



Olympia City Council Referral Request

2017-000CS*	2017-0014JR
Date of Referral	May 16, 2017
Originator	Councilmember Jeannine Roe
Referral To	General Government
Request	<p>The request is for the General Government Committee to receive a briefing on the Spaceworks Tacoma program to see if it could be an idea to explore for Olympia.</p> <p>Spaceworks Tacoma started in 2010 as an initiative designed to activate empty storefronts and vacant spaces in Tacoma. Artists and “creative entrepreneurs” temporarily occupy and bring life to unused spaces.</p> <p>The Spaceworks briefing would be an opportunity for the Committee to meet in the community and bring in the local artist and business community to learn more about the Spaceworks program.</p>
Options	None. Briefing only.
Timing	Within the next three months
Attachments	<p>The News Tribune article: <i>Spaceworks Partnership Helps Tacoma Artists meet Financial Challenges</i></p> <p>SouthSound Talk article: <i>What Exactly is Spaceworks?</i></p>

*Numbering consist of current year-3digitnumber- requesting Councilmember’s initials.
(e.g., 2016-003CS = third referral in 2016, requested by Mayor Cheryl Selby)



LOCAL

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Spaceworks partnership helps Tacoma artists meet financial challenges

BY ROSEMARY PONNEKANTI

Staff writer

Thirty-nine new businesses leasing their own space. More than 100 art installations in eight downtown spaces. Ten murals. A \$150,000 budget.

In five years, the City of Tacoma's Spaceworks program has come a long way from just matching up artists with empty buildings.

In partnership with the Tacoma-Pierce County Chamber, it gives artists temporary studio space and organizes business training and a rent-free incubation period for start-ups.

ADVERTISING



As it celebrates its fifth anniversary, Spaceworks can take the credit for a lot of Tacoma's business and vibrancy in downtown and beyond.

But the partnership still has challenges to its long-term viability: finding more affordable space and more money. And at least one gallery owner sees some downsides.

For Amy McBride, the city of Tacoma's arts administrator, the program is a success.

"It has exceeded my wildest fantasy for what I thought possible," said McBride, who thought up the program five years ago.

"It started as just putting art in empty spaces and has become one of the more robust business training programs we have," said McBride, co-chair of the Spaceworks steering committee.

"It helps businesses become more sustainable, and transforms the community because businesses stay in place and thrive."

Robert Boyle, a co-founder of a downtown skate shop, credits Spaceworks with helping reduce the sizable risk that comes with opening a retail business.

Building owners who participate in the program don't charge rent for the first six months.

"That allowed us to invest all of our profit back into inventory," said Boyle of Grit City Grindhouse. "That's really important for a retail skate shop."

But not everyone likes the influence Spaceworks has had on Tacoma's arts.

"They're so successful," said artist and private gallerist Oliver Doriss, who said his business has been affected by arts-goers who assume he's funded by Spaceworks and doesn't need to sell art.

"They've co-opted the entire arts scene of Tacoma. ... You get to thinking, do you beat them or join them?"

AN UNUSUAL PARTNERSHIP

Spaceworks began as McBride's idea to liven up vacant storefronts with art, but it has turned into an unusual government-business partnership considered by most to be a win-win for everyone.

Initially, the city provided money and the County Chamber found appropriate vacant properties and landlords. A third partner, arts nonprofit Shunpike, covered insurance and leasing.

Embryo businesses got a little training and six months essentially rent-free to pursue their plans.

The total cash budget was \$51,300.

At the end of 2012, Shunpike's contract ran out at the same time as the city's budget to pay it. Shunpike took the Tacoma model to Seattle and began the successful Storefronts art program.

Spaceworks' future looked shaky.

"We were holding it together with spit and gum," McBride recalled.

Then, in 2013, the program got some funding from a Community Development Block Grant: federal money allocated by the city to encourage economic development. The chamber took more of a role, granting office space and paying staff members.

