

TOWN OF BARNSTABLE

ARTS SPACE FEASIBILITY STUDY



3 INTRODUCTION

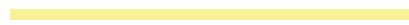


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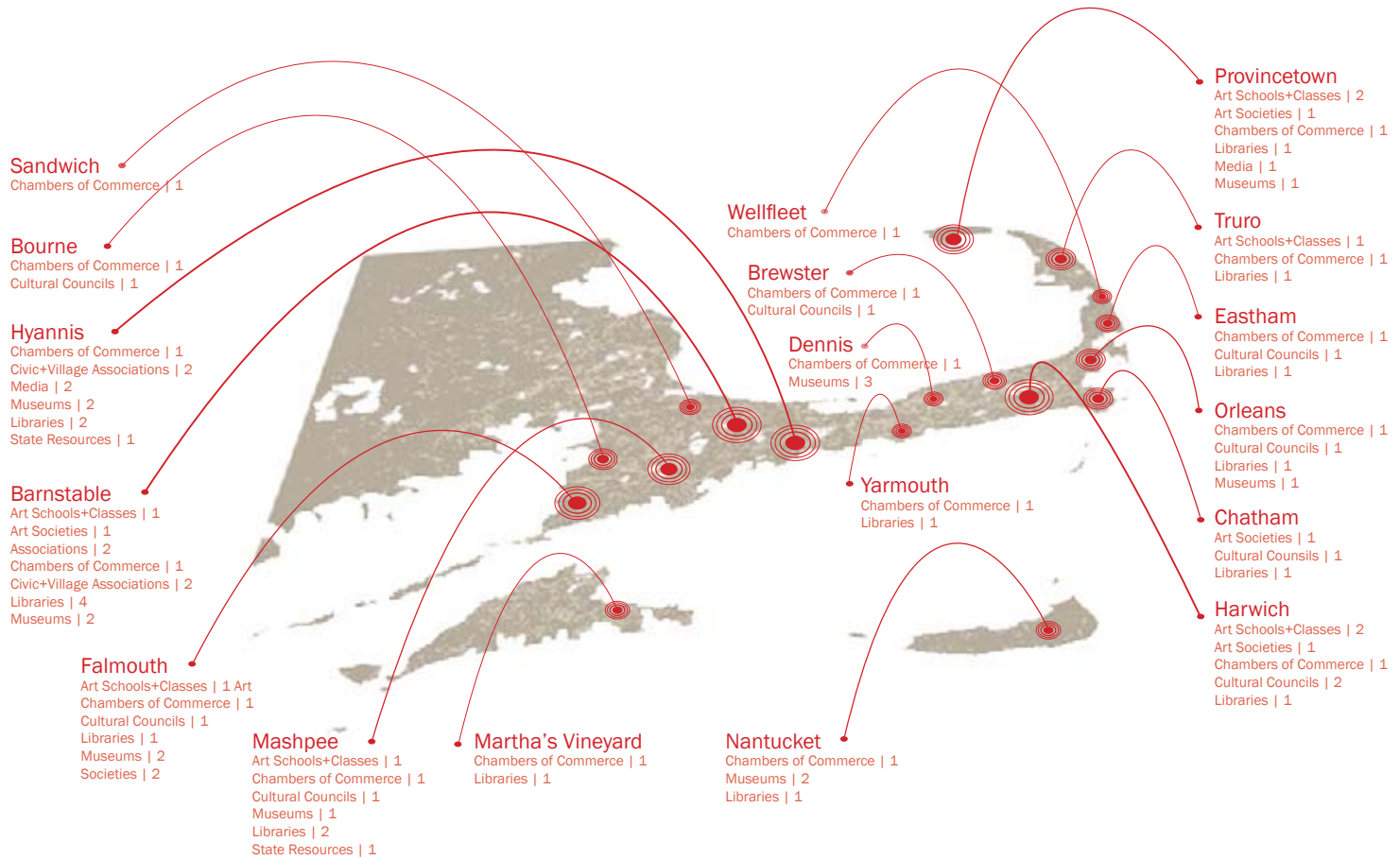
INTRODUCTION

designLAB was commissioned by the town of Barnstable to undertake a study designed to determine the demand for artist studio space in the immediate region. The study ideally would determine not only the demand, or lack thereof, for studio space, but would also determine the demand for specific kinds of spaces: work/live, work only, retail/gallery, specific arts-related amenities, etc. This process took place in two separate stages: first, designLAB created and facilitated a comprehensive survey of local artists designed to establish specific demands for extra studio space. After the survey determined that a sizeable market for artist studio space existed in the Cape region, designLAB undertook an analysis of both regional case studies and local available properties to determine whether creating artist studio space in Barnstable would work as a viable economic model. The results of the survey, the subsequent economic and property analysis, and final conclusions and recommendations are presented here.

PART 1 | ARTISTS SURVEY

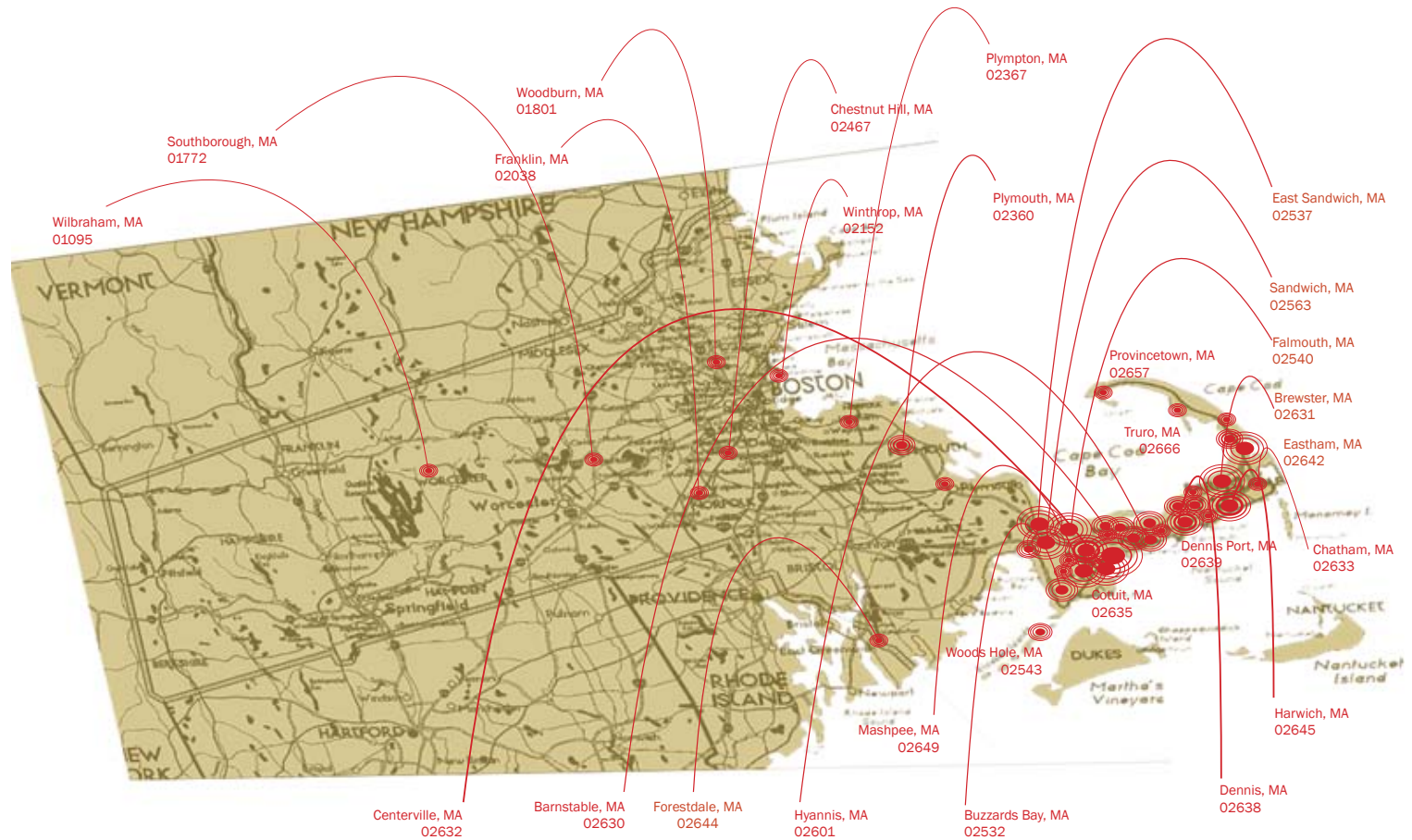
As a first step in the overall feasibility process, designLAB created a comprehensive 17 question multiple-answer online survey which sought to establish not only simple desire for additional arts making space and related amenities, but also to create a demographic portrait of respondents: age, employment status, preferred art making media, and the size and price of desired studio space were all components of the survey. The survey was sent to various local artists' associations, and within a few weeks had received over 150 responses from local artists. designLAB collated and analyzed the survey results to create a clearer picture of the potential market.

CAPE COD | CONCENTRATION OF AMENITIES + PROGRAMS



SURVEY RESULTS

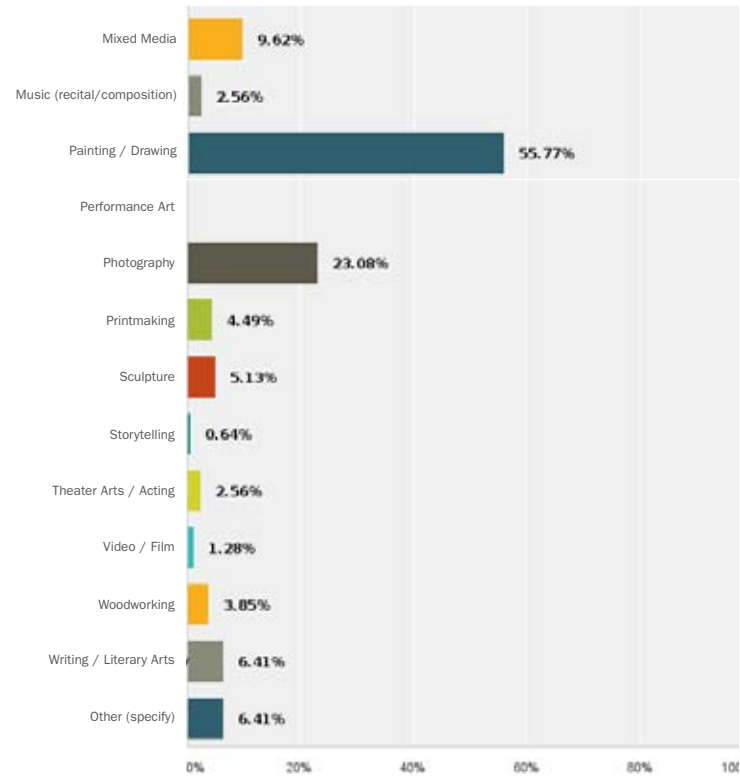
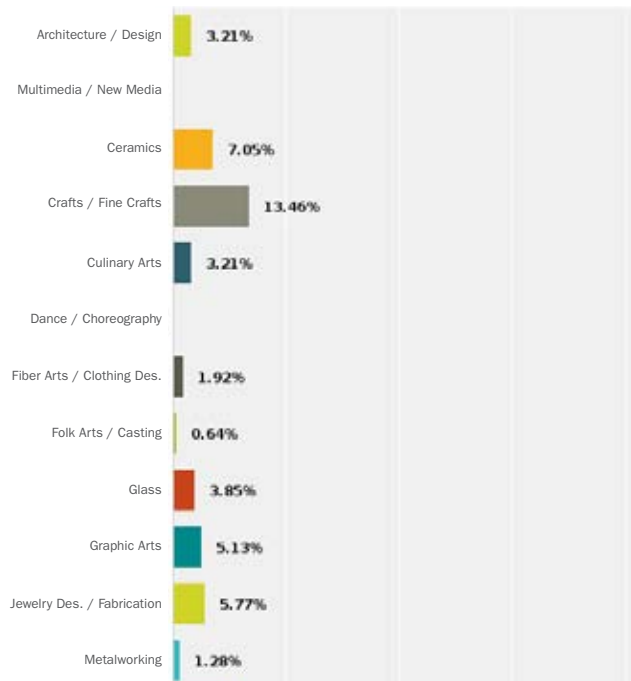
SURVEY RESULTS | LOCATION OF RESPONDENTS



SURVEY RESULTS |

What is your predominant creative discipline? (Check all that apply)

