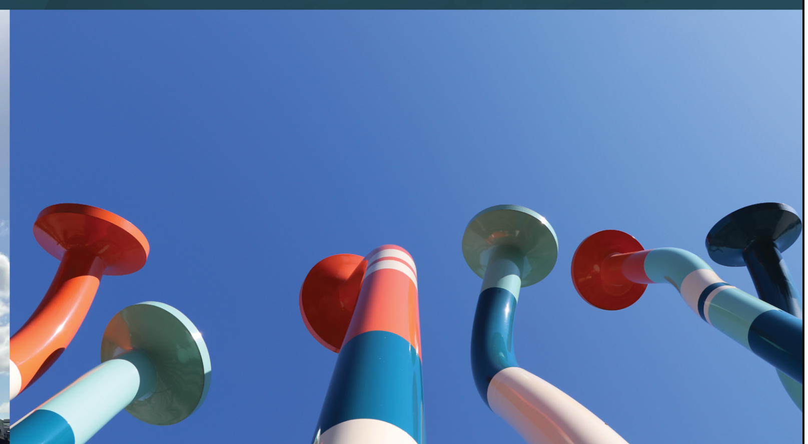
Attachment B

ARTSPACE CONSULTING | artspace

ARTS MARKET STUDY

REPORT OF FINDINGS

We Belong by Julia Kang Robinson



Nails by Christian Moeller

ARTSfair // Alexandra Knight Photography, Courtesy of Visit Bellevue

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ACKNOWLEDGEMENTS

Artspace would like to thank the City of Bellevue, the Cultural and Economic Development Staff within the Community Development Department for their leadership with this project, and the Arts Market Study Core Group of community volunteers. The success of the Arts Market Study hinged on the vison and participation of these key partners. Together these project champions raised awareness, promoted the Creative Space Needs Survey broadly and deeply, filled the Arts Organization and Creative Business focus groups, and welcomed all creative and cultural sector voices in the region into the process.

ARTS MARKET STUDY CORE GROUP:

- Angela Cheung, arts advocate
- Ashmita Gulatti, Bellevue Arts Commission, member; artist
- Eden Helstein, Evolution Studios, owner; BelRed Arts District advocate
- Maria Lau Hui, Bellevue Arts Commission, Chair
- Rita Meher, Tasveer founder and Executive Director
- Katie Miller, artist and author of the 2020 BelRed District Report
- Xin Xin, artist

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The City of Bellevue

City of Bellevue
Cultural & Economic Development

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BACKGROUND

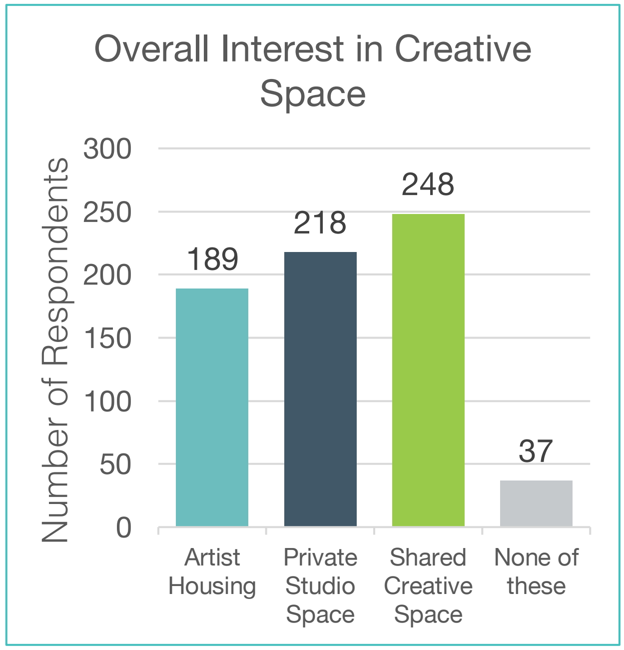
In 2017, the City of Bellevue invited Artspace, a national nonprofit leader in the field of affordable creative space development, to conduct a Preliminary Feasibility Study (PFS) and evaluate the potential for long-term affordable, creative sector-serving spaces. The study confirmed that a robust market for a variety of space types likely existed; identified the BelRed Arts District as a target neighborhood for a new facility; highlighted potential funding sources that could make a project feasible; and, revealed local leaders motivated to advance new space initiatives. In short, the findings were positive. Advancing a "mixed-use, creative space facility" and a "shared space collaborative for creative commercial enterprises and nonprofit arts-related organizations" were two key space solution strategies that came out of the process. As a next step, the City of Bellevue undertook an Arts Market Study (AMS) to test the market for 75-100 affordable, artist live/work units and to identify creative businesses and arts organizations that might lease new private and/or shared creative spaces. This report contains the findings of that AMS including estimated demand for artist housing and private studio/creative workspace(s), as well as the descriptive space needs of creative businesses and arts nonprofits, as reported by focus group attendees and in a related questionnaire. The summary data, recommendations, and a deeper data dive Technical Report included here, are collectively a comprehensive information resource for refining a signature mixed-use project concept and a shared space initiative for organizations/businesses and jumpstarting a variety of creative space developments in Bellevue.

SURVEY RESPONDENT AND FOCUS GROUP PROFILE

SURVEY RESPONDENTS:

There were **437 total survey respondents** of which a significant **400 (92%)** indicated an interest in at least one type of affordable creative space (artist housing, private or shared studio/workspace) in Bellevue's BelRed Arts District.

Surveys were completed by a broadly diverse group of individuals, representing more than 30 creative fields. Most live in the greater Seattle metro region with (27%) currently or (16%) in the past having resided in Bellevue. (See page 27 for a heat map of respondents' zip codes). Their ages range from over 70 to 20 years or younger and the majority identify as White or Asian/Asian American (73%).



Respondent Race and Ethnicity			City of Bellevue
White/Caucasian	247	57%	*44%*
Asian/Asian American	71	16%	*41%*
Multiracial/Multiethnic	41	9%	*8%*
Hispanic/Latinx/Latino(a)	29	7%	*7%*
Black/African American/Caribbean	24	5%	*3%*
Not Listed	13	3%	*N/A*
Indigenous, American Indian, Native Alaskan	5	1%	*.4%*
Northern African/Middle Eastern	4	1%	*N/A*
Pacific Islander, Hawaiian Native, Samoan	3	1%	*.2%*
Total	**437**	**100%**	***104%**

TOP ARTS, CULTURAL, CREATIVE INDUSTRY INVOLVEMENT

1. Painting/Drawing/Illustration/Mixed media – **38%**
2. Music **– 21%**
3. Art Education/Instruction – **18%**

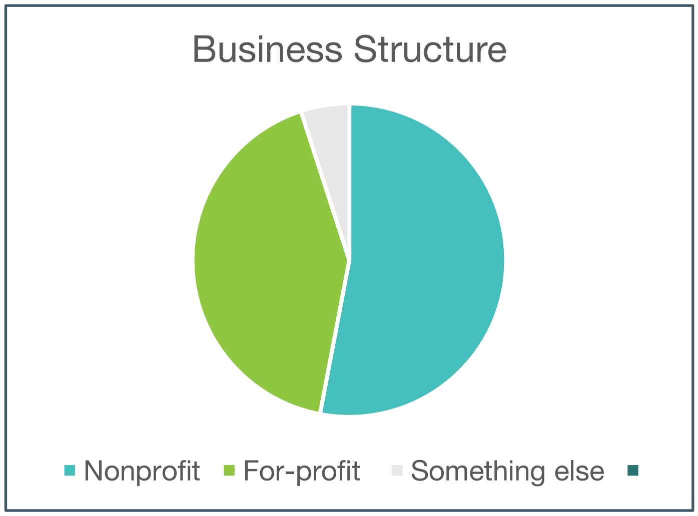
Note: Respondents could select up to 4 options

**Source: Esri Community Analyst. City of Bellevue 2022 population by Race/Ethnicity. Persons identifying as Hispanic may be of any race, thus totals result in percentages above 100%*

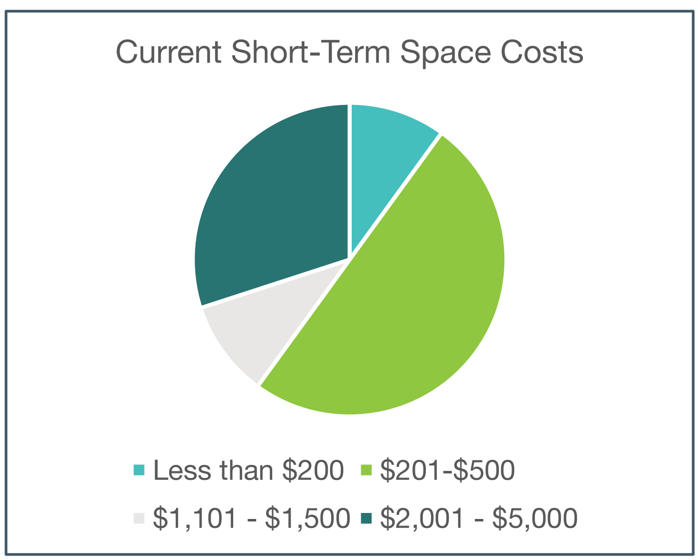
FOCUS GROUP AND QUESTIONNAIRE PARTICIPANTS:

Twenty-one (21) total organizations and creative businesses attended a focus group to discuss creative sector space needs, challenges, and opportunities in Bellevue and/or completed a questionnaire about their own space situation. Nineteen (19) total questionnaires were returned. There were some who only attended a focus group or only completed the questionnaire.

What is the structure of your org/business?
(19 questionnaire responses)



How much do you pay for short-term space?
(10 questionnaire responses)



How current long-term space is used *(questionnaire)*	Responses	%
Working studio	4	50%
Office/Administrative	4	50%
Year-round events/programs (non-performance)	3	38%
Performance	2	25%
Retail/Commercial	2	25%
Storage (more than 100 sf)	1	13%
Another primary use	1	13%

Short-term space rental interest *(questionnaire)*	Responses	%
Working Studios	13	72%
Performance	11	61%
Events/Festivals	9	50%
Retail/Commercial	6	33%
Office/Administrative	6	33%
Storage	3	17%
Another type of space	2	11%
None	2	11%

Each group that completed the questionnaire is unique in their work, space needs, tenure, size, and programs, but there are many **shared characteristics.**

- Most see a future for themselves in BelRed
- Over half (10) are a **nonprofit**
- Their tenure is nearly evenly split with 47% (9) in operation for 4 years or less, and another 47% (9) having been operating for 10 years or more
- They are mostly Bellevue based (15) and 3 are in BelRed
- Over half (10) rent short-term space as needed
- 8 have a one-year or longer-term lease
- While most are satisfied with their long-term space, there is less satisfaction with short-term space, particularly: working studios and event/festival space
- Long-term **working studios** in BelRed are of strong interest (13)

Focus group attendees were enthusiastic about their future in BelRed

- **61% (11) would lease the long-term space they need as soon as it became available**, another 8 would be ready within 2 years
- Shared space is overwhelmingly of interest. **(89%) 16 would consider sharing or sub-leasing space.** Currently only 3 share/sub-lease their long-term space.

How focus group attendees described the BelRed Arts District

*Screenshot from Menti Interactive PowerPoint

CREATIVE SPACE RECOMMENDATIONS

The Arts Market Study and Creative Space Needs Survey data reveals strong demand for an affordable mixed-use, artist housing project in Bellevue's BelRed Arts District. Because there is a strong need for *housing, private studio space and shared, specialized creative space* for creative sector individuals in addition to *space for Bellevue-serving organizations and creative businesses*, multiple space solutions can be explored by the City of Bellevue and other local stakeholders**. For example, a mixed-use, multi-family artist housing project that offers long-term creative commercial space would be an appropriate creative sector anchor development in BelRed.** There is more demand for a variety of long-term, private studio-space (1-year or longer lease), and short-term, shared specialized space, than can be reasonably incorporated into a single mixed-use facility. Therefore, **local property owners and developers might consider incorporating private and shared studios and workspace concepts into their existing buildings and new development plans.** Space operators that currently offer studios and shared creative workspace, might plan to expand their programs (or marketing efforts) based on the needs expressed by survey respondents and focus group participants.