"That was the turning point," said Spaceworks' current manager, Heather Joy, who came on board at that point. "It helped to stabilize the program."

By the 2013-14 financial year, the federal grant had risen to more than \$77,000, and income from the city's arts funding, the National Endowment for the Arts and various foundations had increased.

Now, Spaceworks has a \$145,000 income, aiming for \$150,000 in 2015-16. This includes a just-announced \$5,000 Innovative Grant from the city, \$9,000 from its general fund and \$93,000 from the federal grant.

Of that budget, two-thirds goes to staff salaries (one full-time and one part-time employee, plus a paid summer intern) and about a third to artist stipends and the creative enterprise program.

But financial challenges remain.

Spaceworks doesn't run on government money alone, and is trying to ramp up the foundation and corporate dollars to stabilize the program in the future.

"We have to fundraise to keep doing what we're doing," Joy said.

INCUBATING BUSINESSES

When McBride got the idea for a way to bring vibrancy to vacant space, she was mostly thinking of art.

Now Spaceworks is as much about business as it is about art, partly thanks to a gradual development of the business training it offers.

Catering to creative types who might not have any business knowledge, the program teaches marketing, financial management, how to make a business plan, licensing and insurance.

It ends with participants giving a presentation to a panel of experts for feedback.

Alison Bryan was an early recipient of a Spaceworks grant. For years she ran her furniture business, The Modern Cottage Company, out of her garage and never considered a storefront.

A Spaceworks grant allowed her to learn about merchandizing and other aspects of retailing. Four years later, she puts those lessons to use in her second storefront on North 30th Street, where she pays market-rate rent.

"I figured out I was really good at it," she said. "If I hadn't gotten (Spaceworks) space, I wouldn't have a store now."

Spaceworks "was the catalyst that got me where I am now," she said.

The program's results are small businesses that might not bring in enormous profits, but that seem to thrive in hard-to-rent spaces and bring people into Tacoma through unique products.

Joy cites Tinkertopia as a good example. The 2012 alum-turned-profitable Pacific Avenue store sells recycled items as art supplies, offering art studio time, birthday parties and the like.

Other success stories are SPUN Clay Arts Studio, which runs clay art classes, and Grit City Grindhouse, which sells skate gear and supports local deck designers and nonprofit and fellow alum Alchemy Skateboarding.

In the past year, the program has expanded beyond downtown with Blue Octopus paint studio near Ruston and the Arts and Crafts Press on South Tacoma Way.

The program succeeds, McBride said, because unlike traditional business training programs, it connects both arts and business.

"We think, 'How does creativity enter into the mind of a business person, or how do creative people get business training?'" she said.

By using space for creative enterprise, Joy points out, the program "generates new jobs and businesses" — something recognized by the federal funding.

Rane Shaub, who manages the Bowe's Building at South Ninth and A streets, said Spaceworks provided a tenant when there was no other to be found. Shaub and the tenant are negotiating a regular lease.

"There's so much vacant space around Tacoma," he said. "We resorted to this because we didn't have a better option. So far it looks like a great deal because it gave a business a start, and we might end up with a lease."

Not every Spaceworks project works, of course.

Many early participants haven't gone on to lease space, with 19 of the 58 alumni operating either noncommercially or simply stopping business.

Joy attributes this to the fledgling stages of the program.

"Incorporating more business training in 2013 really helped, rather than just handing them the key and saying, 'Go for it,'" she said.

"The experience was wonderful," said Cindy Arnold, a theater artist who operated her children's art-theater experience, Live Paint, at a Martin Luther King Jr. Way space in 2011 before moving out to perform out of town.

"It really helped me get a feel for how a brick-and-mortar operation works," she said. "It also gave me insight on how to build community and work with volunteers. ... I would do it again."

Letterpress artist Jessica Spring was especially happy with her space.

"When I had the opportunity to exhibit at the old post office, it completely informed my work," she said.