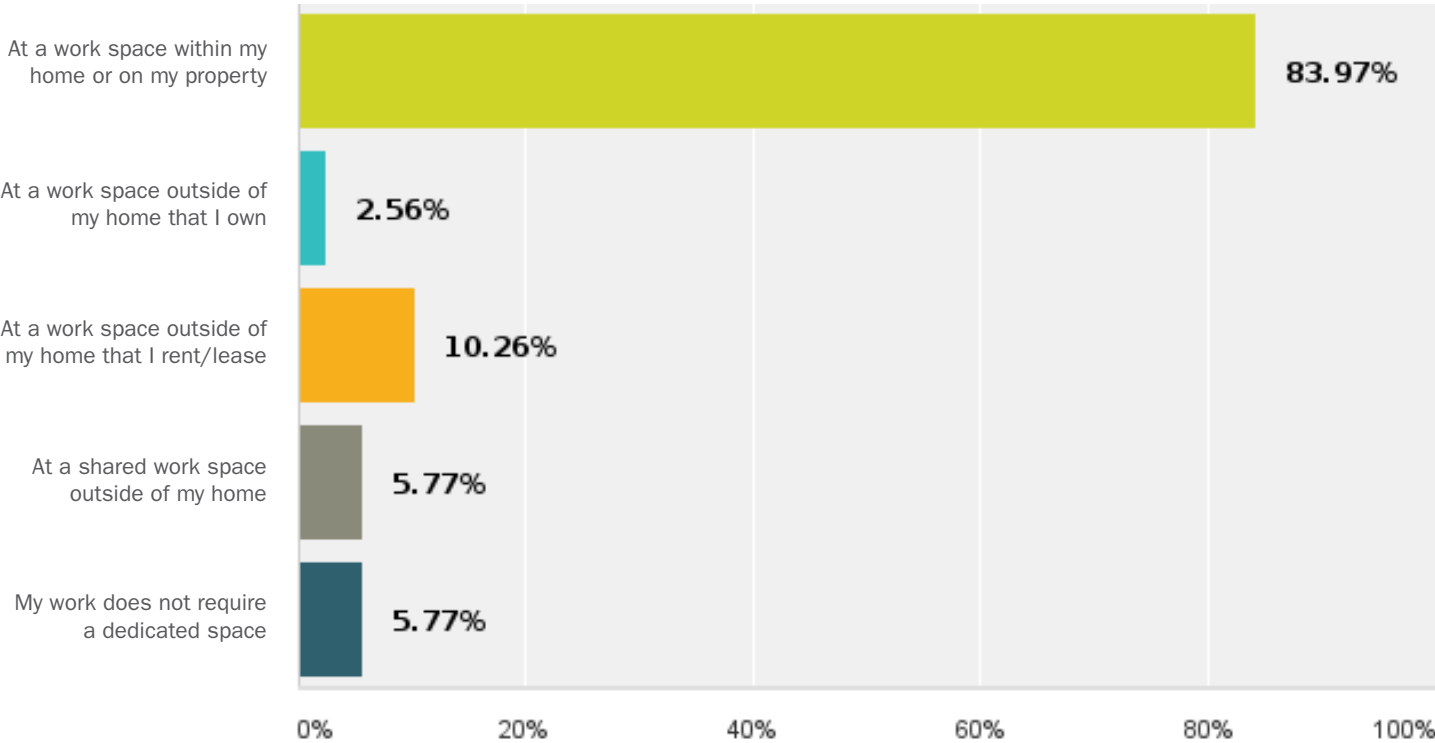
Answered: 156 Skipped: 0



SURVEY RESULTS | Q2

What best describes the space where you currently create or produce your art? (Check all that apply)

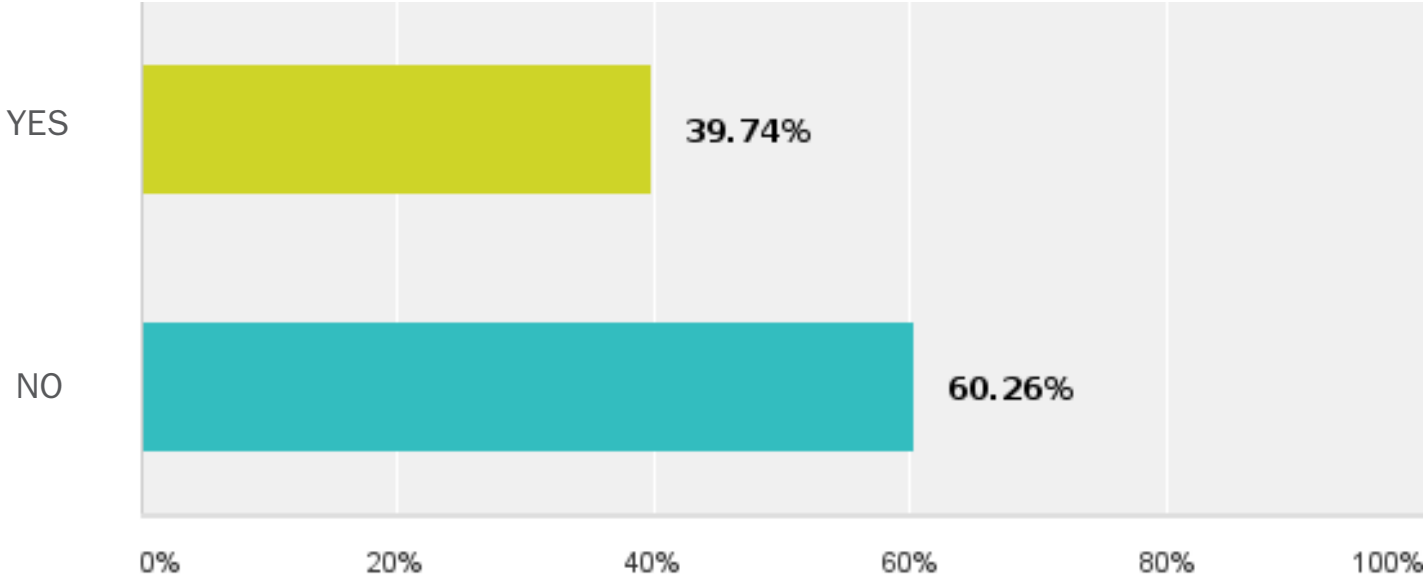
Answered: 156 Skipped: 0



SURVEY RESULTS | Q3

Do you have a need for space to support your art that is different from space currently available to you?

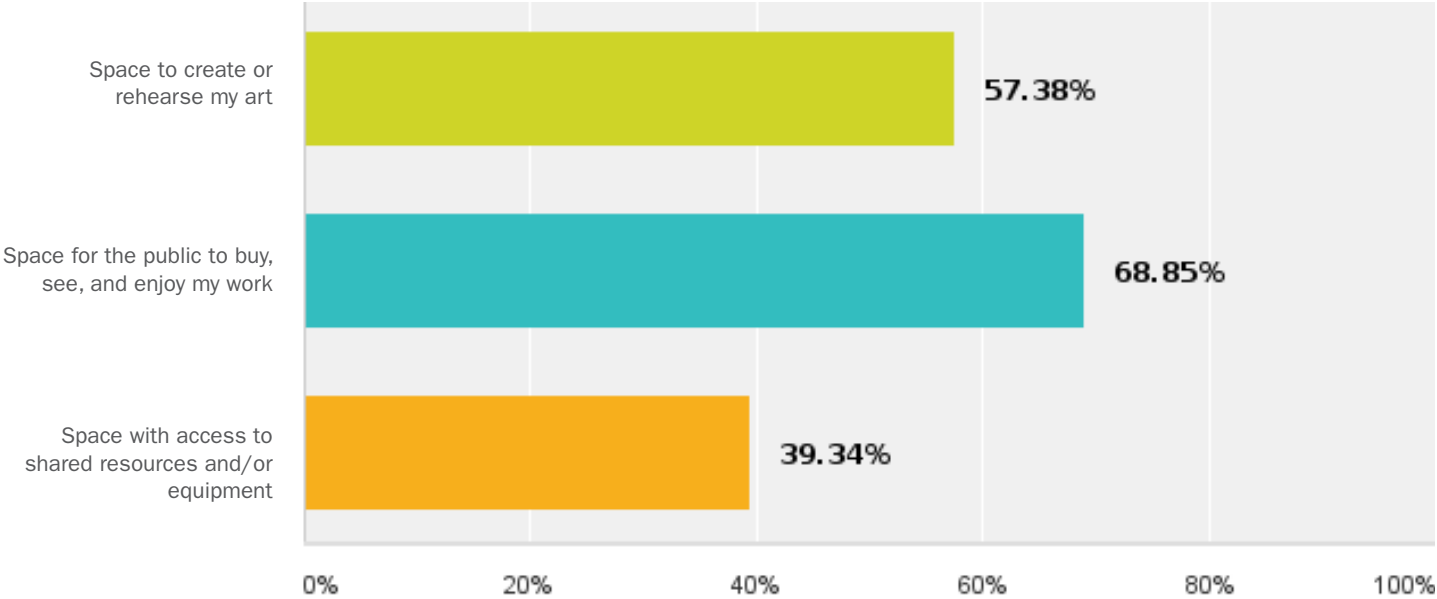
Answered: 156 Skipped: 0



SURVEY RESULTS | Q4

I have a need for the following type of space to support my art (Check all that apply)

Answered: 61 Skipped: 95



SURVEY RESULTS | Q5

How interested would you be in the following types of space in which to create, rehearse, or produce art?

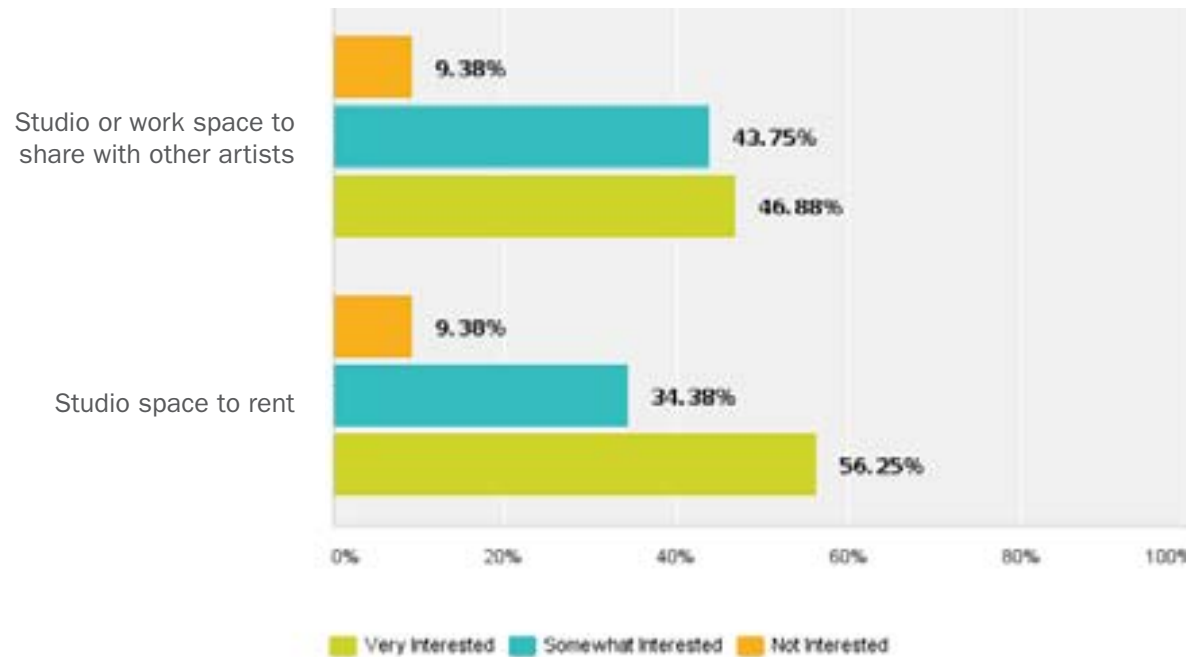
Answered: 32 Skipped: 124



SURVEY RESULTS | Q5 cont.

How interested would you be in the following types of space in which to create, rehearse, or produce art?

