Bailey Parking Lot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>201 Hillside Court</td>
<td>314 Evergreen Ave.</td>
<td>139 Bailey Street</td>
</tr>
<tr>
<td>Relation to downtown</td>
<td>West side of Valley Court Park</td>
<td>East side of Valley Court Park</td>
<td>Downtown, excellent location</td>
</tr>
<tr>
<td>Size and development potential</td>
<td>0.5 acres; existing 6,500sf building would be razed</td>
<td>1.08 acres, large enough for dense multi-family housing</td>
<td>1 acre, large enough for dense multi-family housing</td>
</tr>
<tr>
<td>Projected ease of acquisition</td>
<td>Excellent: owned by City of East Lansing</td>
<td>Fair: owned by DDA, but $5M debt backed by city bonds</td>
<td>Fair: public-private ownership less than ideal for acquisition</td>
</tr>
<tr>
<td>Accessibility</td>
<td>Walk score: 76. Walking distance to MSU, close to public transit on Grand River Ave. On far side of the Valley Court Park from downtown</td>
<td>Walk score 82. Walking distance to MSU, close to public transit on Grand River Ave. On downtown side of Valley Court Park</td>
<td>Walk score 87. In heart of downtown, very close to MSU and Broad Museum</td>
</tr>
<tr>
<td>Parking</td>
<td>No onsite parking</td>
<td>Enough space for onsite parking</td>
<td>Enough space for onsite parking</td>
</tr>
<tr>
<td>Renovation or new construction</td>
<td>New construction</td>
<td>New construction</td>
<td>New construction</td>
</tr>
<tr>
<td>Environmental issues</td>
<td>Known brownfield due to former use as a public works garage</td>
<td>Unknown</td>
<td>Unknown</td>
</tr>
<tr>
<td>Potential for sustained community impact</td>
<td>Could anchor west end of downtown arts district, adjacent farmers market opens arts market possibilities</td>
<td>DDA would like to see a transformative project on this site that is not student housing</td>
<td>Well-located downtown and very walkable, near galleries and other arts/cultural uses</td>
</tr>
<tr>
<td>LIHTC Scoring*</td>
<td>LIHTC score: 94</td>
<td>LIHTC Score: 93</td>
<td>LIHTC Score: 94</td>
</tr>
<tr>
<td>Summary:</td>
<td>A small site, not as close to downtown as the other two, but close to MSU campus, not far from downtown, and easy to acquire</td>
<td>A better site, larger and closer to downtown, but the $5M debt represents a major hurdle</td>
<td>A dream site on Albert Street in the heart of downtown, but acquisition likely to be problematic</td>
</tr>
</tbody>
</table>

*Qualified Allocation Plan self-scoring
HOW TO READ THE NUMBERS

All three sites had fairly high walk scores — 75 is considered good — which is very favorable; the city’s overall walk score is 53. For comparison purposes, downtown Ann Arbor and Grand Rapids each have a walk score of 92.

Artspace thanks Mary and Mike Levine of the Fraser Law Firm, our tax credit consultants for the Dearborn project, for preparing preliminary information about how each of these sites would score on a Low Income Housing Tax Credit application submitted under the new 2021 Qualified Allocation Plan (QAP). They concluded that each of these sites would score in the mid-to-upper 90s on a 185-point scale. The majority of the remaining points are awarded for supportive housing projects — for instance, housing for very low income families that also need a large service component — that are outside the income range of Artspace projects.

In 2021, MSHDA awarded LIHTCs to 44 projects. Of these, 12 were preservation projects, 18 rural, and 14 “strategic investment” projects that were approved by the Governor. Fifteen of the 44 applications were from nonprofit developers. Artspace would probably need the points associated with strategic investment projects to secure 9% LIHTCs for an East Lansing project.

WHERE ARTISTS/CREATIVES WANT TO BE

During the Community Open House at Patriarche Park, some 40 participants gave their feedback at eight different table exercises. At the Map Activity Table, residents, artists, and community members were asked where in East Lansing they thought an Artspace-style project would be most suitable. The top choices were the Hannah Center with 13 votes (38%), Valley Court Park with 11 votes (32%), and the Bailey Parking lot with 5 votes (15%), William Sharp Park with 3 votes (9%), and Division Street Garage with 2 votes (6%).