"The funky display cases and vintage environment made for an installation — a miniature museum — that just wouldn't have happened in a gallery setting."

MAKING SPACE FOR ART

Another pillar of Spaceworks is art, and in five years the program has seen plenty of it, mostly downtown.

In eight locations, there have been 108 Artscapes installations, beginning with the Woolworth Windows and expanding to the Old Post Office, storefronts along Pacific Avenue and recently an entire floor at 1120 Pacific Ave.

In addition, several residencies give an artist a space for anywhere from one night to six months for an exhibit.

Since 2013, Spaceworks has rotated murals on the vacant building at Market and South 11th streets, as well as another at South 13th Street.

"The Spaceworks space was my artistic version of a spring in Paris," said Arnold. "A great and grand adventure. The staff of Spaceworks really helped me feel valued and important."

TRANSFORMING COMMUNITY

Beyond training creative business people and offering temporary space to artists, Spaceworks' mission is to encourage community.

Tacoma's Hilltop is a good example of a community that's benefited from Spaceworks.

One of the first locations for the creative enterprise program — the stretch of Martin Luther King Jr. Way from South Ninth to 14th Streets — has gone from boarded-up storefronts to a string of nonprofits and commercial enterprises.

These include an apparel shop, a concrete designer, a clay art studio, a recording studio and a piano restorer, plus two arts nonprofits (Fab5 and Write@253) who reach out to local youths to give them artistry, community and life skills.

All went through the Spaceworks program and are paying a regular lease — two of them since Spaceworks' early days in 2011.

Along the way, the Thorp building, which houses Fab5 and Write@253, has played host to some tiny theater endeavors — Live Paint and Toy Boat Theatre — that have brought audiences into the neighborhood.

"It's been a huge success in reducing vacancy in my block," said Oliver Doriss, a glass artist who runs Fulcrum Gallery out of the building he owns at 1308 Martin Luther King Jr. Way and who lives on the block.

As an artist and gallerist, though, Doriss regards Spaceworks as both blessing and curse.

"The downside is that everyone assumes I'm also a Spaceworks space," said Doriss, who, unlike Spaceworks' participants, must sell art to break even.

"Having put my heart and soul into this, I find that insulting.

"I've never received any support from the city. People already don't buy art, and for them to assume I have other funding is heartbreaking."

The other way Spaceworks contributes to local communities is by creating arts-based events that bring folks together and give extra exposure to Spaceworks participants.

A party Spaceworks is holding Saturday to celebrate its fifth year is a good example.

The free public street party will showcase its businesses and artists in a way that includes everybody, from skateboarding (Grit City Grindhouse) and dance lessons (the new Sound Movement Arts Center) to free coffee (from Spaceworks newbie Pop-Up Coffee) and locally made films (Isaac Olsen of Schnelluloid Films).

At 5 years old, Spaceworks has a lot to celebrate, but it also has to think about what's ahead.

Like the program itself, its alumni businesses are still in the fledgling stage, easily closed by market issues or landlord problems.

More fundraising is needed to keep the program viable and to increase artist stipends; more spaces are needed to keep participants moving through.

"It's one thing to survive five years," McBride said. "Now what? How do we grow and be effective in the community?"

Some of the things she has in her sights are a strategic plan, exploring other Tacoma districts and helping established alumni expand their businesses with more employees or franchises.

"We have five years' of alumni (to) look to as we grow," McBride said. "The value isn't just space, it's connecting people."

Staff writer Kathleen Cooper contributed to this report.

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FIFTH ANNIVERSARY CELEBRATION

Spaceworks will celebrate its fifth anniversary Saturday with "High Five," a free arts-based party at People's Park on Tacoma's Hilltop.

Featured throughout the evening will be artists and creative entrepreneurs who have benefited from the program.

"Without their incredible talent and commitment, plus the support of our community, Spaceworks itself wouldn't be possible," manager Heather Joy said in a press release.