The need for short-term and shared, specialized, creative spaces for both individuals and organizations/businesses is particularly notable. Organization/Businesses spoke of a particular need for studio, performance, event, co-working, and retail spaces. **Findings support the concept of a non-residential facility offering low-cost incubator and workspace in BelRed where individual practicing artists, artists who operate a**

business for their creative work (60% of individual artists who need long-term studio/workspace also run a business), **and organizations/businesses can thrive**.

In all cases of new space planning, attention should be paid to what affordable means to interested members of the creative sector, how large of space they need, and what amenities, lease terms, special features, and space configurations they prefer.

The following recommendations are a starting place for planning of any these types of new space initiatives:

ARTIST HOUSING AND CREATIVE WORKSPACE RECOMMENDATIONS SUMMARY

- Create up to **66 affordable artist live/work housing for households qualifying at or below 60% of AMI**
- Add **an additional 9 units for those between 60%-80% of AMI**
- Offer a range of affordability options
- Prioritize **1- and 2 - bedroom units**
- Prioritize free shared spaces for residents that support **exhibitions, studio-arts, networking, teaching, and small-scale performance**

See pages 20-27 for more information.

- **Up to 74 private studio spaces** in addition to live/work housing
- **Affordability**: Price most spaces between **$100 - $500 gross/month.** A rule-of-thumb would be $1.00 per square foot/month. Many can pay more.
- Prioritize small and moderately sized studios; **100-400 square feet**. Include a range of sizes. There's a market for a few at 1,000+ square feet.
- Design for: **studio-art, exhibition, light industrial, desktop, and classroom** uses as a priority.

See page 28-33 for more information.

For **shared specialized creative spaces**, data supports a first phase of concept planning and financial testing of the following space program types as a priority:

- Exhibition or presentation (e.g., gallery, screenings, installations)
- General-use studios non-industrial (e.g., drawing, photography, beading)
- Teaching/Workshop spaces
- Rehearsal (dance, theater, music)
- Light-industrial (e.g., silversmithing, woodworking, clay/ceramics, dyeing)
  **There are similar short-term space needs among participating organizations and businesses, underscoring the need and opportunity for shared space*.

See page 34-36 for more information.

Based on input from organizations and creative businesses, long and short-term creative commercial space in BelRed is critical. Here are some priorities from focus groups and an affiliated questionnaire:

- **Multi-tenant facility** for nonprofits and small businesses (including micro-business and incubator uses)
- Commercial space located on the ground floor of a mixed-use project
- Long-term leases (5+ years)
- **Short-term** studio, performance, events, co-working, makerspace, and retail/commercial space
- **Affordability, parking/accessibility, technology, and flexibility (space design and access)** were recurring new space attribute themes

Policies:

- Reduced fees for nonprofits & small businesses
- Greater promotion, networking, funding, and tech support
- Prioritizing minority and women-owned businesses

See page 37-43 for more information.

INTRODUCTION

BACKGROUND

The Arts Market Study (AMS) builds upon the Preliminary Feasibility Study (PFS) conducted for the City of Bellevue by Artspace in 2017 and the BelRed Arts District planning survey conducted by the City in 2020. Respectively, these prior studies revealed that a mixed-use, affordable, artist housing project had strong potential to be both a community priority and feasible in Bellevue and identified BelRed as a place for “inclusive, affordable and accessible space” for the creative sector. The 2017 study recommended conducting a survey to quantify demand and space preferences among interested individual artists. This would test the assumption that a mixed-use, affordable, artist housing development of 70 – 100 live/work housing units plus studio/work-only and shared, creative spaces would be a good fit for Bellevue. It also recommended identifying creative businesses and arts organizations that might lease new private and/or shared creative spaces in the BelRed Arts District.

An online survey for individuals was launched regionally on July 13th of 2022. Input was collected from BelRed Arts District affiliated organizations and creative businesses through two virtual focus groups held on August 10th and 11th of 2022 and through a related questionnaire. The aim of both the survey and the focus groups and questionnaire (collectively the AMS) were to:

- Reveal how a new facility and new space might best **serve the needs of the local creative sector**
- **Inform** new creative space development **project concepts**
- Offer useful data for **space advocacy efforts**
- **Identify potential future residents, renters, and users of new space**

This culminating Report of Findings includes data-driven recommendations for new spaces, best practices in creative space design, a summary of key data points and a deeper dive Technical Report that can be a resource to those developing new space, and information about the survey's research methodology.

THE SURVEY OF INDIVIDUAL ARTISTS

The online Arts Market Study Survey was open for approximately 10 weeks (July 13th through Sep 20th, 2022) and available at BelRedCreativeSpace.org. There were **439 total respondents** of which a significant **400 (92%)** indicated an interest in at least one type of affordable creative space in Bellevue's BelRed Arts District.

The survey specifically asked about respondents' interest in the following space options, if available and affordable to them in Bellevue's BelRed Arts District:

1. Artist housing (relocate to space designed for artists/creatives and their families to live and work), referred to as "**live/work housing**" in this report.

2. Private studio or creative workspace (1-year lease minimum), referred to as "**private studio**" in this report.

3. Shared, specialized creative space (accessible through a paid membership or short-term rental). Referred to as "**shared creative space**" in this report.

In addition to space interest, respondents were asked a series of questions about their:

- Art/Creative/Cultural work
- Current creative workspace & housing situations
- Preferences for their space(s) of interest
- Demographic information

The responses to these inquiries informed the recommendations in this Report of Findings. The full data is detailed in the Technical Report.

FOCUS GROUPS AND QUESTIONNAIRE: ORGANIZATIONS AND CREATIVE BUSINESS

Two total virtual focus groups were held on August 10th and 11th, 2022. Attendees were invited by the City of Bellevue, based on the shared characteristic that they were either located in or conduct business and/or programs in the city. There was a particular attempt to include those located in the BelRed Arts District. The focus group meeting solicited input about their current space situations, future space needs, interest in space in BelRed, and their perspective on the broader space needs and challenges of Bellevue's arts organizations and creative businesses. In addition to focus group input, invitees and attendees were asked to complete a space needs questionnaire. While there was overlap between those who participated in the meetings and those who completed the questionnaire, there were also unique participants to both. In total, there were 21 focus group participants and 19 completed questionnaires. A list of participants can be found in Appendix B and the questionnaire results are attached.

HOW TO USE THIS REPORT

THE INTENDED AUDIENCE

The recommendations and accompanying data are designed to help the City of Bellevue refine its **vision** for **creative space facilities in BelRed and articulate to real estate developers the types of project concepts that would best serve the local creative sector.** The information is also intended for independent use by **real estate developers** and **property owners and entrepreneurs** who are interested in developing or operating creative space and/or artist housing and want to better understand the market, including what individual artists and creative businesses/nonprofit arts organizations need and can afford to pay for new space. The design guidelines (pages 44-47), Organization and Creative Business Space Needs Questionnaire Results and the Technical Report Attachments will be particularly useful for early conceptual planning work and financial modeling of new space concepts.

Advocates for the local arts community in **Bellevue** can use this information as evidence of the demand and ability of individuals and groups to pay for new space that meets their unique needs. This in turn can help local leaders in Bellevue confidently invest in and move space related projects and programs forward.

SURVEY METHODOLOGY

Artspace relies on local partners to promote the survey and to encourage robust participation by a diverse and representative group of local artists and creatives. The BelRed Creative Space Needs Survey launched on July 13th of 2022 and notice went out initially through the City of Bellevue's and the BelRed Arts District's social media channels. Survey access and information was available at BelRedCreativeSpace.org and the survey was hosted on the Alchemer (formerly SurveyGizmo) platform. The social media campaign continued until the survey closed approximately ten weeks later, on September 20th. Artspace used its social media presence to interact with postings and initiated limited paid posts through its own accounts, targeting creatives in the region. It also notified artists on waitlists within its regional portfolio of projects. The survey promotion campaign was led by the City of Bellevue and the Market Study Core Group of volunteers who used a variety of strategies beyond social media. They leaned on their networks to help spread the word and excite local creatives about the idea of new space and impress upon them the importance of taking the survey. Artspace provided weekly aggregated demographic data updates to the Core Group, offering insight about what strategies were working and which groups might be underrepresented. Based on these updates the survey was extended from its original six week run to reach more creatives and make it available to those returning from summer breaks and settling into the new school year.

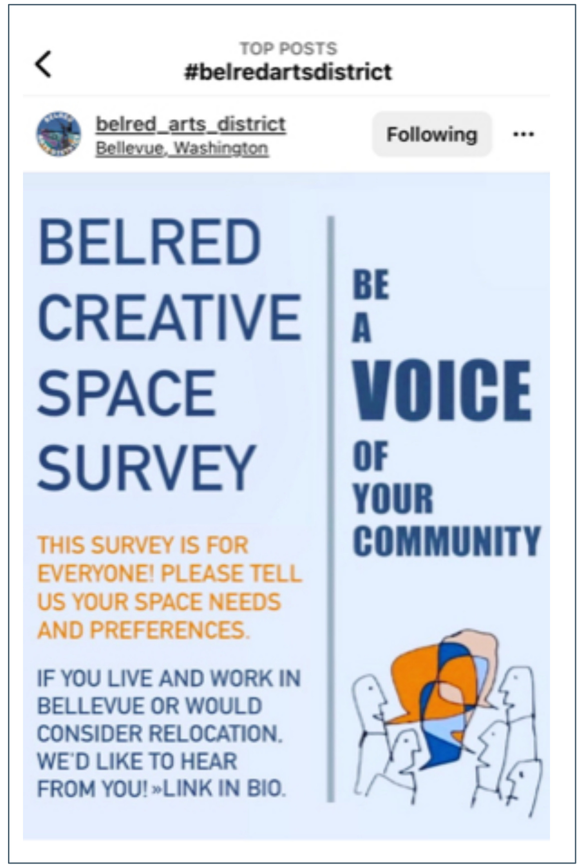
The 439 survey respondents indicated that they heard about the survey through the following means:

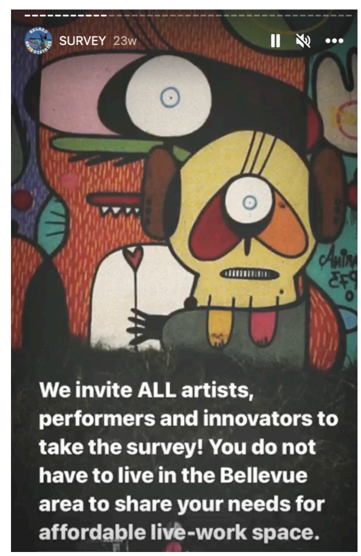
Note: Respondents may have selected multiple options