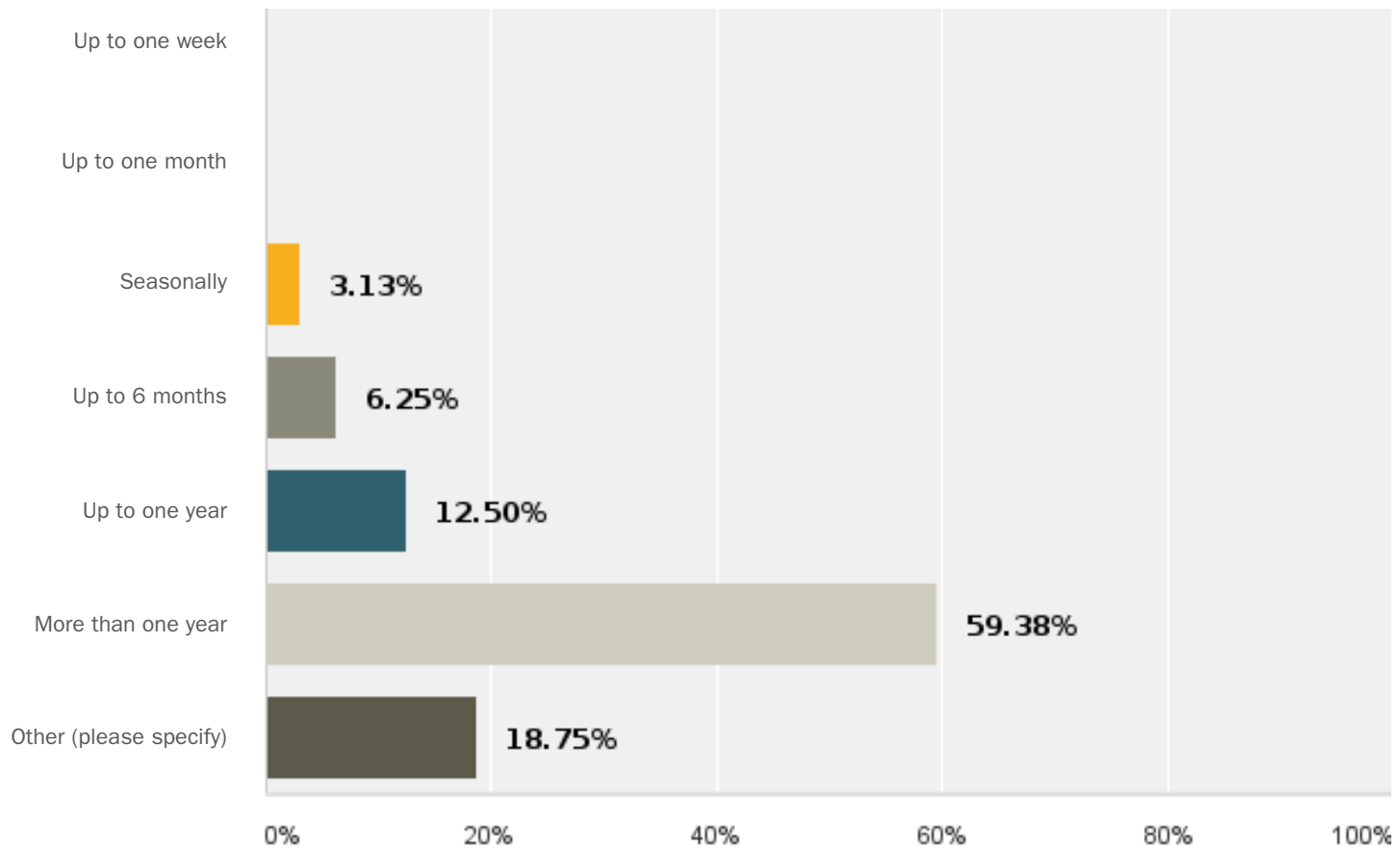
Answered: 32 Skipped: 124



SURVEY RESULTS | Q6

What is the length of time you require for your space?

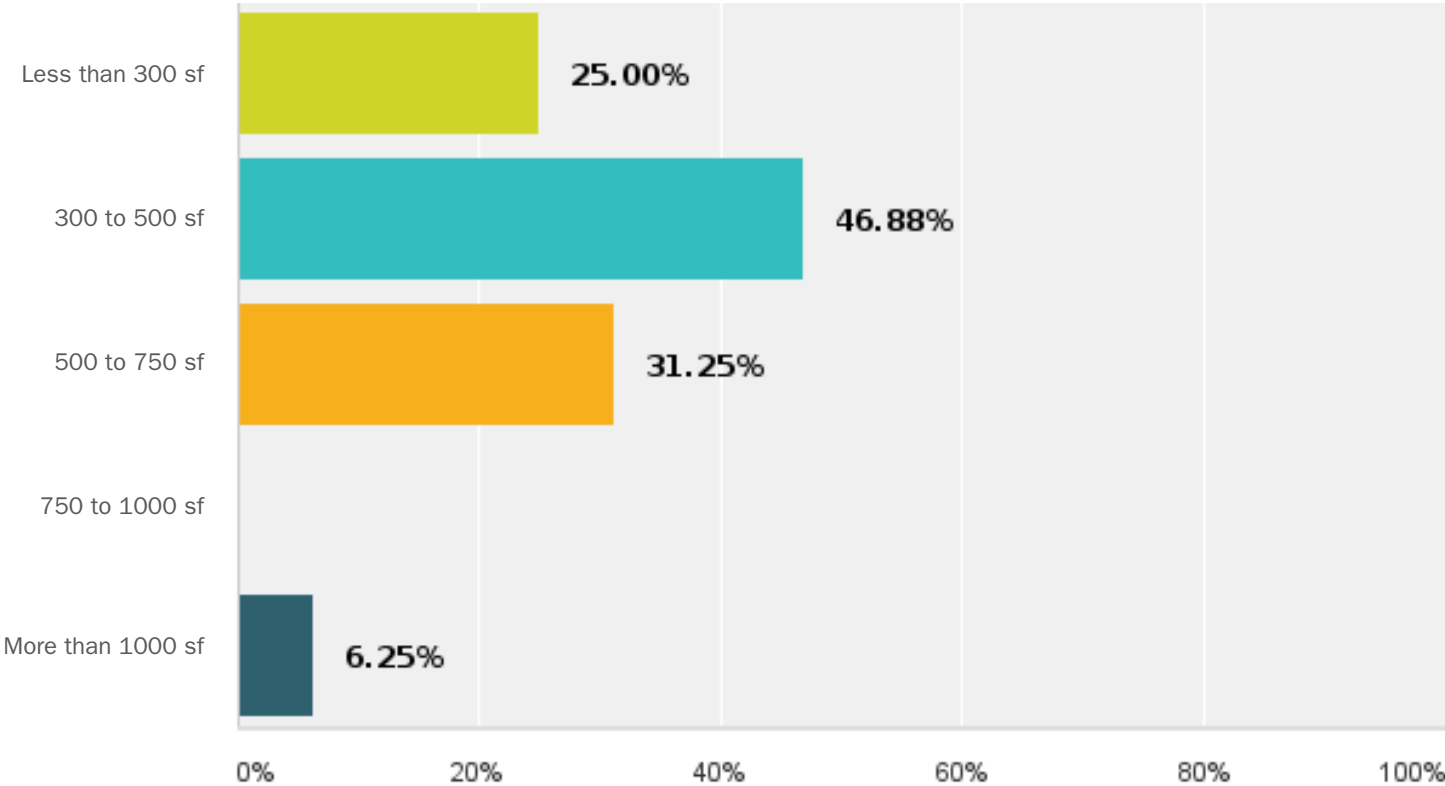
Answered: 32 Skipped: 124



SURVEY RESULTS | Q7

What is the minimum square footage you would need for a space dedicated solely to your art?

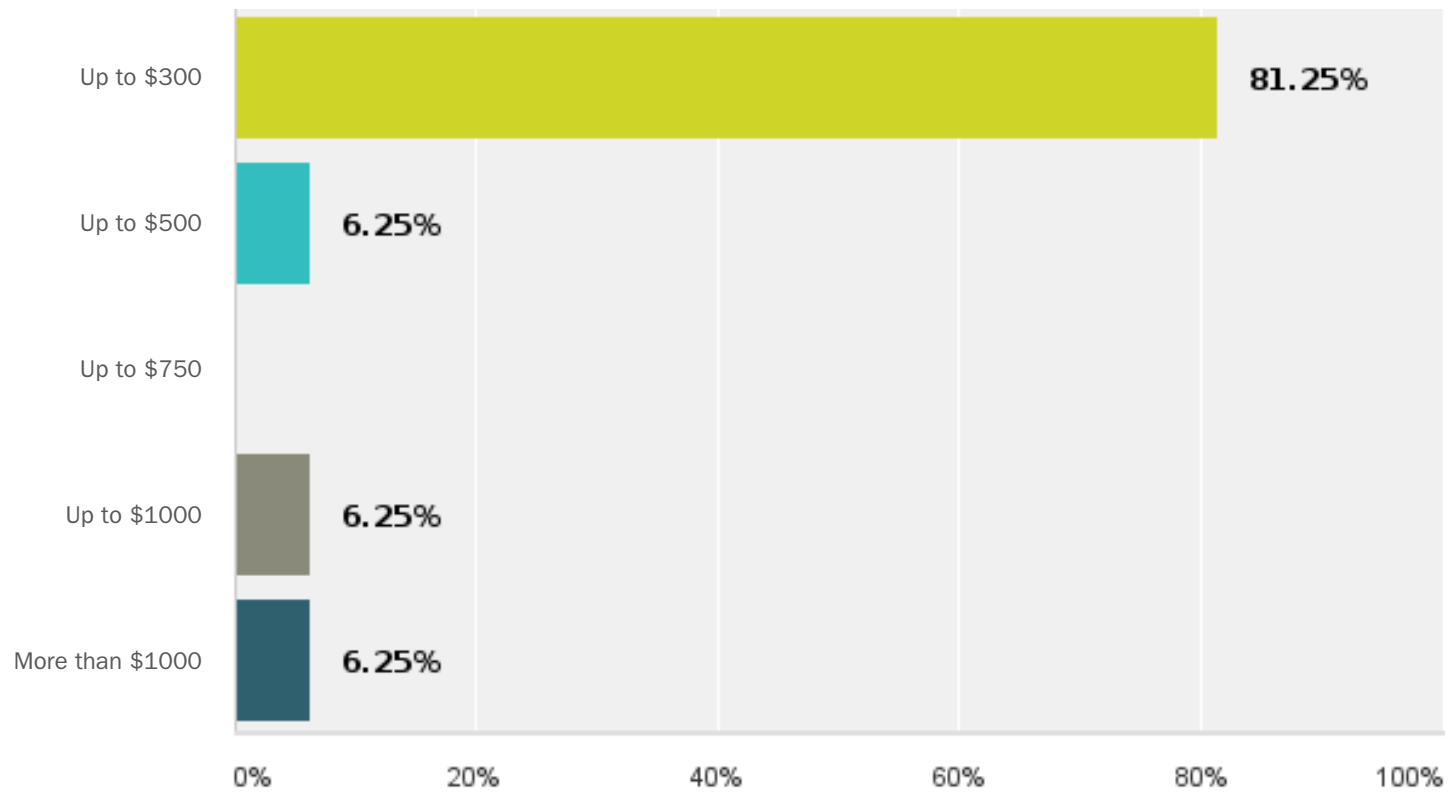
Answered: 32 Skipped: 124



SURVEY RESULTS | Q8

What is the maximum total monthly cost you are able to pay for space dedicated solely to your art?

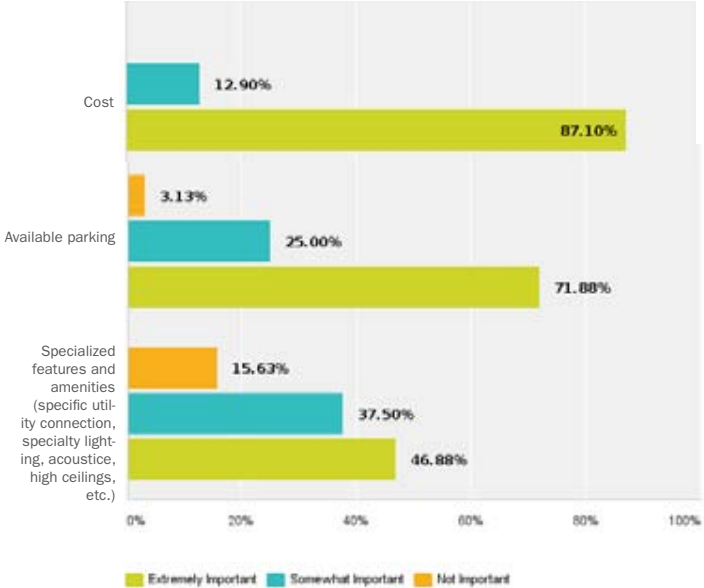
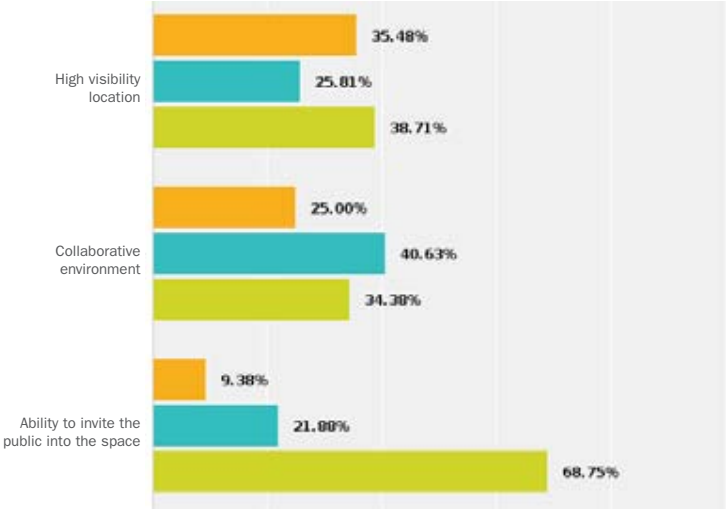
Answered: 32 Skipped: 124