It was mentioned that for any location to be viable it should be accessible to public transportation and supermarkets, and currently there is no supermarket downtown. From Artspace’s experience, this is likely to change as downtown’s residential population grows. LIHTC scoring takes into consideration the importance of transportation and access.

Beyond downtown, residents mentioned the Oakwood Historic District and the Red Cedar neighborhood as locations of interest. The working class Red Cedar neighborhood is historically more diverse, and its omission from consideration as a potential project site was seen as a missed opportunity. As a resident explained, “It already is an affordable space and would serve the residents there.” Given East Lansing’s community goal of supporting diverse communities, engaging the Red Cedar neighborhood about this sort of project should be part of the Arts Market Study phase. The city’s Art Commission and creative placemaking initiatives could also reach into this historically underserved community that seems eager to welcome the arts.
FOCUS GROUP SITE FEEDBACK

Virtual focus group participants were asked to give their feedback on where artists want to be. We've left this list in the artists’ own words, because it is important to note how many times downtown was mentioned as the area of interest. Lansing locations also naturally came to mind, given the existing arts context.

- Abbott Road
- Albert/Ann Street nexus
- Anywhere! I'm down for making things happen outside of downtown. Let's build in the North!
- Between Albert & Grand River and Abbott and Bailey Streets
- Downtown
- Downtown
- Downtown
- Downtown
- Downtown District
- Downtown East Lansing
- Downtown East Lansing
- Downtown East Lansing, near the university, to draw on resources
- Downtown, in the heart of things
- Downtown, where the action is
- East Lansing DDA
- Lansing
- Lansing is desired because of more affordable housing opportunities
- Live close to downtown
- M.A.C. Avenue
- Near campus
- Near food
- Near the MSU Broad and The Wharton
- Old Town
- Old Town and REO Town have good vibe
- Old Town, REO Town, Wharton Center
- REO Town
- W/in a short walk to groceries.
- Walking distance to campus for student engagement
- West of Harrison, East of Hagedorn, North of Grand River, South of Saginaw
- Within a few blocks of M.A.C. & Albert

SITE SELECTION DISCLAIMER

Finally, it must be stated that these findings are preliminary and based on currently available information. Much can and often does change between the writing of a Preliminary Feasibility Study report and actual site selection, which usually takes place during predevelopment (see Appendix A, “Path of an Artspace Project”). The sites mentioned in this section will be prioritized as conversations progress and the project concept is refined, but no one should rule out the possibility that a site not yet on the radar will be the one chosen for the project.
East Lansing is well-positioned to pursue an affordable live/work mixed-use facility for artists and creatives. It has strong city leadership with the will to tackle large projects and experience in working with nonprofit affordable housing developers. It has an underserved creative sector, and its leaders are clear about broader community goals that could make an arts project more attractive to potential funders. The city’s rule that 25% of multi-family housing units must be of a "diversified" type makes an Artspace project more desirable, since 100% of the live/work units in an Artspace project would meet that description.

**Recommendation: Arts Market Study**

Artspace recommends an Arts Market Study as a means of helping us to more fully understand the needs of East Lansing’s creative sector.

Based on the preliminary findings contained in this report, we believe that East Lansing has the ability to support 40 or more live/work units in a mixed-use Artspace project in the downtown area. But our belief is not enough to secure project financing from bankers, funders, and mortgage lenders. They want statistical evidence of market demand, and to obtain that data we need to conduct an Arts Market Study.

An Arts Market Study involves an online survey of area residents followed by analysis and recommendations based on their responses. Its primary function is to quantify the need for affordable live/work housing, private studios, and other types of spaces, but it also provides a wealth of data that Artspace uses to inform site selection, project amenities, and other design factors. In addition, it provides reliable information on the needs of the arts sector that can be used by bankers, funders, and prospective LIHTC investors. Not least, it helps generate community-wide interest in a future project and allows Artspace to begin building relationships with the area’s artists and creatives that the project will eventually serve.