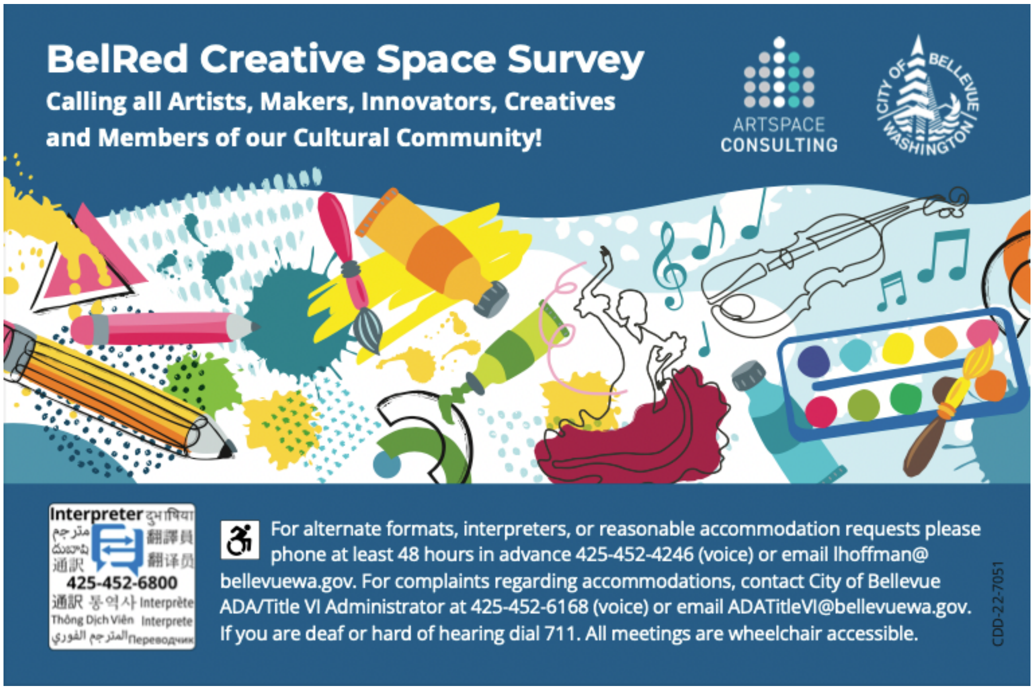
- Social media – 234 (51%)
- Email invitation – 105 (23%)
- Friend/Colleague – 76 (17%)
- Other, please specify – 16 (3%)
- A website – 9 (2%)
- In-person meeting/event - 6 (1%)
- Poster or flyer – 6 (1%)
- Virtual meeting/event – 5 (1%)
- News media – 1 (<1%)

Following is a sampling of the broad local and regional outreach and promotional efforts led by the City and Core Group.

- **Traditional Media Coverage**
    - Local radio spots ran on KBCS 91.3 in July and through August 15th. Approximately 10, 30-second spots a day aired publicly.
- **Social Media**
    - 41 (@belred_arts_district) Instagram posts with 3406 interactions.
    - 2 (@bellevueartsprogram) Instagram posts with 90 interactions.
    - 8 days of boosted Instagram posts (@artspaceusa). Reached 12,344 people in the region, with 109 interactions.
    - 80 local partner requests for Instagram post shares.
- **Public Presentations**
    - Survey information was shared twice at Bellevue Arts Commission meetings, and Commissioners were encouraged to share in their networks, as well.
- **Printed Outreach**
    - 200 Posters were printed and distributed to different community locations.
    - 1000 Postcards including a QR code for easy access to the survey were hand-distributed to individuals and partner locations throughout the community.
- **Email Outreach**
    - Core Group members' reached out to their personal and professional networks.
    - 35 local organizations were asked to notify those on their email lists.
    - Notable email campaigns include:
        - DigiPen Institute of Technology students notified.
        - Approximately 1,000 direct emails sent to artists/educators/organizations by the City of Bellevue.







SURVEY DISCLAIMER

The survey respondents are a "sample of convenience," a non-probability sampling method. While believed to be grossly representative of the target population (artists, makers and other creatives living in/around Bellevue), generalization of the findings to these broader populations cannot be conducted. It is not anticipated that the respondents who express interest in space will necessarily be the same creatives who would rent new space if available.

The respondents are representative of a need in a healthy, stable, creative market, and data is considered relevant for up to five years. Because of the non-random nature of the sample, the data reported includes only descriptive statistics. The total responses included in this report are all completed survey entries, barring any apparent erroneous or duplicate responses, which were removed. Due to the nature of data collection and the bounds of confidentiality, the analysts at Artspace are not able to eliminate the entire possibility of duplicate responses to the survey. Data that is not statistically relevant due to low response numbers are omitted from this report. Small group differences or percentages should be interpreted carefully. Statistical analysis of the Alchemer collected data was conducted via SPSS Statistics software and Microsoft Excel. Verbatim and supplemental materials including contact information provided by respondents for the purpose of receiving information they requested has been provided to the City of Bellevue.

ARTSPACE DEMAND INTERPRETATION DISCLAIMER

Artspace's recommendations are based on 30+ years of experience in the field of affordable art facility development. There are factors besides market demand that will influence a future project concept and feasibility of new space. Marketability of new space is contingent upon the delivery of a product appropriate to the identified needs and preferences of the arts market.

Survey respondents could select multiple types of spaces in which they were interested, and duplication of interest is possible. When determining demand, we consider the priorities of respondents who expressed interest in multiple types of space, for example artist housing AND private studio space or private studio AND shared creative space. We asked whether they would prefer one type of space over another or to lease multiple space types at one time. Artists may also have indicated a willingness to share private studio space that is leased for a minimum of one year, thereby potentially reducing demand. Artspace's overall recommendations are conservative and acknowledge the possible impact of overestimated capacity to pay for space or to be a single user of that space.

The successful development and operation of specialized, non-residential creative space (including the related equipment) relies upon local entrepreneurs, non-profits, community stakeholders, and municipalities and/or creative businesses who can operate new spaces sustainably. Rarely is the developer or creator of new space also the programmer. A developer will seek out tenants to rent and outfit the spaces and run the programming. Those who wish to offer the types of specialized creative spaces and uses that are of interest to respondents should review Section IV of the Technical Report for more information about the unique space needs identified in this study.

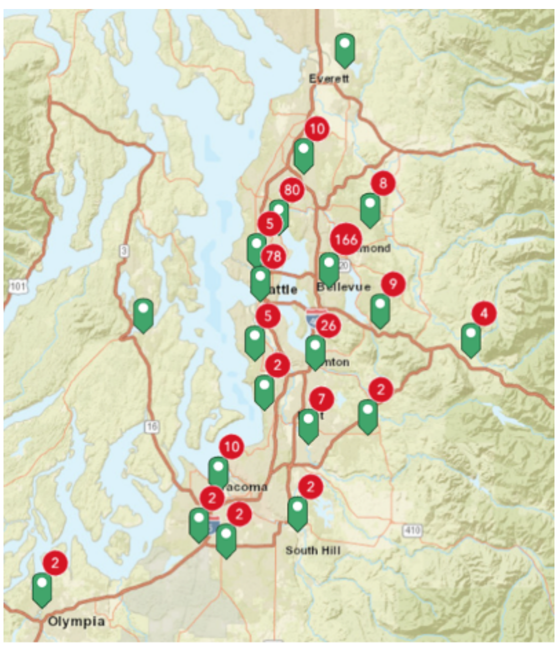
Artspace has conducted over 95 Arts Market Surveys across the country reaching more than 42,000 artists. The experience and lessons learned from surveying artists and creatives around the country plays heavily into the market considerations, assumptions, and recommendations in this report.

KEY FINDINGS

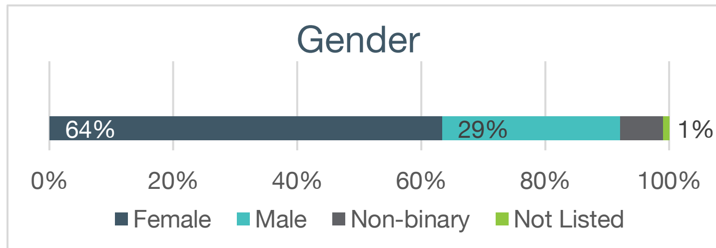
The primary focus of this report is on the **400 (92%) individual artist survey respondents who indicated an interest in at least one type of affordable, creative space in Bellevue, WA.** They are frequently referred to as "artists" in this report. They are a subset of the 437 respondents who: mostly rent their housing; earn some income from their art/creative work; are generally diverse, young, local, female-identifying; and currently do not have the creative space they need.

WHO ARE THE 437 RESPONDENTS?

LOCAL OR REGIONAL RESIDENTS

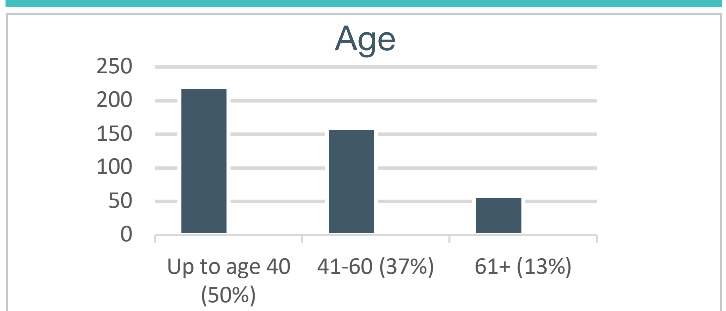


SELF - IDENTITY



122 (28%) LGBTQIA

247 (57%) White
71 (16%) Asian/Asian American
41 (9%) Multiracial/Multiethnic



CURRENT SPACE SITUATION

- 51% Rent/Lease their living space
- 15% Rent/own ongoing studio/workspace
- 38% Creative workspace is in their home
- 34% Don't have the creative space they need

CURRENT INCOME FROM CREATIVE WORK

68% earn **25% or less** of their income from their art/creative work including.

- 35% earn **NONE**
- 24% earn **up to 10%**
- 21% earn **76%-100%**

ARTIST INTEREST IN:

HOUSING

The information on the following pages is solely about the **189 respondents** interested in artist housing in Bellevue.

Compared to respondents not interested in artist housing**,** individuals in this subgroup are younger, more diverse, and <u>less likely</u> to live in Bellevue (while still living in the region). They are <u>more likely</u> to earn some income from their creative work, to rent their housing, and to say they do not have the space they need for their creative work.

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189 (43%) OF THE **437** TOTAL RESPONDENTS ARE INTERESTED IN LIVE/WORK HOUSING

60 (32%) ARE <u>ONLY</u> INTERESTED IN LIVE/WORK HOUSING

Definition: Artist Housing
In the Artspace "live/work" model, residential space that is designed flexibly to accommodate a household's living and creative work needs. Dwelling units, shared spaces, amenities, and management policies are uniquely artist friendly. Other configurations in the marketplace may include 'work/'live' where a small percent of a commercial or industrial space is permitted for living. Other models include micro-dwelling units with larger shared creative spaces, and co-living apartments with shared kitchen and communal spaces that are separate from work/studio spaces or dwelling units above commercial space.

71% ARE 40 YEARS OR YOUNGER

92 (49%) DON'T HAVE THE CREATIVE SPACE THEY NEED

TOP ARTS, CULTURAL, CREATIVE INDUSTRY INVOLVEMENT

1. Painting/Drawing/Illustration/Mixed media –42%
2. Music – 18%
3. Art Education – 17%
4. Digital arts – 17%
5. Photography – 17%
6. Multi-disciplinary – 17%

(Note: Respondents could select up to 4 options)

DEMOGRAPHICS

81	(43%)	LGBTQIA
16	(8%)	require accessibility adaptations to their housing
93	(49%)	White
26	(14%)	Multiracial/Multiethnic
24	(13%)	Asian/Asian American

HOUSING TENURE

- **138 (73%)** Currently rent/lease their living space, compared to 51% of total survey respondents
- **23 (12%)** Own their home
- **28 (15%)** Neither rent nor own

HOUSEHOLD COMPOSITION

- One-person – 76 (40%)
- Two-person – 82 (43%)
- Three-person – 22 (12%)
- Four or more – 9 (5%)
- Have children (under 18) – 41 (22%)

FINANCING FOR AFFORDABLILTY

To keep housing affordable and financially self-sustaining, the Artspace financing model combines public and private resources. A primary public funding tool is the Federal Low-Income Housing Tax Credit (LIHTC) program which drives private equity investment to capitalize projects.