SURVEY RESULTS | Q9

Please rank the importance of the following factors for your work space

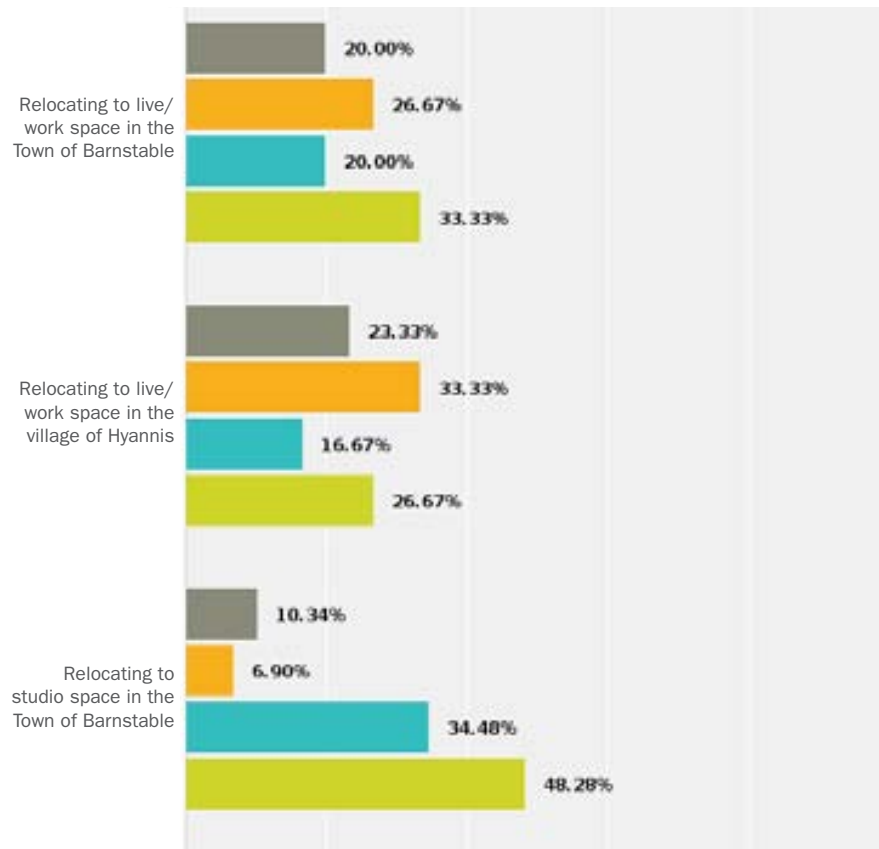
Answered: 32 Skipped: 124



SURVEY RESULTS | Q10

Please rate your interest in the following opportunities should they become available in the next 1 - 3 yrs

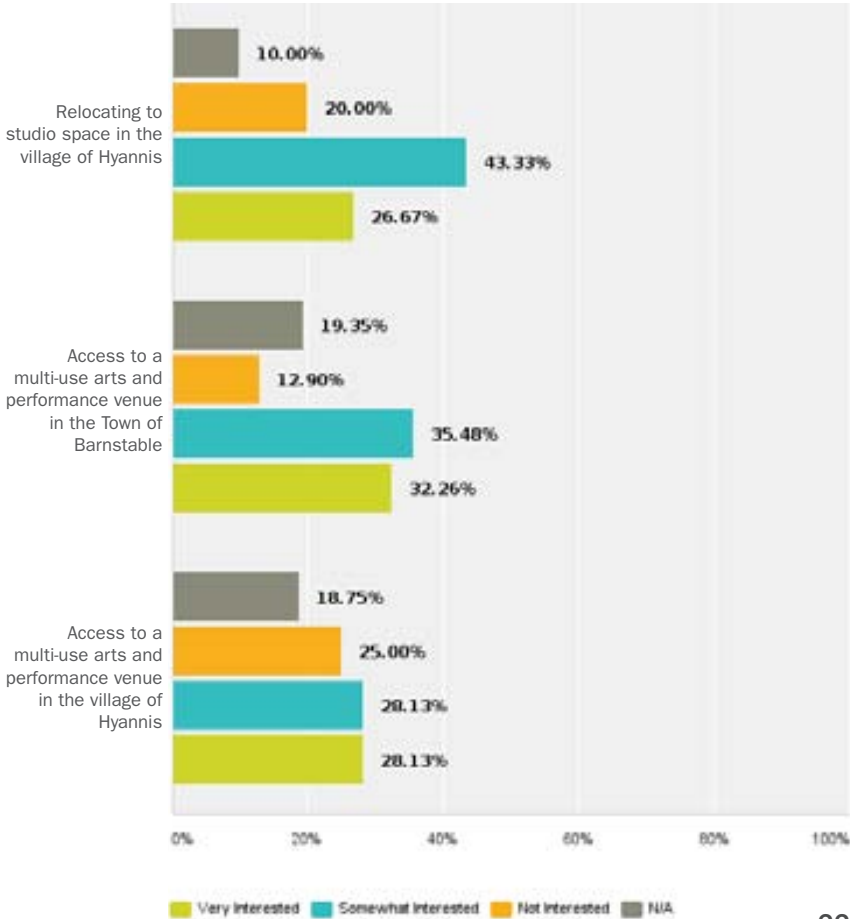
Answered: 32 Skipped: 124



SURVEY RESULTS | Q10 cont.

Please rate your interest in the following opportunities should they become available in the next 1 - 3 yrs

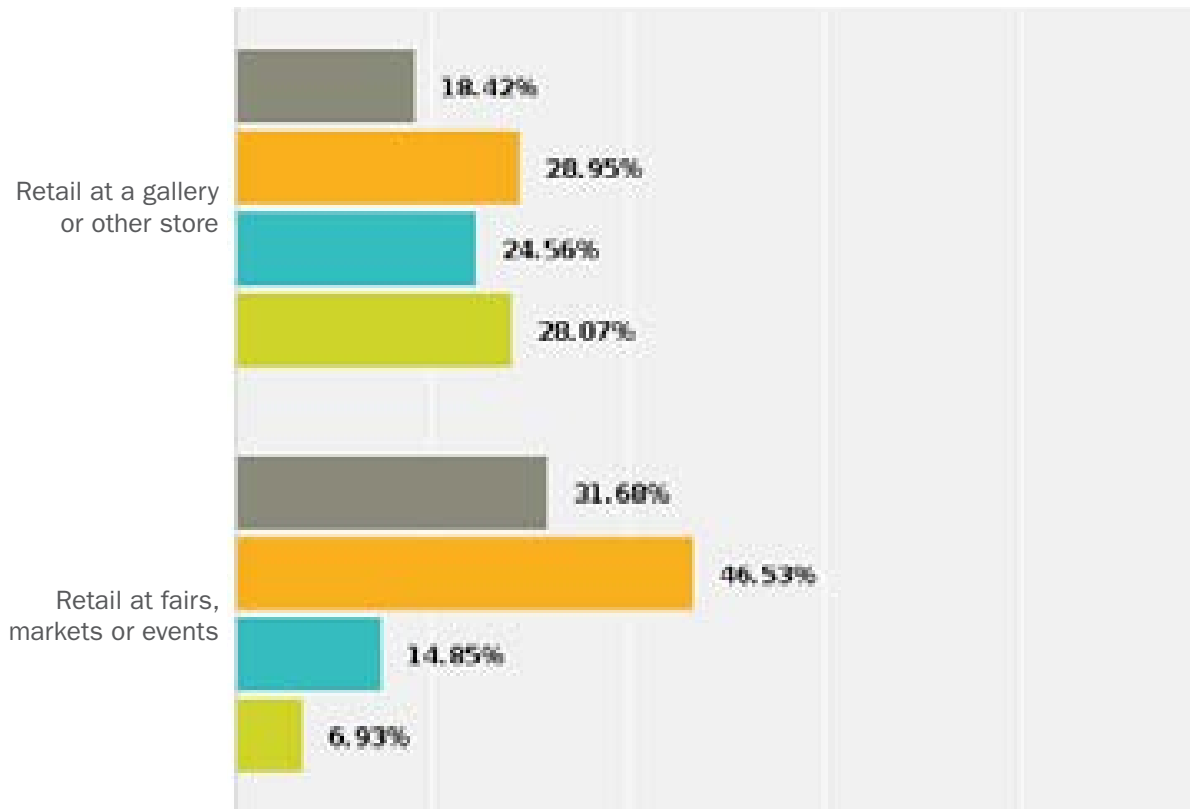
Answered: 32 Skipped: 124



SURVEY RESULTS | Q11

How do you share your work with your audience (for each choose Always, Often, Occasionally, or Never)

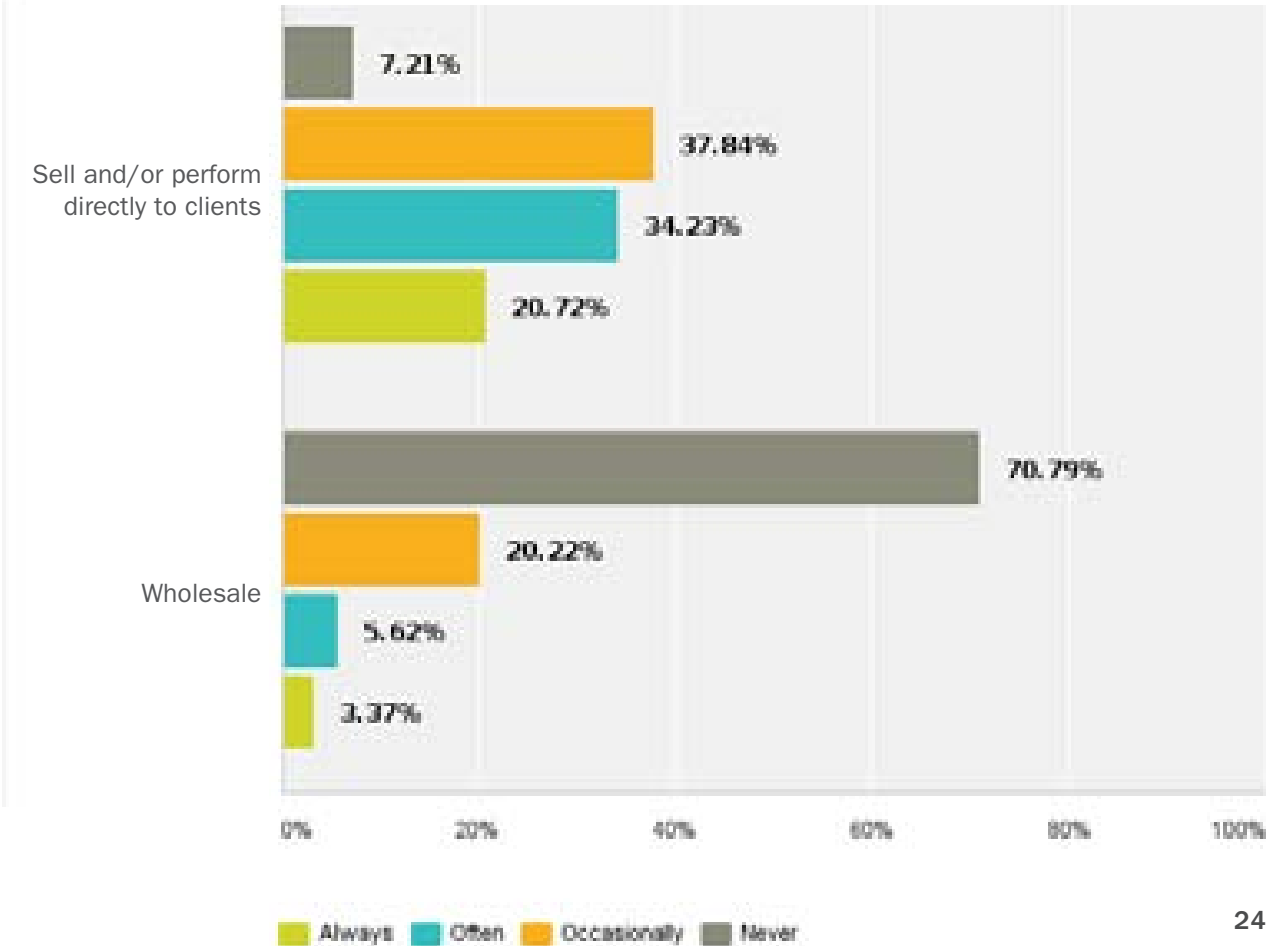
Answered: 120 Skipped: 36



SURVEY RESULTS | Q11 cont.