"This party is a chance for us all to celebrate the creativity that makes Tacoma great."

The party from 4 to 11 p.m. will be based in People's Park, South Ninth Street and Martin Luther King Jr. Way, and stretch along the 900 block of Martin Luther King Jr. Way, the site of some of Spaceworks' latest enterprises.

Concrete Market, The T-Shirt Men, SPUN Clay Arts and Dub City Studios will be open for visitors, with hands-on activities, art exhibits and food trucks.

In the back of the businesses a "backyard party" will include a DJ, beer garden and games like bean bag toss and giant Jenga.

There will be free snacks, a skate ramp and free lessons from Spaceworks alumni Alchemy Skateboarding and Grit City Grindhouse (4-8 p.m.) followed by free local short films and "Ghostbusters" (9-11 p.m.).

In People's Park from 4-8 p.m. Spaceworks alumni like Write@253, Tacoma Tool Library, RePly Furniture, Pop-Up Coffee, Northern Pacific Digital, Gallery of Ambition and the Sound Movement Arts Center will have booths.

Performing in the amphitheater will be musician Nate Dybevik (4 p.m.), Working Class Theatre Northwest (5 p.m.), the Fab-5 breakdancers (6 p.m.) and band Mirrorgloss (6:30 p.m.)

More information is available at spaceworkstacoma.com



Spaceworks helped Grit City Grindhouse and fellow alum and non-profit Alchemy Skate secure space and free rent for six months at 311 S. 7th St., a downtown Tacoma property that had been vacant for years. The landlord agreed to let the businesses repurpose the space into the skate shop and an indoor skate park where co-founder Taylor Woodruff is shown conducting a class for local high school students. Photo taken in Tacoma on Wednesday, Sept. 9, 2015. **Drew Perine** - Staff photographer

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SUGGESTED FOR YOU

What Exactly is Spaceworks Tacoma?

southsoundtalk.com 2017/05/10/what-exactly-is-spaceworks-tacoma/

5/10/2017

What do a [comic book shop](#), an [art supply store](#) and a [champagne bar](#) have in common? If they're located in Tacoma, the answer is [Spaceworks](#).

Residents of Tacoma have probably heard the word used here and there, but since it's associated with so many projects and businesses it can be hard to nail down exactly what Spaceworks is and what they do. However, small business owners know Spaceworks for the opportunity it affords startups and the big impact it has had on the creative scene. Although the organization has only served the Tacoma-area since 2010, it has already helped more than 100 [businesses](#) find a foothold in their community.



Spaceworks is a joint initiative of the City of Tacoma and the Tacoma-Pierce County Chamber of Commerce. The project was founded by Tacoma's Arts Administrator, Amy McBride, and created with the aim of providing program participants the guidance and space needed to realize their goals.

"Spaceworks is a resource and support network to artists, creative and innovative small businesses for Tacoma," says Program Administrator Heather Joy. "We are growing the capacity of our artists and small business owners, while at the same time building a more vibrant and resilient Tacoma."

The program has grown in recent years, but at its core is a [Creative Enterprise](#) initiative. In a nutshell and at its simplest, the process looks something like this: program participants apply, demonstrating their grit and ambition in the form of an application and portfolio of sorts. A business degree isn't required, but programs that are selected will be ones that fulfill a need in the community they hope to serve and are able to develop a sustainable business model. In exchange for a low fee (that is administered on a sliding scale of \$50 to \$200), participants will benefit from a small business owner's curriculum of classes, access to tools for startups, and education about strategies to help innovative and creative businesses thrive.



"We have provided training, technical assistance, exposure and/or space to just over 100 creative, innovative businesses," says Joy.