The U.S Department of Housing and Urban Development (HUD) regulates this program. It uses the local median income as a reference point for setting annual income limits for households and determining the maximum monthly rents that can be charged. HUD also sets “utility allowances” that effectively reduce rents further and ensure that residents don’t pay more for their housing than they can reasonably afford. These limits change annually. The 2022 King County HUD published maximum household income for those earning 60% or less of the Area Median Income (AMI) and the corresponding rental rates are in the following table. Rents are expressed by month, while incomes maximums are annual.

2022 HUD Income and Rent Limits for LIHTC Projects in King County

Household Size	Income Max (30% - 60% AMI)	Income Max (80% AMI)	Bedrooms	Max Rent (30% - 60% AMI)	Max Rent (80% AMI)
1	$27,180-$54,360	$72,480	Efficiency	$679-$1,359	$1,812
2	$31,080-$62,160	$82,880	1-bedroom	$728-$1,456	$1,942
3	$34,950-$69,900	$93,200	2-bedroom	$873-$1,747	$2,330
4	$38,820-$77,640	$103,520	3-bedroom	$1,009-$2,019	$2,692

Source: Novogradac & Co. Rent and Income Calculator; Novoco.com, 2022

$134,600 – 4-PERSON MEDIAN HOUSEHOLD INCOME FOR KING COUNTY

(SOURCE: NOVOCO/HUD 2022)

According to the reported incomes and household sizes of interested artists, **128 (68%) qualify for housing targeted to households earning 60% or less of AMI**. 32% of them would qualify at 30% AMI and for the lowest of rents in the previous chart. A much smaller, 14% would exceed these limits entirely, but qualify for work force housing aimed at those between 60% and 80% of AMI if funding were identified to make this possible. Another 13% would not qualify under this program and could afford even higher rents.

The following table shows that a LIHTC funded project is appropriate in Bellevue. To meet the demand for space, the priority should be a mix of AMI household income targets and corresponding rents between 30%-60% AMI. A limited number of higher AMI targets and rents could also be included.

70% of interested artists earn income from art/creative work. **28%** earn up to 10% while, **23%** earn over 50%.

Income by Household Size for Respondents interested in artist housing

Annual Household Income	1	2	3	4 or more	Total	Income Qualify 30% AMI	Income Qualify 60% AMI	Income Qualify 80% AMI
Prefer Not to Answer	3	2	2	3	10	0	0	0
Under $10,000	6	3	0	3	12	12	12	12
$10,000 - $15,000	6	1	0	1	8	8	8	8
$15,001 - $20,000	3	4	0	0	7	7	7	7
$20,001 - $25,000	7	7	0	1	15	15	15	15
$25,001 - $30,000	5	2	2	0	9	9	9	9
$30,001 - $35,000	12	6	3	0	21	9	21	21
$35,001 - $40,000	5	9	1	0	15	0	15	15
$40,001 - $45,000	2	7	1	1	11	0	11	11
$45,001 - $50,000	2	4	1	2	9	0	9	9
$50,001 - $55,000	2	2	1	0	5	0	5	5
$55,001 - $60,000	2	4	0	0	6	0	4	6
$60,001 - $65,000	2	6	1	0	9	0	7	9
$65,001 - $75,000	1	2	1	3	7	0	4	7
$75,001 - $85,000	1	3	2	1	7	0	1	6
$85,001 - $100,000	3	2	4	6	15	0	0	10
$100,001 - $125,000	1	6	2	2	11	0	0	4
$125,001 - over $400,000	1	6	2	3	12	0	0	0
						0	0	0
Total	**64**	**76**	**23**	**26**	**189**	**60**	**128**	**154**
% of respondents who income qualify for 30% AMI								**32%**
% of respondents who income qualify for 60% AMI								**68%**
% of respondents who income qualify for 80% AMI								**81%**

AFFORDABLE RENTAL RATES AND UNIT MIX

Max Amount Willing to Pay for Rent on a Monthly Basis		
Max Monthly Rent	**Total**	
	#	**%**
$400	4	2%
$500 - $600	16	8%
$700 - $800	20	11%
$900-$1,000	34	18%
$1,100 - $1,300	36	19%
$1,400 - $1,500	25	13%
$1,600 - $1,700	13	7%
$1,800 - $1,900	10	5%
$2000+	31	17%
Total	189	100%

Respondents were asked the maximum amount they would consider paying monthly for artist housing. Nearly half (48%) would consider housing costs between $900-$1,500 a month affordable. While even cheaper space is needed by many, 17% can pay more than $2,000.

Regardless of project funding strategies, rents for new artist housing should be set no higher than what artists say they can pay.

This chart suggests that a wide range of rents are appropriate in BelRed, with demand being greatest for housing that is $1,500 or less per month. Using the LIHTC program is one way to achieve this. Per the chart on page 21, HUD maximum rents range between $679 (for an efficiency leased to a single-person household making no more than $27,180) and $2,019 for a 3-bedroom unit (leased, for example, to 3 people earning no more than $69,900 combined). This demonstrates alignment between what artists can pay for housing and rental rates that the LIHTC can help achieve.

HOUSEHOLD SIZE (x) UNIT MIX

- 79 (42%), 1-2 person households need 0-1-bedrooms
- 65 (34%), 1-3 person households need 2-bedrooms

The mix of new housing units should respond to the 87% interest in efficiency one- and two-bedroom units by mostly artists who live in one or two person households (74%). LIHTC (and other affordable housing programs) restrict household size relative to a unit's bedroom count. For example, a one-person household may not be allowed, by HUD, to rent a three-bedroom unit. Because of this, **a mix of 1 -and 2 -bedroom units for 1-4 person households should be prioritized.**

DEMAND FOR ARTIST HOUSING

Up to 66 housing units is the estimated demand for a 30% - 60% AMI targeted artist housing project in Bellevue's BelRed Arts District. If funding is available to include units for households between 60% - 80% AMI, 9 more units would be reasonable to add. *This is a conservative estimate given the large metro area and high cost of housing. Greater demand than suggested by survey responses may be revealed through continued outreach.*

The methodology used to calculate this estimate is described below. It accounts for the many factors that can impact the demand.

Artist Housing Demand in Bellevue				
Factor	**Count**		**Discount Multiplier**	**Discounted Number**
	#	%		
Total Interested Artists	189	100%		
Incomes between 60% - 80% AMI	26	14%	100	26
Incomes over 80% AMI	35	19%	100	35
Incomes not reported	10	5%	1/2	5
Current homeowners	23	12%	1/2	12
Have never lived in Bellevue	127	67%	1/4	32
Households with more than one survey respondent ("yes" and "unsure" responses)	76	40%	1/8	10
Current full-time students	12	6	¼	3
Est. Market Support 30% - 60% AMI	66 units			
Est. Market Support 60%-80%	**Support for an additional 9 units**			(123)

Discounts Explained:

- **Income Qualification:** Sixty-eight percent (68%) reside in households that income qualify between 30% and 60% AMI, which is a strong indicator of the need for affordable housing. Incomes provided by respondents are unverified and future housing applicants would have their income verified. No discount has been assigned to this sub-group. Those that indicate incomes above 60% have not been included in the calculation. If funding sources support up to 80% AMI, there is some demand for those spaces, as well.
- **Homeownership:** 23 (12%) currently own their homes. These artists may be less likely to relocate to a rental situation; thus, demand was discounted by 1/2.
- **Relocation:** 67% (127) have never lived in Bellevue. While most do live in the region and are likely familiar with Bellevue, Artspace assumes that respondents outside of a subject city or region may overstate their interest in relocating and discounted this by 1/4.
- **Duplication:** 29 (15%) indicated someone else in their household was also taking this survey and expressing interest in artist housing, and 47 (25%) were unsure. There is strong possibility of double or even triple counted interest if the households intend to stay intact upon relocation. If households are primarily made up of roommates for convenience, it may not. A discount of 1/8 was applied.
- **Student Interest:** 12 (6%) are currently full-time students and their household incomes and compositions are all likely to change post-graduation. With that in mind demand was reduced by ¼.

OTHER NON-QUANTIFIABLE FACTORS

- **Overstatement of Interest:** While not quantifiable, enthusiasm for new space and the project concept may influence an affirmative response, but not result in actual relocation or represent true demand.
- **Rental Affordability:** Residents would have to consider LIHTC rents affordable, which is based upon paying up to 30% of one's income in rent annually. This can be seen as a high amount to spend on housing to many. Housing units must be priced affordably for the market (including utility allowances) regardless of the HUD maximum allowable rents.

- **Drop off:** A development can take years to come together, the identified market demand is generally reliable for up to five years, barring any significant changes to the local creative population or the city/neighborhood.
- **Future Household Composition Changes:** Respondents household compositions may change during the project development phase and some respondents may no longer be eligible or interested. However, the survey methodology assumes that respondents are representative of need and interest, rather than being the specific household that would relocate in the future.

The design of space and other development decisions (location, amenities, etc.) may impact leasing and the effect of any adverse decisions are not considered in this calculation. Market need is only one of many factors that shape a project concept including total unit count, mix of units and income targets. **A project development team may choose to increase or decrease a final unit count after a review of all project feasibility factors.**

PROJECT CONCEPT AND SPACE DESIGN

AMENITIES

The building amenities most preferred by artists interested in housing are summarized in the adjacent chart. Other design considerations are explored on page 33. Including some or all of these is important to the marketability of any future development. More information can be found in the Designing Artist Spaces section of this report (pages 44-47).

Most Preferred
Building Amenities & Design Features

- In unit washer/dryer hookups **– 117 (62%)**
- Extra storage – **87 (46%)**
- Community garden **– 76 (40%)**
- Outdoor creative workspace **– 66 (35%)**
- Fitness room – **53 (28%)**

(Respondents may have selected multiple options)

SHARED SPACE

A future artist housing project should include free, common-use space(s) that serve the unique needs and interests of its creative residents. The following chart summarizes the activities that are of greatest interest to the respondents. Designing and outfitting flexible-use space(s) for the described uses is recommended. To optimize the income-generating potential of activities like teaching or performance, consider locating space in an area of the building not funded by LIHTC (or other affordable housing sources) which restricts commercial activity.

Respondents were asked their preference for housing configurations that would optimize living and working within the same space or building. **Overwhelmingly large, flexible spaces that can be used for both living and working (live/work)** were deemed acceptable (91%). If the project concept cannot accommodate this design, **54% would find housing-only, but with access to shared creative workspaces in the same building, an acceptable option. An equal number (54%) said that commercial space, where they could also legally live (work/live space) would be an acceptable option.** This last configuration is not compatible with the LIHTC funding program but would introduce an alternative housing product into the marketplace.

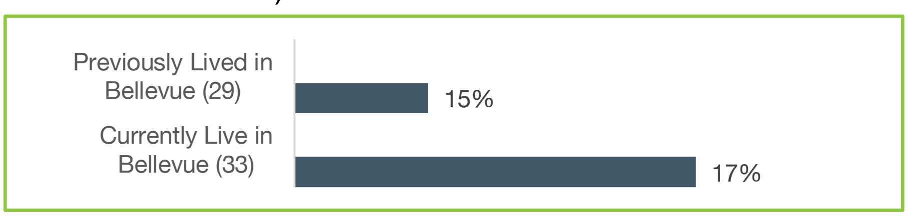
How Shared Space Would Be Most Used

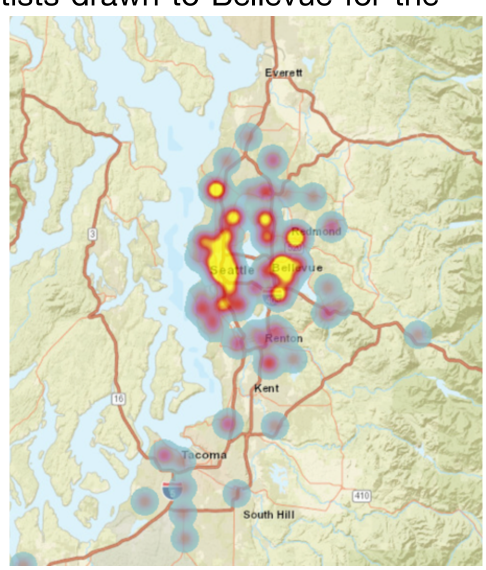
- Exhibitions/Gallery showings **– 95 (50%)**
- Studio-artwork – **80 (42%)**
- Lounging/Networking – **75 (40%)**
- Teaching/Demonstrations – **59 (31%)**
- Performance (small-scale) – **56 (30%)**

(Respondents may have selected multiple options)

RETAINING AND GROWING BELLEVUE'S ARTIST POPULATION

Of the 189 respondents interested in relocating to artist housing in BelRed, **33 currently live in Bellevue (10 of whom live in BelRed).** Of this subset, 30 (91%) have considered leaving Bellevue. Most cited reasons related to space. Cost, lack of space, losing space, etc. make up 66% of the responses. However, nearly all of them, **93% (28) would be encouraged to remain for the opportunity of artist housing.** This retention is in addition to the opportunity of expanding the artist presence in BelRed with artists who have left Bellevue but would return and with regional artists drawn to Bellevue for the first time for the opportunity of affordable artist housing. (see page 45 of the Technical Report for more information)





Yellow = highest density of population by zip code where respondents currently live.