How do you share your work with your audience (for each choose Always, Often, Occasionally, or Never)

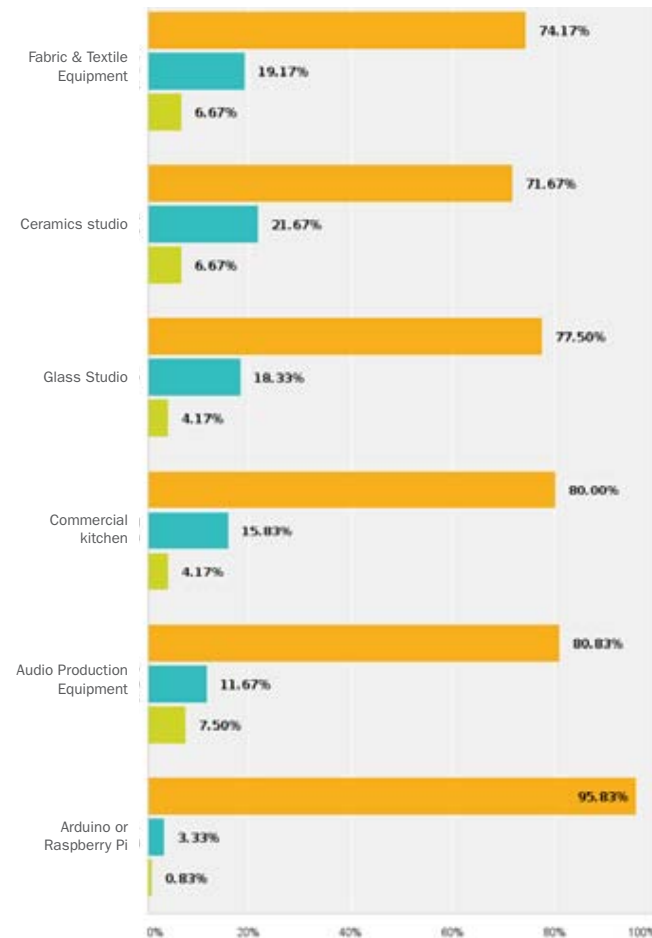
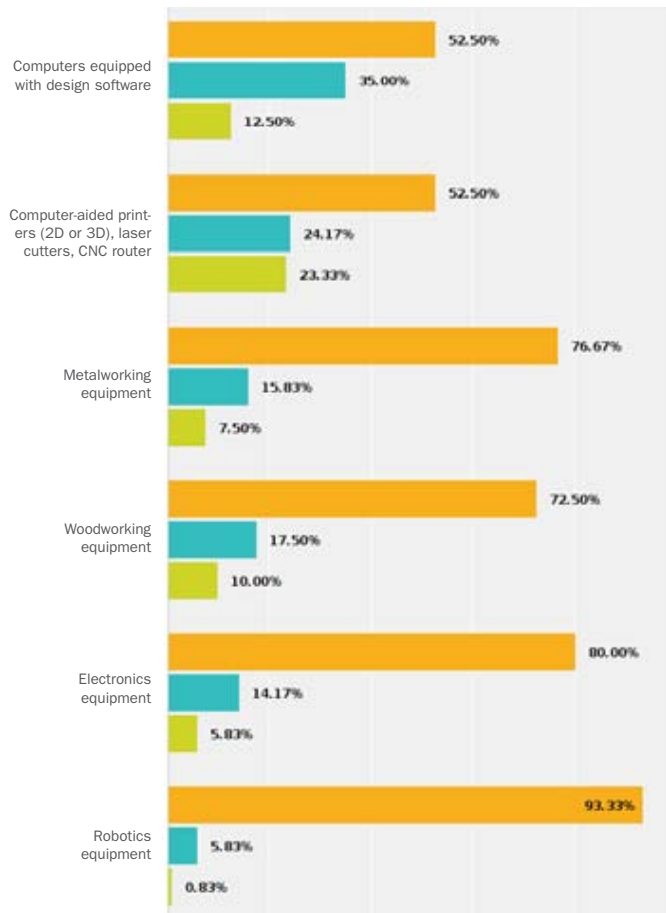
Answered: 120 Skipped: 36



SURVEY RESULTS | Q12

How interested would you be in having access to the following types of equipment in a shared work space?

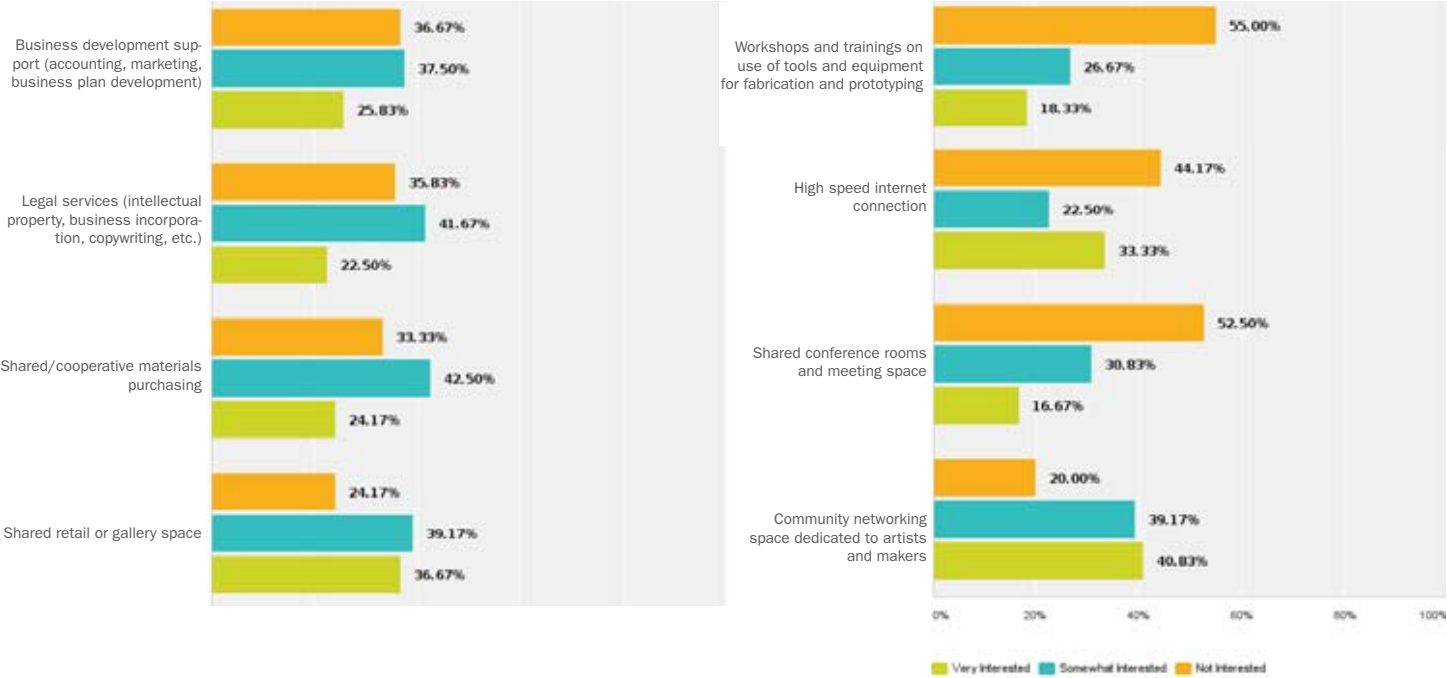
Answered: 120 Skipped: 36



SURVEY RESULTS | Q13

How interested would you be in having access to the following types of services or spaces?

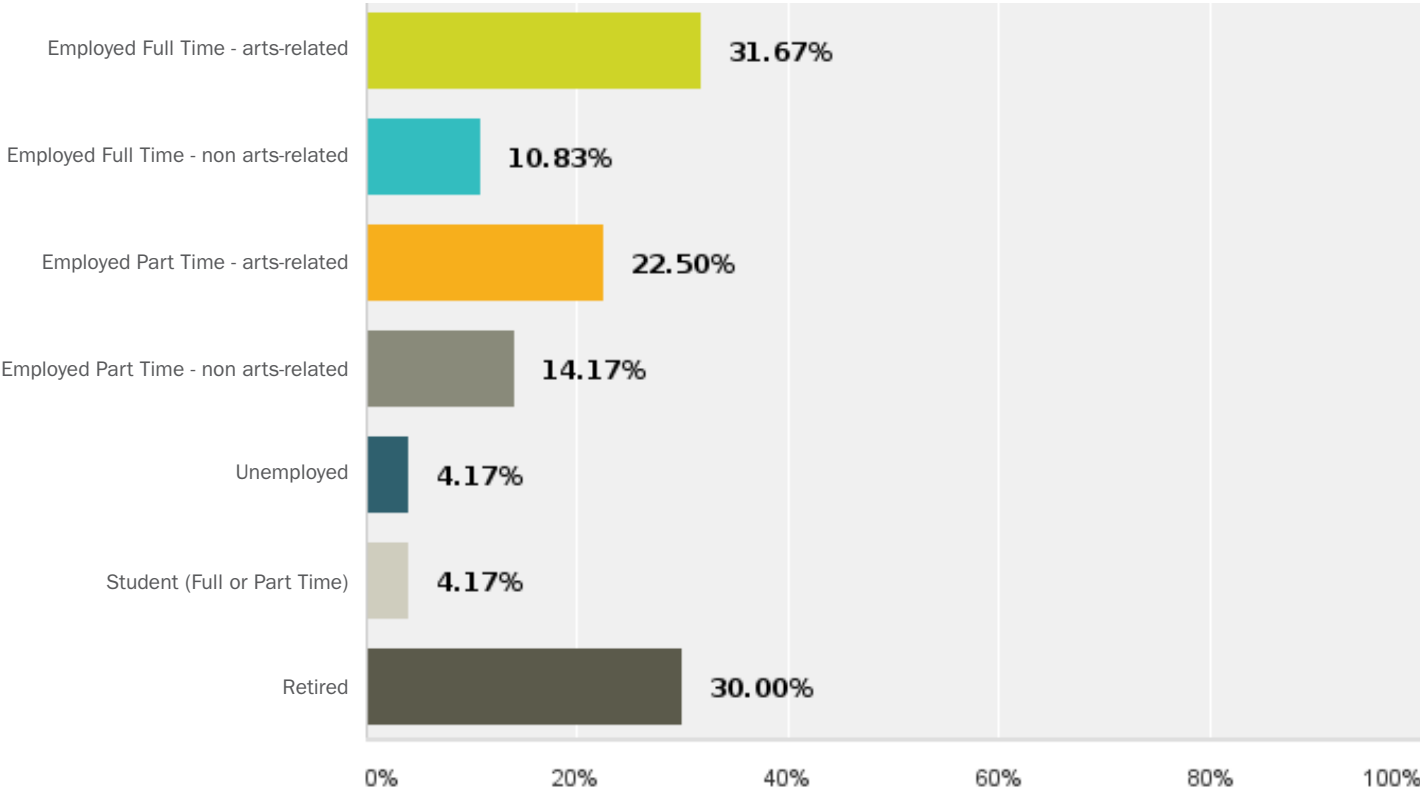
Answered: 120 Skipped: 36



SURVEY RESULTS | Q14

Please indicate your current employment status: Check all that apply

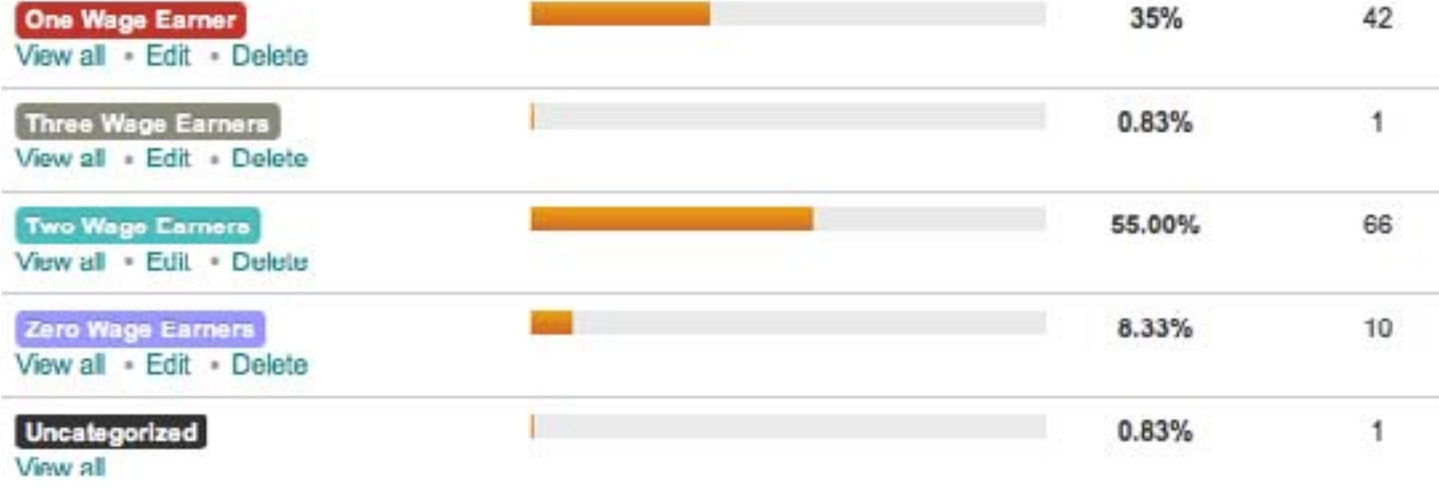
Answered: 120 Skipped: 36



SURVEY RESULTS | Q15

Including yourself, how many wage earners contribute to your household income?