The survey can be customized to address specific questions of interest to the community even if they involve properties that are not under consideration for an Artspace project. In East Lansing, for example, the survey could include questions related to the Hannah Center to help the city better understand how to plan for future creative uses there.

As the client, the City of East Lansing would be free to share data from the study with private developers and policymakers to help encourage further infrastructure investment in the creative economy.

**Next Step: Strengthen the Arts Sector**

Arts districts will grow organically, but they don’t have to. We urge East Lansing to begin the process of developing an arts district in downtown East Lansing. The "**Call yourself Creative guidebook**" published by Colorado Creative Industries and the State of Washington’s "**Washington State Creative District**" program are excellent resources. Artspace has firsthand knowledge of these programs and will happily provide introductions to staff in Colorado and Washington. The step-by-step guide in the **Call yourself Creative guidebook** is relevant for any community, and we reference it often as a best practice.
East Lansing leaders would be well-advised to connect with the Arts Council of Greater Lansing on new initiatives. This valuable local resource has a wealth of information and might even be interested in establishing a satellite office in East Lansing. Specific steps might include:

- **Update the Cultural Asset Map** created by the Arts Council. Because things are changing quickly, an updated map of all the cultural, arts, and creative assets in Lansing and East Lansing would continue to highlight the breadth of offerings and help communicate them to visitors, prospective employees, students, and others. Appendix D includes the 89 assets listed during the virtual focus group.

- **Use the 517 Artsearch app** to identify community cultural assets, including studio space that is available for rent. 517 Artsearch is a great interface, but it is currently missing many of the assets we heard about when we asked focus group participants to name them.

- Join the Arts Council’s **Arts in the Sky Billboard Project**, which promotes area artists by creating temporary outdoor public art exhibitions in the form of digital billboards. This is such a neat program! Including diverse and emerging artists from East Lansing can help elevate their profiles. (Banner programs are another way to do that.)

Another positive step would be to brainstorm ways for MSU art and museum students to be more connected and involved in community development. Placemaking, community galleries, pop-up programs, and similar activities help integrate students into the community and may encourage them to stay after graduation.

Including creative space in new downtown developments can help make downtown more of an arts destination. We were told that the new MSU Federal Credit Union will have space for community use. That’s a positive step. Building community space, small performance spaces, galleries, or meeting spaces within new developments can add a community arts aspect in downtown. Having these spaces also include student artwork can help MSU artists feel more connected to East Lansing. Scene Metrospace is a great example of this process at work.

**ROGERS, ARKANSAS POP-UP GALLERIES:**

In downtown Rogers, Arkansas, many banks, restaurants, bars, shops, and small businesses host guest artists and musicians from northwestern Arkansas and showcase their work. This partnership is a great way for art enthusiasts, foodies, and fun-seekers to enjoy downtown Rogers. Guests can shop, view, and purchase art at the businesses they may already frequent, and it gives artists another way to show their work. The list of businesses and artists changes from month to month, but the art experiences in downtown Rogers consistently provides new and interesting opportunities for people to connect with the arts community. The visual art is on a rotating basis, and the performing art is there once a month.

Other next steps to strengthen East Lansing’s cultural community include the following:

- **Be proactive in efforts to support a diverse cultural community.** Find a path for the Arts Commission or the PLACE efforts to reach beyond downtown into the Red Cedar neighborhood and invite those artists into downtown. Identifying artists who can help bridge the community divide and help open doors will be crucial to making any real change happen. MSU’s traditional arts program is another resource for diversity-building in the creative community.

- **Review the list of opportunities** suggested by focus group and open house participants (Appendix D) for more ideas.
Next Step: Prepare for an Arts Market Study

To prepare for an Arts Market Study, a community should commit to the following actions:

- **Identify a source of funding** for the study.
- **Assemble a diverse group of community leaders** to serve as an advisory committee as the project moves forward. In many cases this is a version of the Core Group; if so, this is the time to increase its diversity by bringing in additional BIPOC members.
- **Brainstorm ideas** for outreach and engagement.
- **Connect with potential private sector funders.** The cultivation process can be lengthy, and it is never too early to start.
- **Connect with the Capital Area Housing Partnership** to better understand its funding and financing and to see if a nonprofit partnership could be an option for an Artspace project in East Lansing.
- **MEDC’s Redevelopment Ready Program** can also help begin the process of clearing site hurdles for any potential site of interest.
- **Begin conversations with potential anchor and commercial tenant partners** in any future mixed-use facility. This should include meeting with BIPOC leaders who participated in the study. An Artspace mixed-use project could create a strong opportunity to provide below-market rate rents for BIPOC-led organizations and businesses.