ARTIST INTEREST IN:

PRIVATE STUDIO SPACE

The following statistics are about the **219 respondents** interested in private studio or creative workspace (1-year lease minimum).

219 (50%) OF THE 437 TOTAL RESPONDENTS ARE INTERESTED IN PRIVATE STUDIO SPACE

100 (46%) INTERESTED IN BOTH PRIVATE STUDIO SPACE & ARTIST HOUSING

118 (27%) INTERESTED IN ONLY PRIVATE STUDIO SPACE & NOT HOUSING TOO

Definition: Private Studio Space
Space designed for the creation or practice of art (e.g., for visual arts, performing arts, or other creative workspace needs). This space is not code compliant for residential use but may be in a building that includes residential space. Space is rented on a long-term (annual lease) basis.

CURRENT SPACE SITUATION

- **75 (34%)** have studio/workspace within the home
- **81 (37%)** don't have the space they need for their art/creative work
- **131 (60%)** operate a business or organization for their creative work

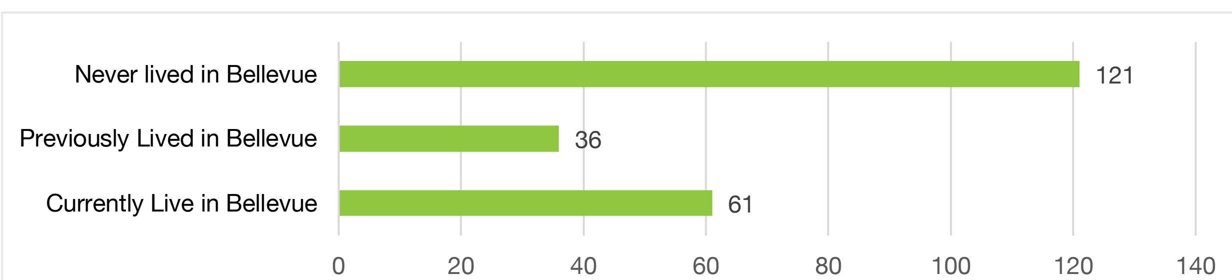
TOP ARTS, CULTURAL, CREATIVE INDUSTRY INVOLVEMENT

1. Painting/Drawing **– 44%**
2. Art education/instruction – **21%**
3. Photography – **19%**
4. Music – **17%**

(Note: Respondents could select up to 4 options)

45 (21%) RENT OR OWN STUDIO SPACE ON AN ONGOING BASIS, AND…

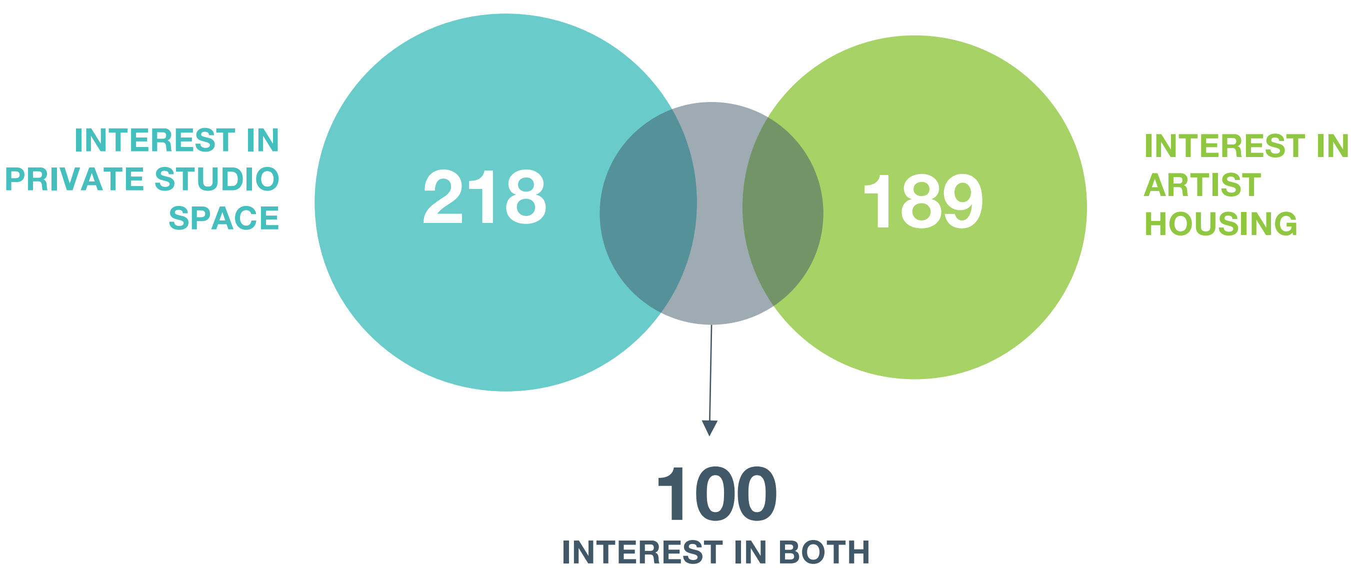
- **16 (35%)** Pay $1,001 or more per month
- **12 (27%)** Pay between $400-$1,000



DEMAND FOR PRIVATE STUDIO SPACE

Private studio space is rented long term under an annual lease agreement by a single renter who may or may not choose to share space with other artists. From a lessor's perspective, it is commercial or industrial space that is adaptable to the needs of the artist/creative. This space can be rented by a small creative business for the creation or sale of their art or product or by an individual artist for similar reasons. This space can be an interior space, a storefront, or located on an upper floor of a building. What is important is that the configuration, design, amenities, attributes, zoning, location, lease-term, and cost meet the need of the renter.

When calculating the demand for private studio space, Artspace uses the total number of respondents interested in private studio space (219) and discounts for certain factors including interest in multiple space types and the likeliness that they will share space with another artist. In Bellevue, 118 (27%) want studio space and not artist housing too, while 100 (46%) want both. 51 (23%) are interested in **only** private studio space and no other type of space.



76 (76%) PREFER TO RENT STUDIO & HOUSING AT THE SAME TIME

RECOMMENDATIONS FOR PRIVATE STUDIO SPACE

There is **demand for up to 74 private studio spaces.** This is in addition to live/work housing and shared creative space. **For greatest marketability of long-term rentals, spaces must be affordable and respond to the preferences described in this study.**

Private Studio Space Demand for Bellevue				
Factor	**Total Interested Artists Count**		**Discount Multiplier**	**Discount # (Total Interest)**
	#	**%**		
Total Interested Artists	218	100%		
Currently have some type of workspace	134	61%	**1/8**	**17**
Have never lived in Bellevue	121	56%	**1/3**	**40**
Prefer shared space scenario	7	3%	**100**	**7**
Would definitely share private studio space	54	25%	**3/4**	**40**
Prefer L/W scenario	8	8%	**100**	**8**
Unlikely to pay min. $1/SF	64	29%	**1/2**	**32**
Est. Market Support	**Up to 74 studio spaces**			**(144)**

FACTORS EXPLAINED:

- **Sustainable Rental Rates:** Typically, workspace needs to be rented at $1.00/square foot or more to be financially self-sustaining. A significant 154 (71%) respondents indicate an ability to pay $1.00/square foot or more. A discount of ½ is applied to those who cannot.

- **Interest In Both Live/Work Housing and Private Studio Space:** Respondents who are interested in both live/work housing and private studio space were specifically asked whether they would prefer to rent one or the other, or both simultaneously. 76% of those 100 respondents said they would prefer to rent live/work housing AND private studio space at the same time. Eight (8%) indicated they would prefer to only rent live/work housing. Since the

Project Concept we are testing includes live/work housing, we have discounted those 8 entirely. Overlapping interest in Shared Creative Space has been discounted likewise.

- **Currently Have Workspace:** While the workspace that some currently have may not be adequate or may be temporary, we assume that simply having access to workspace may lessen the urgency for some to lease new space. It also suggests that since there are other workspace options that if new space does not satisfy an artist's unique needs, it will be less marketable. We have applied a discount of 1/8th.

- **Have Never Lived in Bellevue:** Over half of the interested artists do not currently or have never lived in Bellevue. While most do live in the region and we assume they are familiar with Bellevue and have accounted for commuting time to new studio space (or are perhaps factoring a household move to Bellevue), there is the chance that the interest is overstated by those outside of the city. A 1/3rd discount is applied.

MARKET VOLATLITY CONSIDERATIONS

Artspace's demand calculation is conservative. It attempts to account for the many factors that can impact an individual's decision to rent long-term private studio space including fluctuating income and other economic factors that lead artists to cut costs by sharing workspace or renting space only as needed. Unlike housing, studio space is not essential space. It is a more volatile investment for funders, property owners and developers. That means it's critical to offer a diverse mix of private studio options and match not only affordability, but amenities and space features with the needs and preferences revealed by this survey. The following sections dive more into this.

STUDIO SIZES & RENTAL RATES

Understanding what interested respondents can afford to pay monthly and how large of a space they need is critical to planning for financially self-sustaining space that is also marketable. The following table from the Technical Report provides a summary of this information.

154 respondents out of 218 are willing to pay at least $1.00/SF per month for their private studio space. That amount is shaded in gray in the table below.

Count of Max/SF to Sq Ft at $1.00/SF or more per month	Under 100 SF	100-200 SF	201-300 SF	301-400 SF	401-600 SF	601-800 SF	801-1,000 SF	1,001-2,000 SF	Over 2,000 SF	Not Sure	Total	Total at $1.00/SF per month
$1-$99	2	9	0	1	0	1	0	0	0	0	13	2
$100-$200	4	15	7	4	5	4	2	0	1	5	47	19
$201-$300	0	12	4	3	0	2	0	0	0	1	22	16
$301-$400	7	3	7	8	7	0	0	0	0	1	33	25
$401-$600	2	18	9	10	9	4	2	0	0	0	54	48
$601-$800	0	0	2	2	2	1	2	1	0	0	10	7
$801-$1,000	2	3	1	3	6	3	7	0	0	2	27	25
$1,001-$2,000	0	1	2	1	0	0	2	1	0	0	7	7
More than $2,000	0	0	0	0	1	1	1	1	1	0	5	5
Total	**17**	**61**	**32**	**32**	**30**	**16**	**16**	**3**	**2**	**9**	**218**	**154**
Total at $1.00/SF per month	**17**	**52**	**25**	**24**	**18**	**5**	**10**	**2**	**1**		**154**	
%	**100%**	**85%**	**78%**	**75%**	**60%**	**31%**	**63%**	**67%**	**50%**		**71%**	

Based on the data and the summary statistics, a draft program plan for up to **74 private studio spaces** should consider units of varying sizes and price points. For example:

- **26 studios up to 200 square feet**
- **26 studios 300 - 400 square feet**
- **10 studios 500 - 600 square feet**
- **7 studios 700-900 square feet**
- **4 studios 1000 square feet**
- **1 studio 2000 or more square feet**

MOST REQUESTED PRIVATE STUDIO SIZE*

- 70% (347) would be served by **up to 500 square feet**
- **58% served by 100-400 square feet**

**A variety of sizes are needed*

- **Rents between $100 and $500 gross per month** will be marketable to a majority of interested artists (68%)
- **Larger studios could lease at $1,000/month**
- Rule of thumb is **$1.00 SF, especially for mid-size spaces**

When planning studios that are 1,000 square feet or larger, or more than $500/month, Artspace recommends pre-leasing, collecting letters of interest, and/or developing a waiting list before construction.