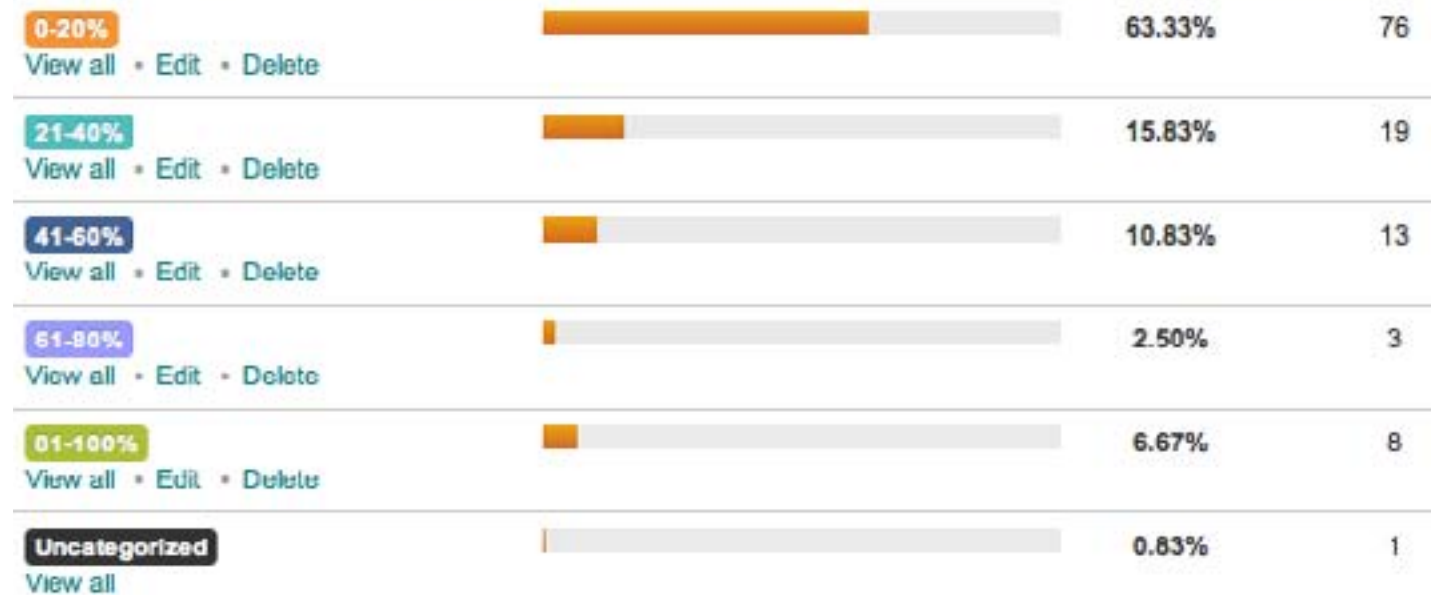
Answered: 120 Skipped: 36



SURVEY RESULTS | Q16

What percentage of your total household income is generated from your arts-related work?

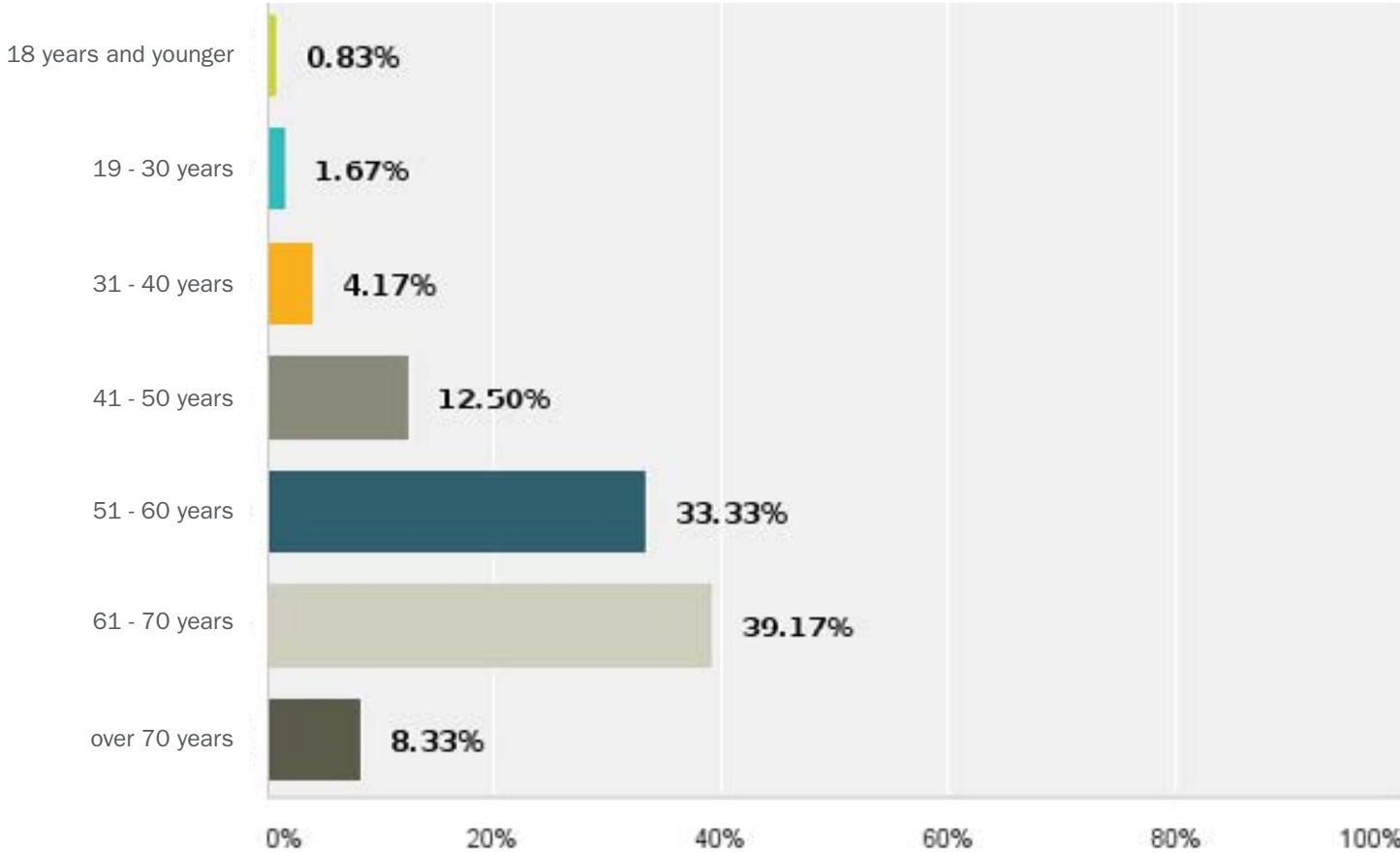
Answered: 120 Skipped: 36



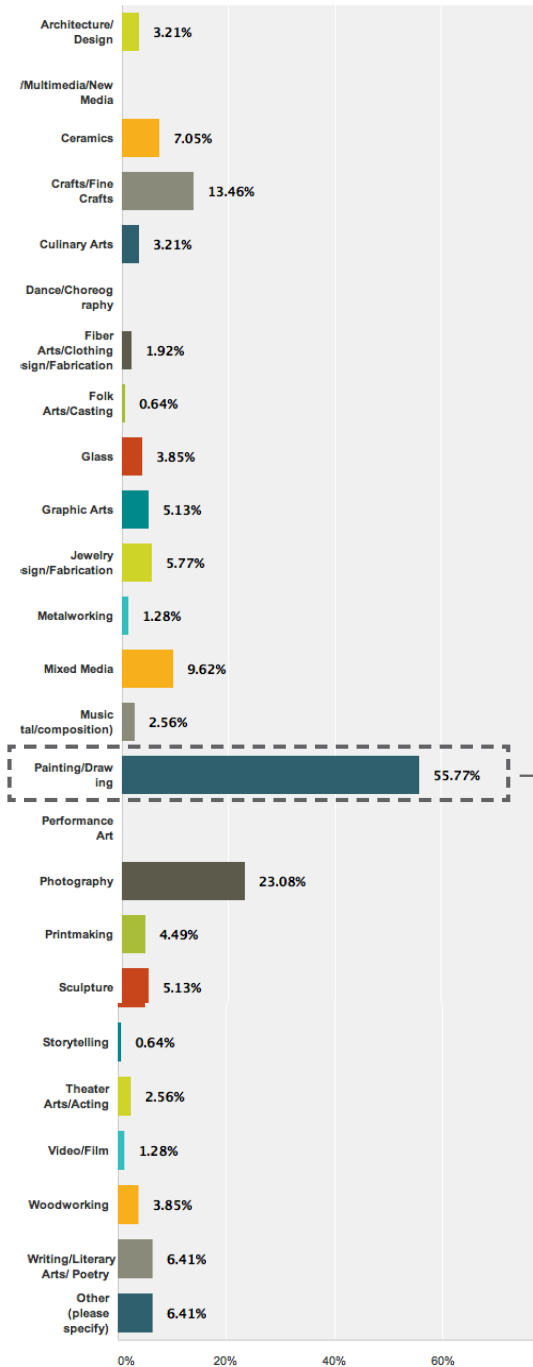
SURVEY RESULTS | Q17

What was your age on your last birthday?

Answered: 120 Skipped: 36



SURVEY ANALYSIS



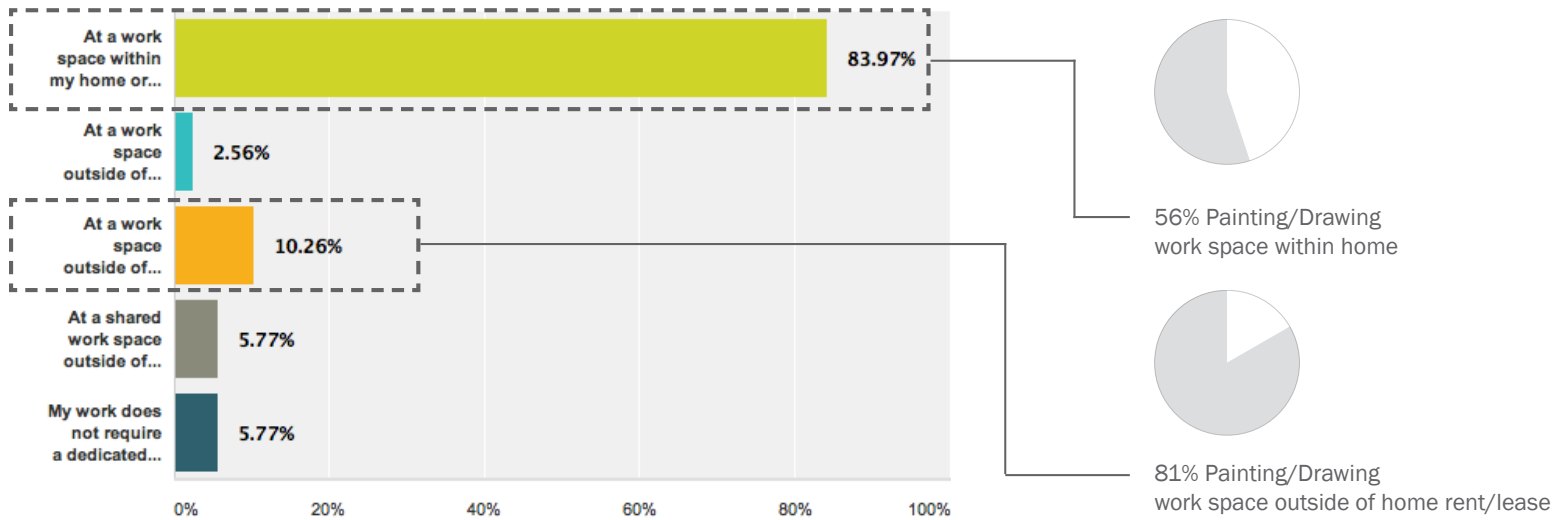
Painting / Drawing Breakdown

87 total 42 painting/drawing only
45 combined with other disciplines

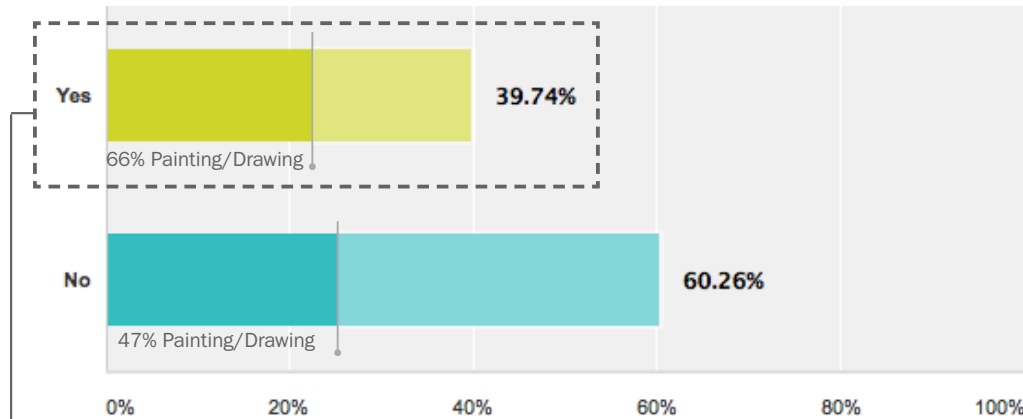
- 1 Folk Arts/Casting
- 4 Photography
- 7 Crafts+Fine Crafts: Glass, Woodworking, Ceramics
- 5 Culinary Arts+Photography
- 7 Mixed Media: Sculpture+Jewelry Design
- 3 Architectural Design
- 6 Theater Arts/Acting+Writing/Library Arts+Poetry
- 12 Mixed Media+Graphic Arts: Fiber Arts, Printmaking, Photography
- 1 Kids Illustration Book