After completing the Arts Market Study, the next step toward an Artspace project would involve entering into a predevelopment agreement. See “The Path of an Artspace Project” ([Appendix A](#)), which provides an overview of the steps involved in advancing a successful Artspace project. Given the availability of the ARPA funds and the deadlines involved, getting started quickly would help move a project forward.

In summary, Artspace believes a project concept that includes both affordable live/work housing and space for arts organizations would provide a tremendous boost to the reputation and visibility of East Lansing’s downtown. It would also provide a stable, permanently affordable space for the creative sector as market pressures increase and affordability decreases. The presence of creative people downtown would help create a critical mass to ensure permanent affordability for artists, and it would make downtown East Lansing an exciting destination. It would also provide more opportunities for recent graduates as well as graduate students and professors to live and work in close proximity to MSU.

Artspace greatly appreciates the opportunity to work with the City of East Lansing and learn from its residents and leaders. Artspace came away with a strong sense of the potential for an artist live/work mixed-use facility to be a successful venture and an asset to the community. Insights and recommendations in this report are solely intended to guide a project to the next phase of development and set East Lansing on the path to becoming home to a new arts facility.

*Source: City of East Lansing // Photo Credit: Ella Signs*
APPENDIX A
PATH OF AN ARTSPACE PROJECT

Rome wasn’t built in a day, and neither is an Artspace project. In fact, a typical Artspace live/work project takes from four to seven years to complete. Although no two projects are precisely alike, they all travel a similar path through the development process.

Here is a brief look at a typical Artspace live/work project as it proceeds from first inquiries through preliminary feasibility studies, an arts market survey, predevelopment, and development to completion and occupancy. Please note that this is not an exhaustive list of every activity that goes into an Artspace project, and that some actions may occur in a different order.

<table>
<thead>
<tr>
<th>STEP 1: PRELIMINARY FEASIBILITY VISIT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OVERVIEW</strong></td>
</tr>
<tr>
<td>- Information Gathering and Outreach</td>
</tr>
<tr>
<td><strong>PRIMARY ACTIVITIES</strong></td>
</tr>
<tr>
<td>- Meet with artists, local funders, businesses, civic leaders, and other stakeholders</td>
</tr>
<tr>
<td>- Conduct a public meeting to introduce Artspace and solicit community feedback</td>
</tr>
<tr>
<td>- Tour candidate buildings and/or sites</td>
</tr>
<tr>
<td>- Extend outreach as needed to ensure that people from underrepresented communities are included in the process</td>
</tr>
<tr>
<td><strong>DELIVERABLES</strong></td>
</tr>
<tr>
<td>- Written report with recommendations for next steps</td>
</tr>
<tr>
<td><strong>PREREQUISITES FOR MOVING FORWARD</strong></td>
</tr>
<tr>
<td>- Demonstrated support from local leadership</td>
</tr>
<tr>
<td>- Critical mass of artists and arts organizations with space needs</td>
</tr>
<tr>
<td>- Established base of financial support</td>
</tr>
<tr>
<td><strong>TIME FRAME</strong></td>
</tr>
<tr>
<td>- 3-5 months, kicked off by a 2-day visit</td>
</tr>
<tr>
<td><strong>FEE</strong></td>
</tr>
<tr>
<td>- $30,000 (Completed)</td>
</tr>
</tbody>
</table>
## STEP 2: ARTS MARKET STUDY