Most of those who currently lease/own studio space outside the home and want new studio are willing to **pay at least as much or more for new private studio space (32 or 71%), an encouraging statistic.**

STUDIO DESIGN AND FEATURES

Respondents are interested in private studio space for conducting a variety of activities. How space will be used impacts the construction, amenities, features, and even zoning of that space. **Developers interested in building private studios are encouraged to consider how artists intend to use their studios when concept planning.** The majority need non-industrial and low-impact workspace (e.g., desktop arts) and over a third want it to be accessible to the public for exhibitions and presentations. There are others who will need space that may not be compatible with residential zoning (or would require specialty construction such as higher fire-rated walls) because of the light-industrial uses. More information can be found in the Designing Space Best Practices section of this report (pages 44-47).

Private Studio Activities

- Studio-arts, non-industrial – **118 (54%)**
- Exhibiting or presenting – **70 (32%)**
- Light industrial – **45 (21%)**
- Desktop arts – **43 (20%)**
- Classes or Workshops – **43 (20%)**
- Rehearsals or movement – **38 (17%)**

**Respondents may have selected multiple options*

ARTIST SURVEY INTEREST IN:

SHARED CREATIVE SPACE

The following statistics are about the **248 respondents** interested in shared, specialized creative spaces accessed through a paid *membership or short-term rental. High demand for shared space is a common national AMS finding.*

---

248 (57%)

OF THE **437** RESPONDENTS ARE INTERESTED IN SHARED CREATIVE SPACE

93 (21%)

ARE <u>ONLY</u> INTERESTED IN SHARED CREATIVE SPACE

Definition: Shared, Specialized Creative Space

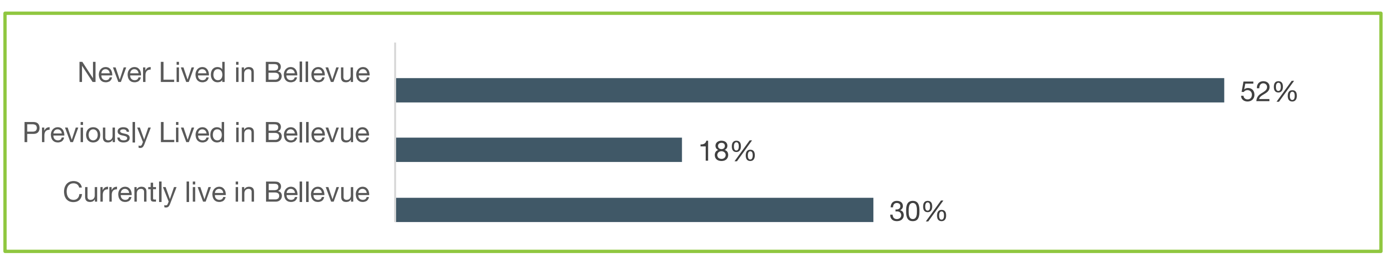
Space that may be available through a paid membership (e.g. makerspace or co-working space model) or rented for a fee on an hourly, daily, weekly or another short-term basis. Space may be available for a single renter's exclusive use during the rental period (e.g. film-screenings, rehearsals, theater, recording studio, meeting space or classroom) or shared with others at the same time (e.g. ceramics, jewelry or glass studio, dark room, kitchen, or scene shop). Some spaces may include equipment (e.g., woodworking tools, 3D printers, computers with design software, soundboard, kilns, torches for metalworking, etc.) Classes or training may also be incorporated into the overall space program.

TOP ARTS, CULTURAL, CREATIVE INDUSTRY INVOLVEMENT

1. Painting/Drawing - **35%**
2. Music – **25%**

**Respondents could choose up to 4*

RESPONDENT LOCATION (SHARED CREATIVE SPACE)



INTEREST IN SHARED CREATIVE SPACE

These spaces and associated programs are typically offered to artists through an operator that has leased long-term space from a property owner for that purpose. *Collaborative space models* which can serve this need include, co-working or makerspaces designed for specific uses such as ceramics, retail, desktop arts, or woodworking. *Private short-term rental* examples include, recording, rehearsal, or general use studios, or a classroom. The intent is to offer artists access to space and/or equipment that is too expensive or impractical for individual artists to lease or own long-term. Shared creative space can exist in the context of a multi-use facility, or independently.

With 248 (57%) of total respondents interested, it is the most preferred space type in this survey. Whether or not demand is sufficient to create new space(s) depends on the future operator's business plan. That plan will account for not only the level of interest in the space as identified here, but the cost of equipment and operations and what user fees and arrangements the market can bear for unique space. Those who currently operate space that address the needs identified, should be the first to consider expansion or new marketing efforts to reach the interested artists. As discussed later in this report, there is additional demand from organizations and businesses for similar types of spaces, which will factor into future business and space concept plans.

DEMAND FOR SHARED CREATIVE SPACE

Interest in new shared space is as varied as the industries in which the respondents are involved and there is not an obvious correlation between those top reported industries and the top types of spaces respondents are interested in. **The shared spaces of greatest interest are summarized here, but Section IV of the Technical Report contains the full list and should be reviewed by anyone who wants to create new space.**

MOST PREFERRED TYPE OF SHARED SPACES*

- Exhibition or Presentation – 79 (32%)
- General-use Studio, Non-industrial – 70 (28%)
- Teaching or Workshops (general-use) – 69 (28%)
- Rehearsal (dance, theater, music) – 57 (23%)
- Light Industrial – 49 (20%)

**Respondents could choose multiple options*

While demand for space is strong overall, the level of interest in each type of specialized space varies and there is some overlap with interest in studio space. 26% (33) of those who also want private studio space, would prefer renting private studio space rather than shared space. Most interested respondents do not live in Bellevue, (but do live in the region) and how frequently they would access space is unknown. These are the types of factors that should be considered in a business plan for new shared space(s).

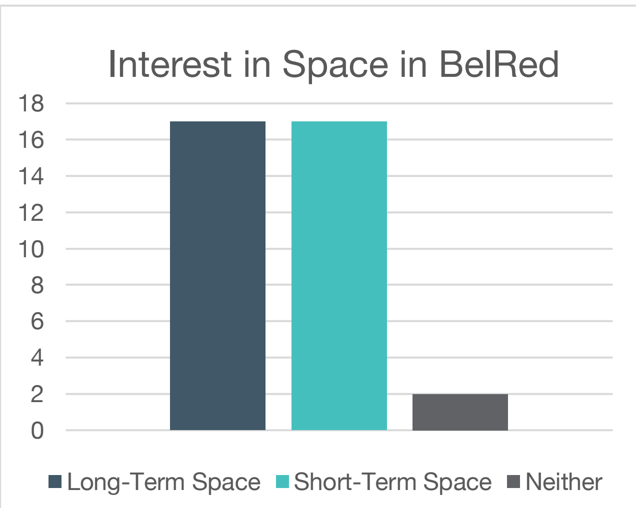
RECOMMENDATIONS FOR SHARED CREATIVE SPACE

Including shared creative space in any new mixed-use facility or developing a stand-alone facility for non-residential creative space uses, if feasible, is supported by the data (and reinforced by the input from organizations and businesses during focus groups). A multi-use facility would be enhanced by prioritizing space for **exhibiting/presenting (gallery, screenings, installations), and a general-use studio spaces for creating, rehearsing, and teaching**. Offering both short-term private use space(s) **AND** at least one space designed to be shared by multiple users at the same time would be welcomed and support individuals, small businesses, and nonprofits. Based on interest, a second-tier priority space would be light-industrial and could be provided in a makerspace arrangement. This type of space is more expensive to create and operate so further research and business planning by a future operator is recommended. **Identifying an operator who could lease commercial space in a new facility and offer the specialty spaces and programs preferred by respondents is a recommended next step.**

ORGANIZATIONS AND CREATIVE BUSINESSES INTEREST IN:

NEW CREATIVE SPACE IN BELRED

The following statistics and anecdotal responses were collected from the **21 organizations and creative businesses** that participated in a focus group and/or completed a related space needs questionnaire (19 submitted). While some of the same groups participated in both a focus group and the questionnaire, there were unique participants to both.



Most Needed CREATIVE SPACE ARRANGEMENTS in BelRed

(17-member focus group ranked responses)

1. **Multi-tenant rentals for nonprofits**
2. **Mixed-use (ground floor commercial, housing upper)**
3. **Long-term leases (5 years or more)**
4. **Pop-up locations**
5. **Short-term/flexible leases**
6. **Annual leases**
7. **Cooperative / Co-ownership**
8. **Ownership**

**A smaller, 3-person focus group ranked Short-Term/Flexible leases and Cooperative/Co-ownership in their top three. Short-term space needs are supported in the questionnaire findings.*

Long-term space rental interest *(questionnaire)*

Working Studios	13	68%
Flexible, large indoor/outdoor	10	53%
Retail/Commercial	8	42%
Office/Administrative	6	32%
Retail/Commercial	6	33%
Office/Administrative	6	33%
Storage (100sf or larger)	4	21%
Another type of space	4	21%
None	1	5%

Short-term space rental interest *(questionnaire)*

Working Studios	13	72%
Performance	11	61%
Events/Festivals	9	50%
Retail/Commercial	6	33%
Office/Administrative	6	33%
Storage	3	17%
Another type of space	2	11%
None	2	11%

QUESTIONNAIRE RESPONSES

Who are the Organizations and Businesses that participated?
**Questionnaire responses (19 total)*

- Over half (10) are a nonprofit
- 47% (9) have been in operation for 4 years or less and another 47% (9) having been operating for 10 years or more
- 79% are Bellevue-based (15)
- Over half (10) rent short-term space as needed
- Forty-two percent (8) have a one-year or longer-term lease

What is their space affordability concerns?
**Questionnaire responses (19 total)*

- 4 (50%) of the groups with long-term space are **concerned about rising costs**
- 5 (50%) consider the cost of their current short-term space to be unsustainable or are concerned about rising rents

What are their space needs?
**Questionnaire responses (19 total)*

- **Long-term working studios** are of interest to 68% (13)
- **Short-term** or occasional rental of **performance** (11 or 61%) and **working studio** (13 or 72%) space
- 9 (50%) are interested in **short-term event or festival space**
- **Month-to-month** rental is the preferred arrangement for 14 (87%), followed by hourly rentals (of interest to 9 groups). There is also an interest in membership arrangements. 8 would consider paying a membership fee for unlimited access.

There is some **willingness by three of the organizations/businesses to pay more for space than they do currently if it better meets their needs**. This suggests not just affordability concerns, but missing products in the marketplace.

- 1 would pay more for long-term space
- 2 would pay more for short-term space

What they can pay and the types of spaces they require (how they would use the space) varies widely and cannot be meaningfully generalized.
**See Attachment II for more information about what is an affordable rent.*

FOCUS GROUP THEMES

The focus group discussions centered around broader space needs, challenges, and opportunities in Bellevue and specifically the BelRed Arts District. Mentimeter (mentimeter.com) was used to solicit real-time anonymous input. Rankings and preferences reported below reflect the question responses given by 19 participants who entered them into the platform. The following anecdotes and themes suggest that **cost is a concern for these groups**, and they would benefit from other types of support as well (including marketing and business development assistance). New space should be accessible and flexible (scheduling and design and offer technology and free or low-cost parking options. **A multi-use tenant and/or a mixed-use project where they can have short and long-term (5-years or longer), affordable space is a significant need.** A micro business venue and makerspace were included among the space types of interest.