261 results 105 Overlaps

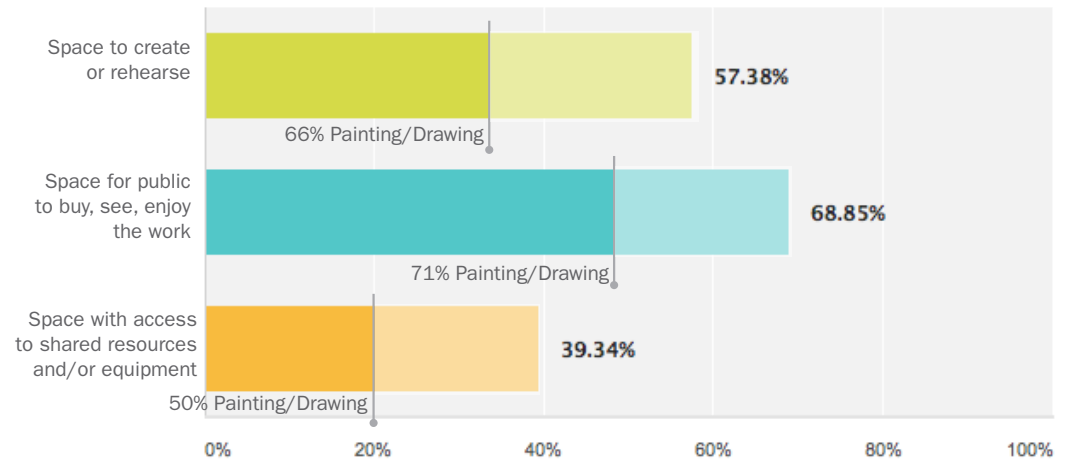
SURVEY ANALYSIS | PAINTING + DRAWING



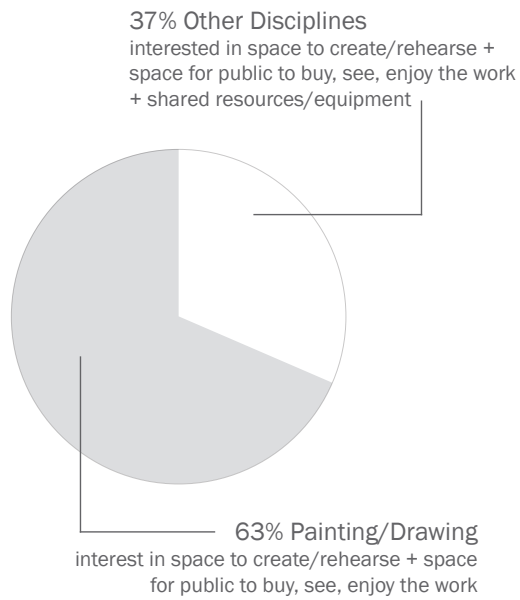
SURVEY ANALYSIS | PAINTING + DRAWING



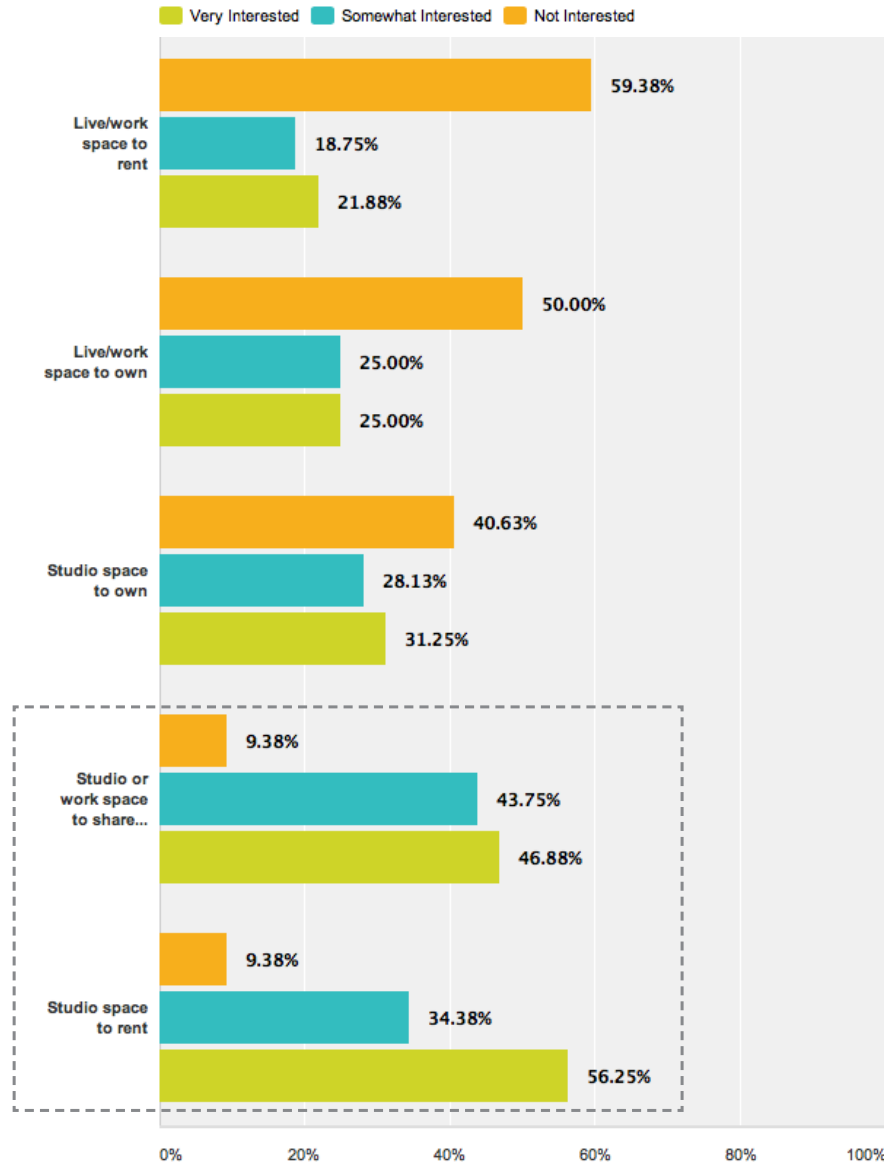
Type of Space to Support the Art



SURVEY ANALYSIS | SUPPORT SPACE

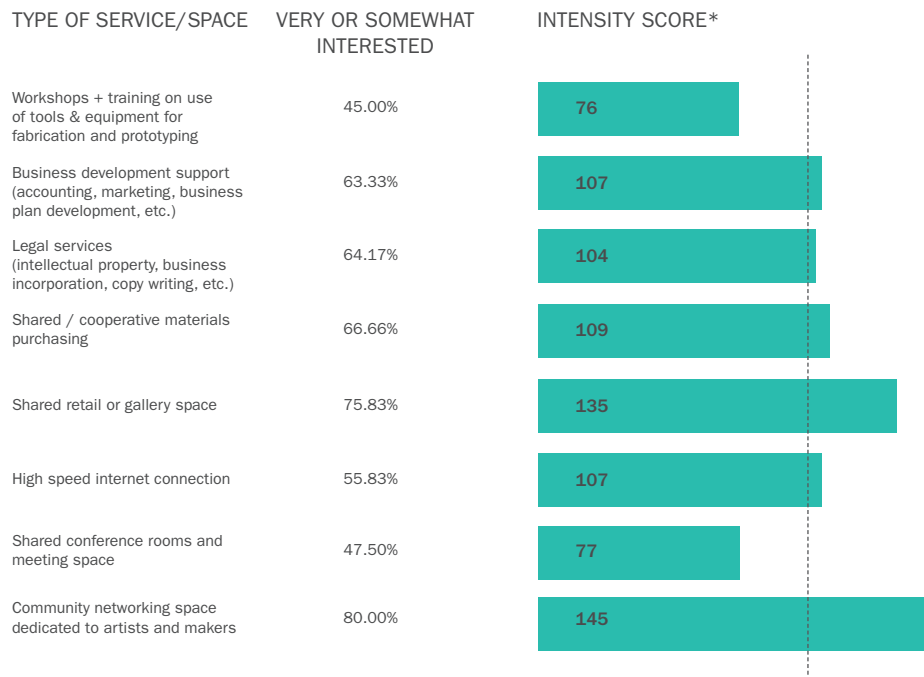


Most Interest

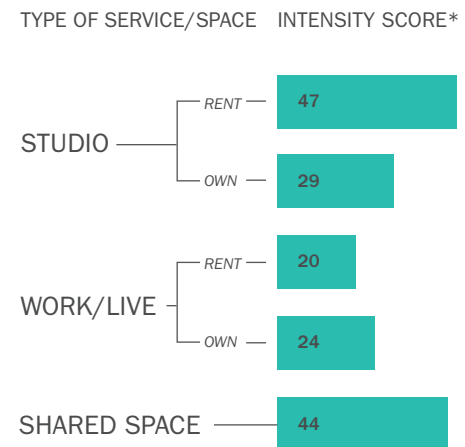


SURVEY ANALYSIS | SPACES AND SERVICES

Q: HOW INTERESTED WOULD YOU BE IN HAVING ACCESS TO THE FOLLOWING TYPES OF SERVICES + SPACES?



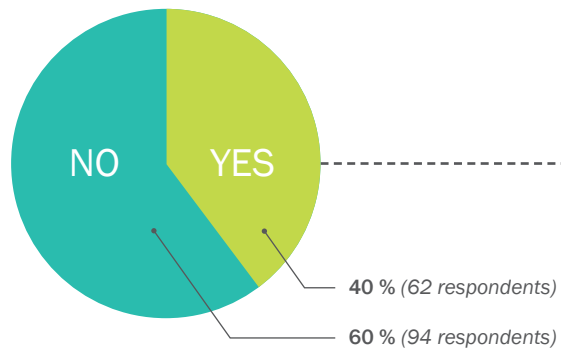
Q: HOW INTERESTED WOULD YOU BE IN THE FOLLOWING TYPES OF SPACE IN WHICH TO CREATE OR PRODUCE YOUR ART?



*INTENSITY SCORE – VERY INTERESTED = 2 POINTS; SOMEWHAT INTERESTED = 1 POINT; NOT INTERESTED = 0 POINTS

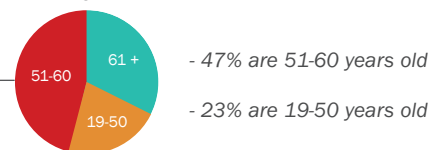
SURVEY ANALYSIS | COMMUNITY ART NEEDS

Q: DO YOU HAVE A NEED FOR SPACE TO SUPPORT YOUR ART (THAT IS NOT CURRENTLY AVAILABLE TO YOU)

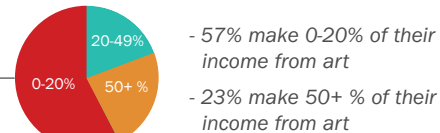


OF THOSE WHO ANSWERED 'YES' . . .

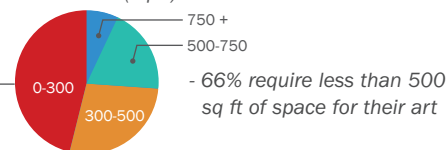
AGE



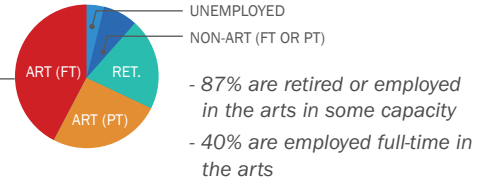
% INCOME FROM ART



SIZE NEEDED (sq ft)

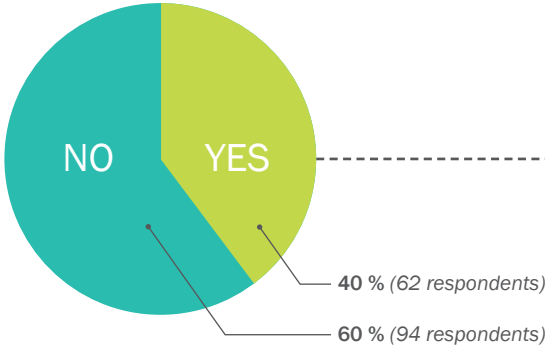


EMPLOYMENT

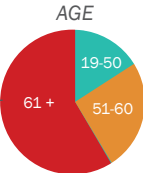


SURVEY ANALYSIS | COMMUNITY ART NEEDS

Q: DO YOU HAVE A NEED FOR SPACE TO SUPPORT YOUR ART (THAT IS NOT CURRENTLY AVAILABLE TO YOU)

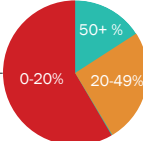


OF THOSE WHO ANSWERED 'NO'...