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OVERVIEW</strong></td>
<td>• Assessing the Market</td>
</tr>
<tr>
<td></td>
<td><strong>PRIMARY ACTIVITIES</strong></td>
</tr>
<tr>
<td></td>
<td>• Three phases to the study: survey preparation, data collection, and analysis/reporting</td>
</tr>
<tr>
<td></td>
<td>• Quantify the overall demand for arts and creative spaces</td>
</tr>
<tr>
<td></td>
<td>• Identify the types of spaces, amenities and features that artists want/need</td>
</tr>
<tr>
<td></td>
<td>• Inform site selection, design, and programmatic decisions</td>
</tr>
<tr>
<td></td>
<td>• Maintain community involvement throughout the project</td>
</tr>
<tr>
<td></td>
<td>• Help build support and secure funding</td>
</tr>
<tr>
<td></td>
<td><strong>DELIVERABLES</strong></td>
</tr>
<tr>
<td></td>
<td>• Written recommendations and technical report of survey findings</td>
</tr>
<tr>
<td></td>
<td><strong>PREREQUISITES FOR MOVING FORWARD</strong></td>
</tr>
<tr>
<td></td>
<td>• Sufficient number of responses from eligible, interested artists to support an Artspace live/work project</td>
</tr>
<tr>
<td></td>
<td><strong>TIME FRAME</strong></td>
</tr>
<tr>
<td></td>
<td>• 6 months</td>
</tr>
<tr>
<td></td>
<td><strong>FEE</strong></td>
</tr>
<tr>
<td></td>
<td>• $35,000</td>
</tr>
</tbody>
</table>
# STEP 3: PREDEVELOPMENT I

<table>
<thead>
<tr>
<th>OVERVIEW</th>
<th>Determining Project Location and Size</th>
</tr>
</thead>
</table>
| PRIMARY ACTIVITIES | Work with City and other stakeholders to establish (a) preliminary project scope and (b) space development program for evaluating building and site capacity  
- Analyze candidate buildings/sites with respect to cost, availability, and other factors impacting their ability to address development program goals  
- Review existing information about potential site(s) to identify key legal, environmental, physical, and financial issues affecting their suitability  
- Negotiate with property owners with goal of obtaining site control agreement  
- Continue outreach to artists and arts organizations  
- Connect with potential creative community partners and commercial tenants |
| DELIVERABLES | Confirmation of development space program and goals  
- Assessment of site suitability and identification of any contingent conditions to be resolved through continued due diligence  
- Site control agreement or update regarding status of site control negotiations  
- Summary of project status |
| PREREQUISITES FOR MOVING FORWARD | Site control agreement with property owner  
- Growing stakeholder/leadership group  
- Both parties’ agreement on project scope and feasibility |
| TIME FRAME | 3-6 months |
| FEE | $150,000 |
## STEP 4: PREDEVELOPMENT II

<table>
<thead>
<tr>
<th>OVERVIEW</th>
<th>• Project Design and Financial Modeling</th>
</tr>
</thead>
</table>
| PRIMARY ACTIVITIES | • Establish process for selecting architectural team  
| | • Confirm development goals and space program with architectural team  
| | • Engage architect to create conceptual plans and schematic designs  
| | • Engage contractor or cost consultant to provide pre-construction services  
| | • Resolve any contingent conditions relating to site control  
| | • Create capital and operating budgets  
| | • Obtain proposals and/or letters of interest from lender and equity investor financing partners  
| | • Prepare and submit Low Income Housing Tax Credit application  
| | • Submit other financing applications as applicable  
| | • Maintain excitement for the project within the creative community  
| | • Encourage and guide local artists to activate the site with arts activities |
| DELIVERABLES | • Schematic designs  
| | • Financial pro-forma detailing capital and operating budgets  
| | • Preliminary proposals and letters of interest for project mortgage and equity financing  
| | • Summary of project status |
| PREREQUISITES FOR MOVING FORWARD | • Award of Low Income Housing Tax Credits (first or second application) or commitment of alternative funding |
| TIME FRAME | • 12 months+ |
| FEE | • $300,000 |
### STEP 5: PREDEVELOPMENT III