CHALLENGES AND CONCERNS

**The following are a summary of question responses and discussion feedback. For more information see Attachments.*

Q: What are the biggest space related challenges you face in Bellevue/BelRed [OR] What concerns to you have about relocating to/renting space in BelRed?

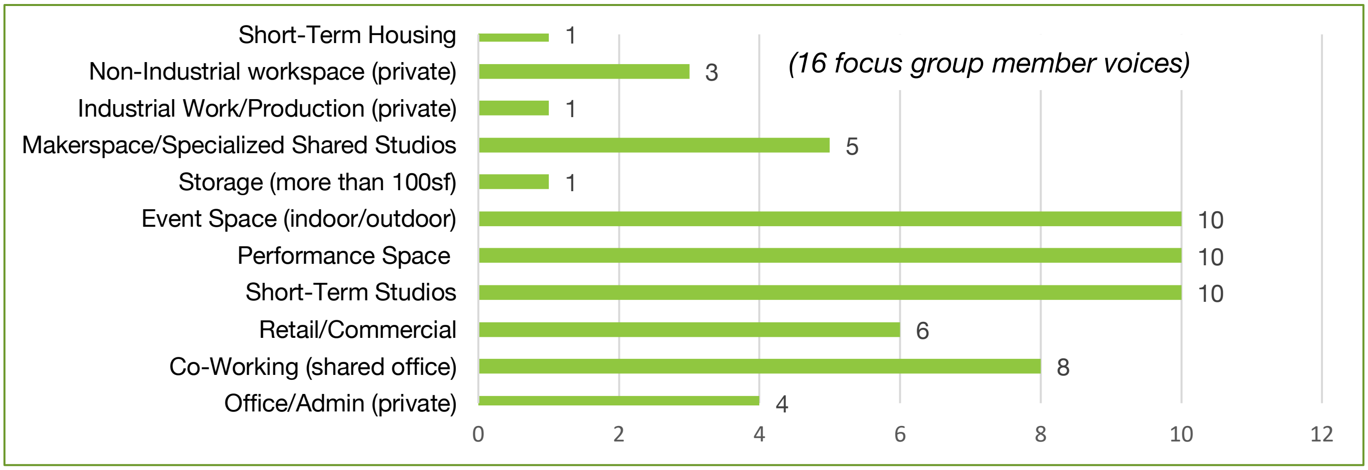
- **Cost** was the most cited space related challenge or concern in Bellevue/BelRed.
- **Accessibility** (ADA and location), **types of space options, and regulatory concerns** were also mentioned.

SPACE NEEDS

Q: What types of spaces are most needed to retain/attract organizations/creative businesses in BelRed?

- **Short-term studios, performance, and event space** were cited as the top needs.
- **Co-working** (shared office/meeting space) and **retail/commercial** space (gallery, café, boutique, etc.).

What type of spaces are most needed to retain/attract organizations/creative businesses in BelRed? (*Choose Top 4*)



Q: Which creative SPACE ARRANGEMENTS are most needed in BelRed?
**Top needs*

- #1 Multi-tenant rentals for nonprofits/small businesses
- #2 Mixed-use (ground floor commercial, housing upper floors)
- #3 Long-term leases (5 years or more)

Also mentioned during focus groups was a **need for micro venues for small entrepreneurs and the importance of co-location of nonprofits and for-profit enterprises.**

SPACE DESIGN AND AMENITY CONSIDERATIONS

Q: What working studio attributes are most important?
**Top responses*

- Parking (a caveat for free or affordable was given)
- Flexible, configurable, multi-use
- Other answers included: ADA accessibility, spaciousness (high ceiling, no pillars, flowing), resilient flooring, natural light, safe, soundproof, ventilation, recycling, free Wi-Fi and hotspots, green space, special electrical wiring (110-220-240)

Q: What <u>retail/commercial</u> space attributes are most important?

- Air conditioning
- Market space for locally made merchandise, art and food
- Parking
- Storage
- Walkable and nightlife write-in responses suggest a location that is vibrant and visible to the public (including clear glass at storefronts)

Q: What <u>performance space</u> attribute or arrangement are most important?

- Flexible space for rehearsing, performances, and workshops
- Size and space type ranged from an informal/café for 30-50 person crowd to a community space holding 350-700 people
- Indoor/outdoor (all-season options)
- Affordability ("cost")
- Parking/easy access
- Audio/visual capability
- Many comments reflect an interest in a "friendly" and "inviting" and vibrant space with multiple uses (e.g., dance and music studios) and adjacent complementary businesses such as: cafés, galleries, coffee shop, small businesses, bakeries, and interactive spaces.
- E-gaming and e-sports were suggested as potential shared performance space users. There was interest in showcasing space for gamers and more cross-connection with the gaming community.

Q: What <u>flexible, large indoor/outdoor program</u> space attributes are most important?
**Input related to event and performance space needs*

- Audio and projector capabilities
- Exhibition walls
- Mirrors (for costume changes)

Q: What space needs/attributes did we not touch on?

- Technology capabilities (including broadcasting for podcasts, audio/video, etc.)
- Cooking classes, kitchen spaces
- Space that is dedicated to the arts/creative uses
- Environmentally friendly building and management practices/including green space
- Outdoor space and/or mores and improved parking spaces (include bandshells)

- Industrial and technical space/equipment and high-tech fabrication.
- Makerspace and spaces not available through Pratt
- Micro business venues with 50-75 capacity for markets, pop-ups, and testing new products, performances, and experiences
- Storage

Q: Name successful shared space arrangements or "must-haves" for you to share space -

- **Models/Case Studies**:
  - WeWork (but, for sharing a large studio space)
  - CultureWorks in Philadelphia
  - Community center rentals in-general
  - Baryshnikov Arts Center
  - Georgetown Arts and Cultural Center
  - Pratt Fine Arts Center, King Street Makers (pop-up events)
  - A maker space the BARN (Bainbridge Artisan Resource Network)

- **Must Haves:**

  - Affordability and rental flexibility (e.g., no minimum rentals or additional fees; month-to-month and annual leases, equitable access, 24-hour access)
  - Staffed space and security
  - Parking

Q: Name some long – or short-term space opportunities in BelRed/Bellevue –

- Kids Quest Children's Museum (when closed/classrooms)
- Marketplace at Factoria (public access)
- Vance Building in Seattle
- Hyatt and Westin Hotels (meeting spaces)
- Light industrial/business parks
- Public library space
- Churches
- Schools
- Community centers
- Farmers markets
- Corporate headquarters (weekend use of rooms and cafeterias, event spaces). Specific retail space examples included REI, Amazon, Bellevue Technology Center, Meta/Facebook, PSE (Puget Sound Energy), Vulcan Real Estate and Wallace and Kempner Shopping Center Development which are multi-tenant properties seeking a diversity of businesses including locally owned.

SUPPORT AND CIVIC POLICIES NEEDED
to help organizations/businesses thrive in BelRed

- Reduced fees for nonprofits (tax write-off for owners) & small business concessions
- Small business development support, including grants, tech assistance, and market research
- Promotion of businesses and BelRed (include nonprofits in community publications/events)
- Broader promotion of city support services including licensing and permitting liaison
- Leverage arts uses/spaces in new developments as a public benefit requirement that would be codified in the entitlement process
- Networking events (within arts community and between nonprofit and for profit sectors)
- Prioritizing minority and women owned businesses
- Allow community events in parks
- Free space in farmers markets
- Funding and grants; consider a cultural access tax like in Tacoma and (at the time of the focus group meeting) on the ballot in Olympia. 1% sales or new large scale development tax.

DESIGNING ARTIST SPACES

Planning for new space requires more than just quantifying interest in artist housing, private studio, and shared creative spaces. Location, rental costs and lease terms, shared amenities, size, and design features all impact marketability of new spaces. Thus, Artspace offers the following design best practices to assist developers of new creative space, informed both by the Bellevue Creative Space Needs Survey data, as well as Artspace's 30+ years designing artist projects.

DESIGN FEATURES AND AMENITIES

GENERAL GUIDELINES

If buildings are designed to incorporate features and amenities that artists prefer, then the artists are better served and spaces are more leasable. In the design phase, developers should be mindful of the requirements of different types of art making (e.g. natural lighting, outlet quantity and location, flooring, firewall separation, heating/cooling, ventilation, noise attenuation, ceiling height, running water/slop sinks, and floor drains, etc.). Many artists need safe and secure storage and the ability to easily load and unload projects, materials, and equipment. This means wide hallways (6-foot width minimum), oversized doorways and elevators with 3,500 pounds capacity. Loading zones and space for package pick-ups and receiving are also useful. Certain art materials can be toxic, impacting design and protocols for waste disposal bins and utility sink drains. Live/work housing and studio surfaces should be highly durable and low maintenance (e.g., stained/polished concrete, sealed/epoxy coated concrete, ceramic or porcelain tile, or linoleum or wood products, and no carpet).

LIVE/WORK HOUSING

Through Artspace's operation of more than 50 live/work housing buildings over the past thirty years, we are well-versed in the needs of artists in their living and working spaces and balancing that need with low-maintenance cost-efficient features that support sustainably low-rents. Live/work housing units should be designed to maximize flexible, unencumbered space. In addition, the following features are recommended.

IN-UNIT AND SHARED-SPACE FEATURES (LIVE/WORK ONLY)

While some features may be cost prohibitive, consideration should be given to each. The more preferred features that can be incorporated into the project design, the more usable and marketable the spaces will be to artists and their families.

- **Galley Kitchen -** Kitchens should be open, galley, straight, or "L" shaped layouts with no "islands." The sink should be a single, extra deep basin, stainless steel preferred, with no garbage disposal.
- **Wiring for high-speed internet –** High speed, high bandwidth internet is consistently an essential feature preferred by artists. New space should aim to provide the necessary technological infrastructure to support tenants' creative work and lifestyle.
- **Abundant natural light –** Abundant natural light within the live/workspace is important to artists. Any new development should optimize natural light sources to aid the creative work of its future residents.
- **Unit soundproofing:** Soundproofing is often a preferred space feature of those interested in live/work housing. While it may be cost prohibitive to soundproof all the live/work units, consideration could be given to sound attenuating design that limits noise between units. Offering a soundproof space for residents and non-residents for rehearsal and recording purposes could help support the needs of the performing arts community.
- **Washer/Dryer hook-ups in unit:** While a project may include shared laundry facilities, artists prefer in-unit washer/dryer access. However, if offering this feature, plan for the financial impact from an increase in building water usage.
- **High ceilings:** Ceilings that are at least 10 feet in height are desirable to those interested in live/work housing. High ceilings provide space for tenants to create large-scale artwork, set up necessary equipment, and move, jump, and lift without obstruction.
- **Storefront/Direct Street access for retail sales:** A key to an artist's financial sustainability is access to the public so that they can sell, perform, and share their work. Artists sometimes prefer an option that will allow them direct access to the outdoors to admit clients, customers, and other members of the public. Any new project design could consider a few "storefront" options. At the very least, a shared, multi-use space ("community gallery") should street visible and provide secure, easy public access for events.
- **Special ventilation:** While again, it may be cost prohibitive to install special ventilation in every studio unit, design and engineering should take into

consideration the toxic nature of many art materials. Consider allocating a shared private studio(s) space within a building with enhanced ventilation for varnishing, spraying, and where use of toxic substances is safe and permitted.