One of the things that makes Spaceworks so special is their partnership with property owners who are willing to donate their vacant spaces. Creative Enterprise matches small business owners with Tacoma area landlords who have either donated their space for a limited time or who are willing to negotiate a low- or no-rent agreement in partnership with Spaceworks. For small business owners, this ultimately offsets operating expenses and frees up time and money to focus on growing their business. Program participants give back to the community when they accept a lease from Spaceworks, too, transforming storefronts that may have been vacant for too long into dynamic points of interest with creative businesses, site-specific art installations, special short-term projects and entertaining pop-up events.

Spaceworks has had a hand in the start of such well-loved Tacoma institutions as [Tinkertopia](#), the [Nearsighted Narwhal](#), [Write@253](#) and [Fabitat](#), but expansion and successful partnerships have made this organization more

than a resource for small businesses. Through a program called [Artscapes](#), the Spaceworks has also identified locations to showcase upwards of 135 streetside art installations and murals. Artscapes finds a place inside vacant storefronts and businesses (and sometimes even outside on streets and sidewalks) to display 2D, 3D, mural, and multimedia art installations around Tacoma. Work by local artists has enlivened shop windows and outdoor spaces with help from this creative venture, and even star as the subject of an outdoor video gallery in the City of Tacoma. Artscapes offers artists a stipend to support the creation of new work, the installation of existing work and the commission of site-specific projects.

[Special Projects](#) are another branch of the Spaceworks umbrella. This program provides short-term space (as little as one day and as long as six months) to groups of individual artists interested in presenting or creating artwork, a creative special project or a pop-up store/event. These projects are funded based on resource availability, and applicants are accepted on a rolling basis. In addition to these roving exhibits, Spaceworks also operates a contemporary gallery in the heart of downtown Tacoma to provide a more stable home for artists to showcase their work.

Another Spaceworks program—its largest to date—is the [1120 Creative House](#). The organization took over two-thirds of an entire building at 1120 Pacific Avenue in 2015, bringing the coworking trend of Seattle studios to the South Sound. At 1120 Creative House, up to twelve artists can rent a studio space on the second floor of this two-story building. Here, for an affordable rate, creatives can take advantage of a beautiful modernist work space, access to shared kitchen services and an 800-square foot gallery space and activity center.

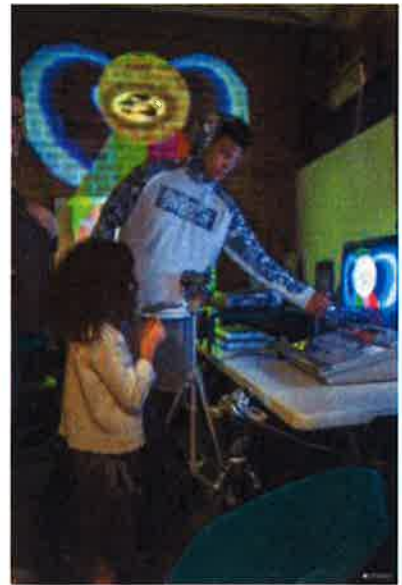
While it seems as if Spaceworks has already accomplished so much, Heather Joy says there are many more exciting projects on the horizon. To learn more about local artists, small businesses and how to support a community that cares about both, visit the [Spaceworks](#) website. The best way to keep up with new happenings at Spaceworks is to connect on social media. Here art lovers, budding entrepreneurs and curious community members can learn about upcoming events and shops slated to open soon.



Students of Seabury Middle School help Spaceworks and local artist Diana Leigh Summa create a mural on Market Street. Through their Artscapes program, Spaceworks beautifies Tacoma with art installations and pop-up events. Photo courtesy: Spaceworks



Small business owners and artists find common ground in the support network that Spaceworks provides. Photo credit: Fabital



Music lovers young and old appreciate culture at 1120 Creative House during the Tacoma Art Walk. 1120 Creative House, an event space and studio that serves up to a dozen local artists at any given time, provides a dedicated space to create and appreciate art in Tacoma today. Photo credit: Kris Crews