<table>
<thead>
<tr>
<th>OVERVIEW</th>
<th>From Tax Credits to Financial Closing</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRIMARY ACTIVITIES</td>
<td>Secure final gap funding commitments</td>
</tr>
<tr>
<td></td>
<td>Raise funds for equity, including private sector philanthropic dollars</td>
</tr>
<tr>
<td></td>
<td>Complete construction documents and submit permit applications</td>
</tr>
<tr>
<td></td>
<td>Negotiate construction and permanent loan commitments</td>
</tr>
<tr>
<td></td>
<td>Negotiate limited partner equity investment commitments</td>
</tr>
<tr>
<td></td>
<td>Advance project to construction closing</td>
</tr>
<tr>
<td></td>
<td>Communicate the progress of the project to the creative community to keep up the involvement and excitement</td>
</tr>
<tr>
<td>DELIVERABLES</td>
<td>Successful closing and commencement of construction</td>
</tr>
<tr>
<td>TIME FRAME</td>
<td>4-6 months</td>
</tr>
<tr>
<td>FEE</td>
<td>$300,000+</td>
</tr>
</tbody>
</table>

### STEP 6: CONSTRUCTION

<table>
<thead>
<tr>
<th>OVERVIEW</th>
<th>Construction and Lease-up</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRIMARY ACTIVITIES</td>
<td>Oversee project construction</td>
</tr>
<tr>
<td></td>
<td>Engage property management company</td>
</tr>
<tr>
<td></td>
<td>Identify commercial tenants and sign lease agreements</td>
</tr>
<tr>
<td></td>
<td>Reach out to potential artist tenants, providing education on the application process</td>
</tr>
<tr>
<td></td>
<td>Conduct residential tenant selection process</td>
</tr>
<tr>
<td>DELIVERABLES</td>
<td>Completed project ready for occupancy</td>
</tr>
<tr>
<td>TIME FRAME</td>
<td>6-10 months</td>
</tr>
</tbody>
</table>
# Appendix B

Examples of the Creatives We Met:

<table>
<thead>
<tr>
<th>Arts Commissioner</th>
<th>Film Fest Admin</th>
<th>Potter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architect</td>
<td>Festival Goer</td>
<td>Poet</td>
</tr>
<tr>
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<td>Fiber Artist</td>
<td>Performing Arts Admin</td>
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APPENDIX C
ARTS MARKET CHALLENGES AND OPPORTUNITIES EXPANDED

We asked artists at their focus group and community members at the open house to share their thoughts about the greatest challenges and barriers the creative sector faces in East Lansing, and we encouraged them to focus on space-related issues. We synthesized their responses into the following list.

CHALLENGES

- Affordable studio space/cost/access
- Affordable housing
- Available grants/sponsorship
- Business respect & money
- Capital resources
- Closed networks, little coordination
- Competition for space
- Cost of housing for young families
- Dedicated workspaces + tech
- East Lansing and Lansing separation
- East Lansing is largely built out
- EL is student and sports focused
- Existing vacant real estate does not support creative uses. There is a perception of those spaces being reserved for residential high rise development.
- Few people between the ages of 22-50 remain in East Lansing
- Finding/Keeping an audience
- Financial resources
- Flexible venues for variety of art forms
- Forming partnerships (equipment, resources, marketing)
- Gentrification
- Jobs for creatives beyond (but connected to) studio practice/interests.
- Lack of diversity
- No centralized source of information
- No gathering place for creatives
- Parking downtown
- Population is reflective of a population that is older and not a permanent resident, and has a large transient student population.
- Professional Development for Creatives
- Rent and accessibility of stages for dance, music, theater
- Rent is unsustainable for working artists
- Safe space to create
- Siloed
- Stable work environment
- Student Housing market taking over all real estate
- Taxes in EL are high compared to outlying neighborhoods
- Tons of chain franchises and fewer independently owned local businesses
- Under-appreciation for the arts
Similarly, we asked artists and open house participants to share information about opportunities that exist for artists/creatives in the community, again with a lens on space. Here are their responses.