COMMUNITY GALLERY AND MULTI-USE DISPLAY SPACE

Live/work housing in its general conception provides residents the opportunity to collaborate, but all artist facilities should have a shared space that enables collaboration and inspires a sense of community. A flexible, multi-use space with adequate lighting can provide an opportunity for the public to enjoy art and for artists to present and sell/perform their work. Artists should be allowed to hang, paint, and display their art in the hallways too.

Shared, multi-use, gallery spaces should have floor outlets approximately every 12 feet. Walls should include a ¼ inch layer of plywood behind the gypsum board for hanging artwork; there should be a minimum of 3-foot-high plywood installed, at 40 inches from the floor, up to 76 inches (and if cost and time allow, add a foot on each side to accommodate large artwork). Walls should be a neutral color and suitable for displaying artwork. Include two types of lighting when possible: general overhead lighting and directional track lighting for the artwork. Install track lights to light the area where art is traditionally hung at a 45-degree angle. Also include separate light switches for both sets of lights and a hanging system.

PERFORMING ARTS SPACE

When designing for the generalized needs of performing artists, the four considerations are unencumbered space (i.e., no posts or pillars), high ceilings, adequate and performance lighting, and sound quality. Specific uses have different requirements such as sprung floors for dancers and black out curtains for performance or projection.

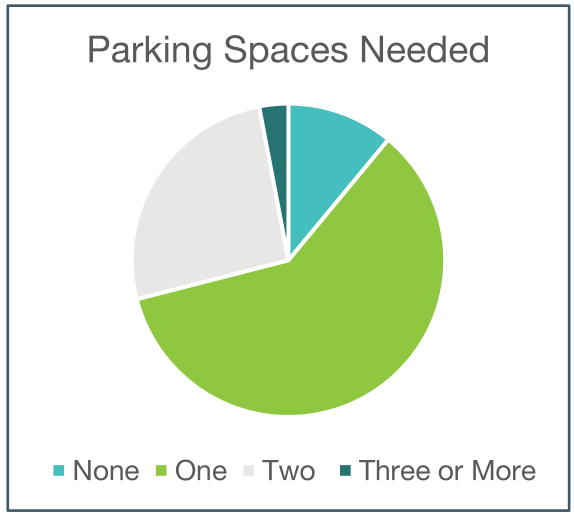
OTHER FEATURES

A property management office should be located on the first floor near the main entrance. The exterior of the building should have low maintenance finishes. Consider providing artist-designed bike racks for visitors and bike storage for residents. Consider local artist-designed components throughout the interior and exterior of the building. A green space and community garden is always appreciated and supports both healthy eating and culinary artists and herbalists. Public restrooms for commercial and communal space should be inclusively designed as at least two gender neutral restrooms and include a diaper changing station in at least one unit. Storage should be provided for tables and chairs, and a small prep kitchen will support events. Artspace has a plethora of resources on designing artist spaces and is also available to consult with developers looking to create space for artists.

BELLEVUE SPECIFIC DESIGN FEATURES AND AMENITIES

TRANSPORTATION AND PARKING

Respondents interested in artist housing (189) were asked the number of parking spaces they would need. 60% (113) of respondents indicated they need at least one parking space for their household and 26% (50) would need two. However, 38% (65) say that if light-rail is within walking distance their parking needs would be reduced. This potentially offers an argument for fewer on-site parking spaces under the right conditions.



FURTHER SURVEY PARTICIPANT ENGAGEMENT

Respondents indicated an interest in receiving updates about the project and being contacted about new creative space opportunities in the BelRed Arts District. Contact information for those who requested more information on several different topics is provided separately from this report to the City of Bellevue. It can take several years to realize a new space and keeping interested parties engaged is important. Periodic and important project updates should be provided to those **260 (59%) respondents** who requested this information.

It is assumed that survey respondents, while broadly representative of the market, are unlikely to be the same individuals who ultimately rent new live/work or studio space. For this reason, Artspace recommends that outreach and artist engagement in Bellevue be ongoing so that new artists who may not have participated in this survey can have a voice in the process and be among those to learn about new space opportunities. This will help ensure the longer-term relevance of these findings and support a successful project lease-up.

DIVERSITY AND INCLUSIVITY

One measure of success of a future project is how inclusive it is and to what extent its residents and tenants reflect the diversity quotient of Bellevue and its Metropolitan Statistical Area (MSA). Despite best efforts, surveys of this nature are limited in their ability to engage everyone and, in return, may not truly reflect the diversity of a region regarding age, gender, race, income, ethnicity, and even artistic discipline.

The City of Bellevue and the Core Group made a concerted effort to target diverse voices and succeeded to a degree. Survey respondents from across the region identified as Asian/Asian American (16%), Multiracial/Multiethnic (9%), Hispanic/Latinx/Latino(a) (7%), and White (57%). According to demographic software Esri Community Analyst, in 2022 Bellevue's population is estimated to be Asian (41%), two or more races (8%), Hispanic Origin (7%), and White (44%).

In terms of gender, 64% of survey respondents identified as female, 29% as male, and 7% as non-binary. Comparatively, according to ESRI Community Profile, in 2022 females made up 50% of the Bellevue population. While direct comparisons cannot be accurately made from the broader community to the creative sector due to the convenience sampling method of this survey, attention should still be paid to engaging diverse populations, as well as all genders during future outreach. In the experience of Artspace, the community's creative sector is typically as diverse, if not more, than the broader population.

Survey Respondent Race and Ethnicity			*Bellevue 2022 est.
White/Caucasian	247	57%	44%
Black/ African American/Caribbean	24	5%	3%
Multiracial/Multiethnic	41	9%	8%
Hispanic/Latinx/Latino(a)	29	7%	7%
Not Listed	13	3%	N/A
Asian American/Asian	71	16	41%
Indigenous/American Indian/Native Alaskan	5	1%	0.4%
North African/Middle Eastern	4	1%	N/A
Pacific Islander, Hawaiian Native, Samoan	3	1%	.2
Total population	**437**	**100%**	**104**

**Bellevue MSA 2022 Source: Esri Community Analyst. The census data approach is that persons are either Hispanic or Non-Hispanic. Those persons that identify as Hispanic may be of any race, thus totals result in percentages above 100%.*

CONCLUSION

There is demonstrated market demand for up to 66 artist housing units in Bellevue's BelRed Arts District that are affordable to households at or below 60% of AMI. The market is slightly greater for mixed-income housing. **There is also demand for up to 75 private studio spaces of varying sizes and rent targets and available under a one-year or longer lease term.** Because non-residential space can be more sensitive to marketplace changes, new studio space might be phased in over time, and certainly offer the features, amenities and affordability required by interested artists**. New shared, specialized spaces should also be introduced into BelRed** by operators who want to serve the individuals and groups that need the flexibility of short-term or shared space arrangements. **An incubator or makerspace facility would be a reasonable model to consider for a multi-use commercial space initiative, as would including affordable commercial space in a mixed-use facility.**

The information in this report can be used to inform future City of Bellevue and private development led space initiatives.

The Technical Report Attachment, upon which most of the Findings Report is based, provides an in-depth breakdown of survey responses and offers additional context and data for concept planning new housing, private studios, and shared, specialized space and programs. Reponses from Organizations and business representatives interested in new space for themselves and in making the BelRed Arts District a sustainable location for the creative sector offer additional planning guidance. In order to encourage investment in new space, all this information can be shared with city officials, funders, and other stakeholders who value a sustained and thriving creative sector in Bellevue.

Artspace appreciates the opportunity to complete this Arts Market Study for the City of Bellevue and commends the Core Group and other community volunteers for their dedication and work to engage the creative sector in this study.

APPENDIX A

Participating Artists and Their Creative Work

The following list contains the handles and websites of artists who participated in the survey and gave permission to publish that information here, so that readers may learn more about their creative work. While the primary purpose of this study is to understand creative space needs and preferences, Artspace celebrates the creative people who live and work (or would like to) in the communities we serve. This is one way we help to raise the visibility of the creative community.

Websites	Handles
oviart86.com	@oviart
alialassadi.com	@Ali.alassadi
apiaryartanddesign.com	@apiaryartanddesign
interiorharmony.design	@interiorharmony_design
akhtarbadshah.com	@Akhtarbad
gailbakerartmaker.com	@Gailbakerartmaker
glassyrockarts.com	@glassyrockarts
davidbellard.com	@davidbellard.art
lanablinderman.com	@lana_blinderman
carol bolt.com / thebookofanswers.com	@carolbolt.art / @carolbolt
jbouvierarts.com	@jahi_bouvier
Kdeloiseart.com	@Kdeloiseart
jkcalladine.com	@jkcalladine
larinechung.com	@larinechung
facebook.com/happybodysoaps	@happybodysoaps
sarahcrumbart.com	@sarahs_crumbs
reydaoed.myportfolio.com	@reydaoed
kokaneeclay.com	@kokaneeclay
paulamaratea.com	@paulamaratea
renaissancetwenty-one.com	@the.supremecreator
oceanskylab.com	@oceanskylab
romangoron.com	@namorogmusic
instagram.com/artbykeek/	@cyrptoeek on twitter
shelihadari.com	@shelihadariart
redesign.center	@redesign.center

khalilishmael.myportfolio.com/	@khalilishmael
hibajameel.com	@_hibaiam_
karenjohansonart.com	@karenjohansonfineart
amandamjorgenson.com	@amandamjorgenson
Jessikakearnsart.bigcartel.com	@jessikanw
samarpitcrew.com/	@samarpitcrew
jameslillyart.com	@james_lilly_art
malkinart.com	@pmalkin
kademarsili.com	@kademarsili
21entites.com	@21entites
spectresequence.com	@spectresequence
sevenishmagpies.com	@sevenishmagpies
dnartists.com	@delta_na
heatherota.com	@heatherota.art
rinapatelart.com	@rinapatelartist
sandrapenney.com	@s.e.penney
pictureswithin.com	@pictureswithin
facebook.com/mousecatstudios	@mousecatstudios
lwso.org	@lwsorchestra
michaudsavage.com	@michaudsavage
slant-6.com	@slant-6
cocospadoni.com	@Cocospadoni
arttrek.com	@annmariestillion
mackistratton.com	@macki.painting
artbreakerbt.com	@artbreakerbt
wintergrass.com	@Wintergrass
kimvansomeren.com	@kimmyvans
magpyecat.square.site	@magpyecat
valenciafineart.com	@valenciafinearts
bellevueStudio.com	
authenticwritingprovokes.com	
cityoperaballet.org	
resonance.events/	
japancreativearts.com	
interlakeccc.wixsite.com/website	
leogwin.com	
drumchops4u.com	
	@Heyitsjenb
	@ginsoakedraisins

	@rrrrreinnnnn
	@esoveresmeralda
	@christophsagemuller
	@heartlesstwyla
	@irisarte915
	@Karasickglass
	@navioliravioli
	@DTICRETIVESTUDIOSIX
	@original_kari
	@juliet.af.fineart
	@piecesofpenelope
	@studiogosho
	@oilartbyanika
	@Waxdrawing
	@saint.jermain

APPENDIX B

Organization and Creative Business Focus Group and Questionnaire Participants (21)

- ArtMa Pop Up
- Bellard Fine Arts
- BennyRoyce Dance
- Cheung, Angela – arts advocate
- City Opera Ballet
- DDG? Dance?
- EastHUB
- Eurasia Arts Foundation
- Evergreen Association Fine Arts
- Evolution studios, Inc.
- Full Bloom Aerial Arts
- Gaming Center
- Gulatti, Ashmita – Artist / Bellevue Arts Commission
- Hindi Time Kids
- Huayin Performing Arts
- Northwest Arts Center
- Performing Arts Center Eastside (PACE)
- Pacific Northwest Art Laboratory
- Ryan James Fine Arts
- Tasveer South Asian Film Festival
- VC Bynum Arts & Education
- West Coast Drum Shop
- Wintergrass
- Xin Xin – Visual Artist