**OPPORTUNITIES**

- 1% for the Arts Fund working with more diverse artists and in different neighborhoods
- Affordable housing in order to attract and retain young professionals who are graduating from the University nearby.
- "Albert Ave. Shut it down!"
- Arts Programs in schools
- A space for artists to collaborate – partner, share resources to make something more ambitious.
- Arts District down Grand River and Michigan Avenue
- The Art Fair
- The Broad looking for off campus partners
- Creative restaurants that could recruit chefs to the area
- Hannah Community Center - empty 3rd Floor
- The Hatch
- East Lansing Info - has job postings which could help artists find part-time employment.
- The Fledge
- Internships in Arts Management and Curatorial
- Greater Lansing Arts Council
- Local Bands/ music venues and musicians
- Lansing Community College Partnerships
- Michigan Traditional Arts Program at MSU
- MSU Makerspace
- MSU Arts, Residential College in the Arts+Humanities, Cultural Management, Museum Studies, more experiential learning opportunities for students
- New performing venue in Lansing
- Partnerships with larger cities in the Midwest
- Old Town/ REO Town Partnerships and other Lansing art spaces/artists
- Rekindle discussion around the mid-size performance venue that died w/ City Center II.
- Robin Theatre and Bookstore
- Senior Organizations
- Work with Incarcerated Individuals and adjudicated youth
APPENDIX D
CREATIVE ASSETS IN GREATER LANSING

As identified by participants in the Arts and Arts Organization Virtual Focus Group:

1. Abrams Planetarium
2. Afterglow Market
3. Allen Neighborhood Center
4. Ann Street Plaza
5. Arts Council of Greater Lansing
6. Bailey community center/performance space
7. Bailey Pump House
8. Blue Owl Coffee
9. Broad Art lab
10. Broad Art Museum
11. Cedar Street Art Collective
12. Central United Methodist Church (bi-monthly contra dance)
13. Closing Albert St
14. College of Music facilities
15. Community Darkroom 517 (open lab community darkroom)
16. Cobb Great Hall
17. East Lansing Arts Festival
18. East Lansing Film Festival- commercial multiplexes in Okemos and South Lansing, East Lansing Hannah Community Center and auditoriums on the MSU campus.
19. East Lansing Folk Festival
20. East Lansing Public Library
21. Eastside Summer Festival
22. Elderly Instruments
24. Fairchild Theatre
25. Fashion and Fiber Festival
26. Festival of Oddities
27. Fish Ladder in Old Town
28. The Fledge
29. Greater Lansing Potters’ Guild
30. Hannah stage
31. Hannah community center
32. Hannah Gallery space
33. Haptix
34. Impression 5 Science Center
35. Lake Lansing bandshell
36. Lansing Art Gallery
37. Lansing Makers Network
38. Lansing Media Center
39. Lansing Public Media Center
40. Lansing Community College
41. Looking Glass Music and Arts Association
42. Moriarty’s Pub for Jazz
43. MSU (Auditorium, MSU Museum, Broad Art Museum, Wharton Center, RCAH Theatre)
44. MSU ArtLab - community-based art initiatives
45. MSU Student Organizations performance events
46. MSU Broad Art Museum to see relevant national and international contemporary art
47. MSU Community Music School
APPENDIX D CONTINUED....

48. MSU Planetarium
49. MSU Sculpture garden
50. MSU Beal Botanic Gardens
51. MSU Surplus Store
52. MSUFCU Community room concerts
53. Nelson Gallery
54. Northern Fire Festival
55. Odd Nodd Art Supply Store
56. People’s Church
57. Peppermint Creek Theater
58. Pretty Shaky String Band sit-in
59. Poetry Center
60. Pasant Theatre
61. Print club at the Salus Center
62. Public Art Collection at Michigan State (outside and inside)
63. Pumphouse Concert Series
64. RCAH LookOUT Gallery
65. REO Olds Museum
66. REACH Art Studio
67. Riverwalk Theatre
68. Robin Theatre
69. Saper Gallery
70. SCENE Metrospace
71. Seams Fabric
72. Several Pottery Spaces
73. Sigh Studio of Music
74. State of Michigan Library and Historical Center
75. Summer circle amphitheater MSU
76. Summer concert series in local parks
77. Ten Pound Fiddle Concert Series
78. The Avenue
79. The City of East Lansing Art Collection at City Hall
80. The Fledge
81. The Facility for Rare Isotope Beams (FRIB)
82. The Pumphouse
83. UrbanBeat
84. WheelHouse Pottery Studio
85. Williamston Theater
86. WKAR
87. Woven Art Yarn Shop
88. Williamston Theatre
89. Wharton Center for Performing Arts