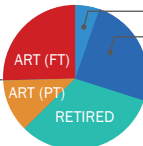
- 59% are 61 + years old
- 25% are 51-60 years old

% INCOME FROM ART



- 59% make 0-20% of their income from art
- 15% make 50+ % of their income from art

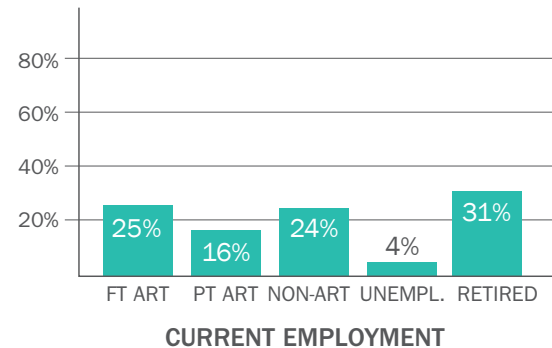
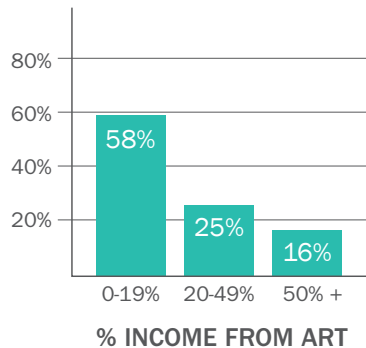
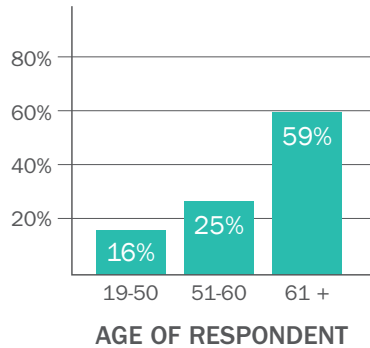
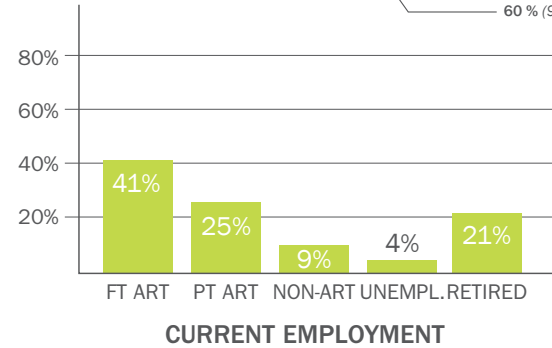
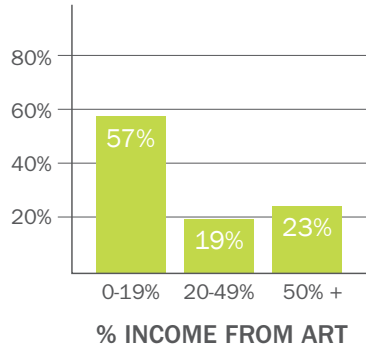
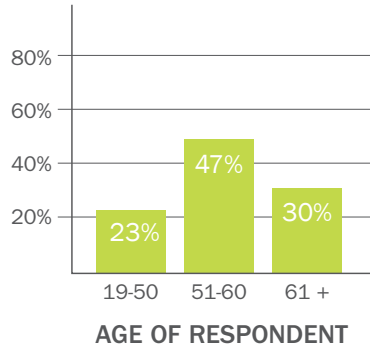
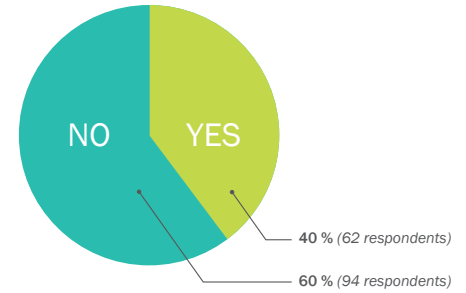
EMPLOYMENT



- 31% are retired
- 24% are employed in non-art fields in some capacity

SURVEY ANALYSIS | DEMOGRAPHIC COMPARISON

THOSE WHO SAY
YES



THOSE WHO SAY
NO

SURVEY ANALYSIS | POTENTIAL USER PROFILES

THOSE WHO SAY **YES**

- Less likely to be 60+ years old*
- More likely to be 51-60 years old*
- More likely to make 50+ % of income through personal art*
- More likely to be employed as an artist (FT or PT)*



PROFILE 1
62 YEARS OLD
EMPLOYED PART TIME
30% ART INCOME
NEEDS 300 sq ft



PROFILE 2
45 YEARS OLD
EMPLOYED FULL TIME
10% ART INCOME
NEEDS 500 sq ft

THOSE WHO SAY **NO**

- More likely to be 60+ years old*
- More likely to make 20-49% of income through personal art*
- Less likely to make 50+ % of income through personal art*
- More likely to be employed in non-art fields or retired*



PROFILE 1
65 YEARS OLD
RETIRED
10% ART INCOME
HAPPY WITH CURRENT SPACE

SURVEY CONCLUSIONS

There is likely a market for artist spaces – specifically studios– and that market is largely defined by cost. **40% of respondents indicated a desire to rent additional art space.** The vast majority of respondents indicated that rent and parking availability were extremely important issues.

Most respondents who indicated they were interested in having additional space indicated that they were willing to spend only up to \$300/month for that space.

The two most popular types of support spaces listed on the survey were ‘shared retail or gallery space,’ and ‘community networking space dedicated to artists and makers.’ This is consistent with other survey responses indicating that ‘space for the public to buy, view and enjoy my art’ is in high demand.

Respondents were most interested in renting studio space and sharing studio/workspace with other tenants. Buying studio space and either renting or buying live/work space are less popular options.

Respondents are likely to be 50 and older, and those interested in additional space are also likely to already be employed (full time or part time) in the arts. Personal studios would serve either to facilitate supplemental income or simply for personal benefit. Typically older age groups are more financially stable than their younger counterparts.

Most respondents indicated they were interested in painting and drawing. Photography was also a popular response. More space and amenity intensive fields (like metalworking or woodworking) were less popular responses. These responses indicate that shared studio spaces would largely cater to these disciplines.

There may be higher demand for live/work space for respondents who live off-cape, but the survey was answered predominantly by people who live on-cape, so no conclusions can be drawn in either direction.

After completing the artist survey and analysis and finding an underlying demand for artist studios in the Barnstable/Hyannis area, designLAB undertook a two-part market analysis to help determine the best model for future exploration. Part one was a look at regional case studies– how have artist studio spaces in the greater Boston area developed, how have they been successful, and what are the key cost metrics associated with successful properties? Part two involved developing a broad development proforma, based on case studies and the current real estate market, and applying the proforma to local available properties to determine their viability as artist studio spaces.

GREATER BOSTON CASE STUDIES



JOY STREET STUDIOS







CASE STUDIES | JOY STREET STUDIOS

Joy Street Studios is located in the artist-friendly Brickbottom neighborhood of Somerville, MA. It is comprised of 62 studios, renovated in stages over a period of 4 years, fully opening in 2007. It is an extremely popular space, currently with no vacancies. There are semi-annual open studios in May and November, as well as several more frequent gallery openings throughout the year. A high conversion cost per studio led to the highest cost per sf of any property in the area, but the higher cost clearly has not been a deterrent for artists. Free parking is available to all renters, and there are several other artist studio and gallery spaces nearby, making Joy Street Studios part of a thriving arts community. This property is probably most analogous to a downtown property in Barnstable, and shows that a high rental cost is acceptable if it fits within an established and desirable community.

CASE STUDIES | JOY STREET STUDIOS



Location	<i>Somerville, MA</i>
Number of Studios	<i>62</i>
Vacancies (12/13)	<i>0</i>
Studio Model	<i>Rental</i>
Rental Rate	<i>\$1.65 / sf/ mo.</i>
Utilities	<i>included</i>
Real Estate Taxes	<i>included</i>
Year Converted	<i>2003-07</i>
Acquisition Price	<i>None</i>
Conversion Cost	<i>\$1,430,000</i>
Conv Cost per Studio	<i>\$23,065</i>
Conversion Type	<i>Partitions to underside of decking</i>
Mixed Use	<i>Level 1: industrial; Level 2: studios</i>
Public Subsidy	<i>\$40,000 Storefront Improvement Program</i>

WESTERN AVE STUDIOS






WESTERN AVENUE STUDIOS

Greater Merrimack Valley
Commission & Visitors Bureau
Massachusetts
MAHARDFESTIVAL.COM



CASE STUDIES | WESTERN AVENUE STUDIOS

Western Avenue Studios is located in an industrial part of Lowell, MA. It is located in a large complex, and has successfully renovated in stages, starting with 60 studios on one floor in 2005 and gradually expanding to 245 studios spread out over several floors in two different buildings. Initially all studios were work-only, but in more recent stages of development, work-live studios have also been added. The conversion cost per studio was very low, likely due to the efficiencies built into the sheer size of the property, and as a result monthly rents are also quite low. Despite having over 200 rentable spaces, there are only 9 vacancies as of this December, and there are plans to expand even further. There are two gallery spaces, and several open studios take place throughout the year. This property is probably most analogous to a larger, peripheral property in Hyannis, one with dedicated parking, and one able to create a community where none exists currently.

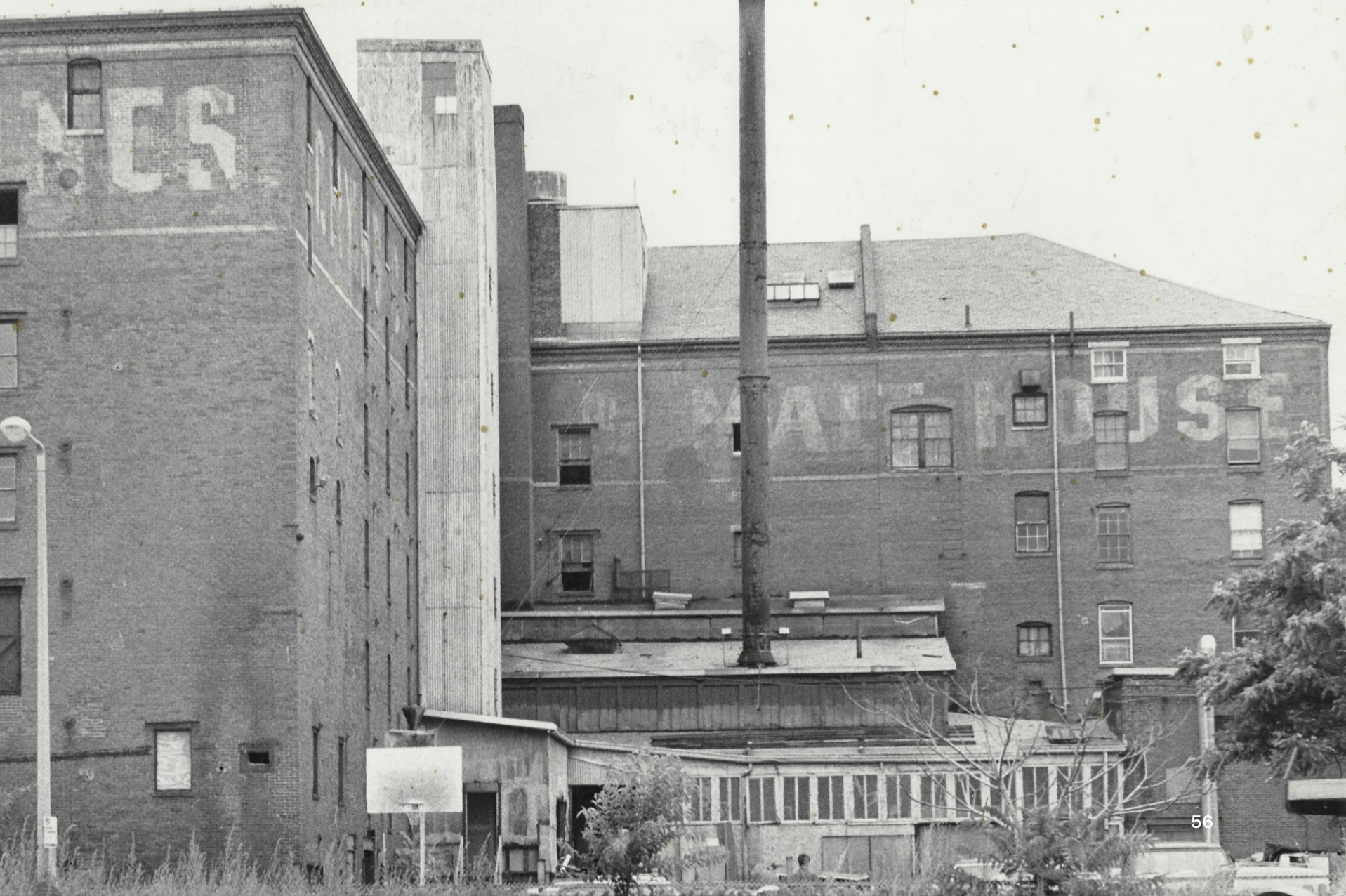
CASE STUDIES | WESTERN AVENUE STUDIOS

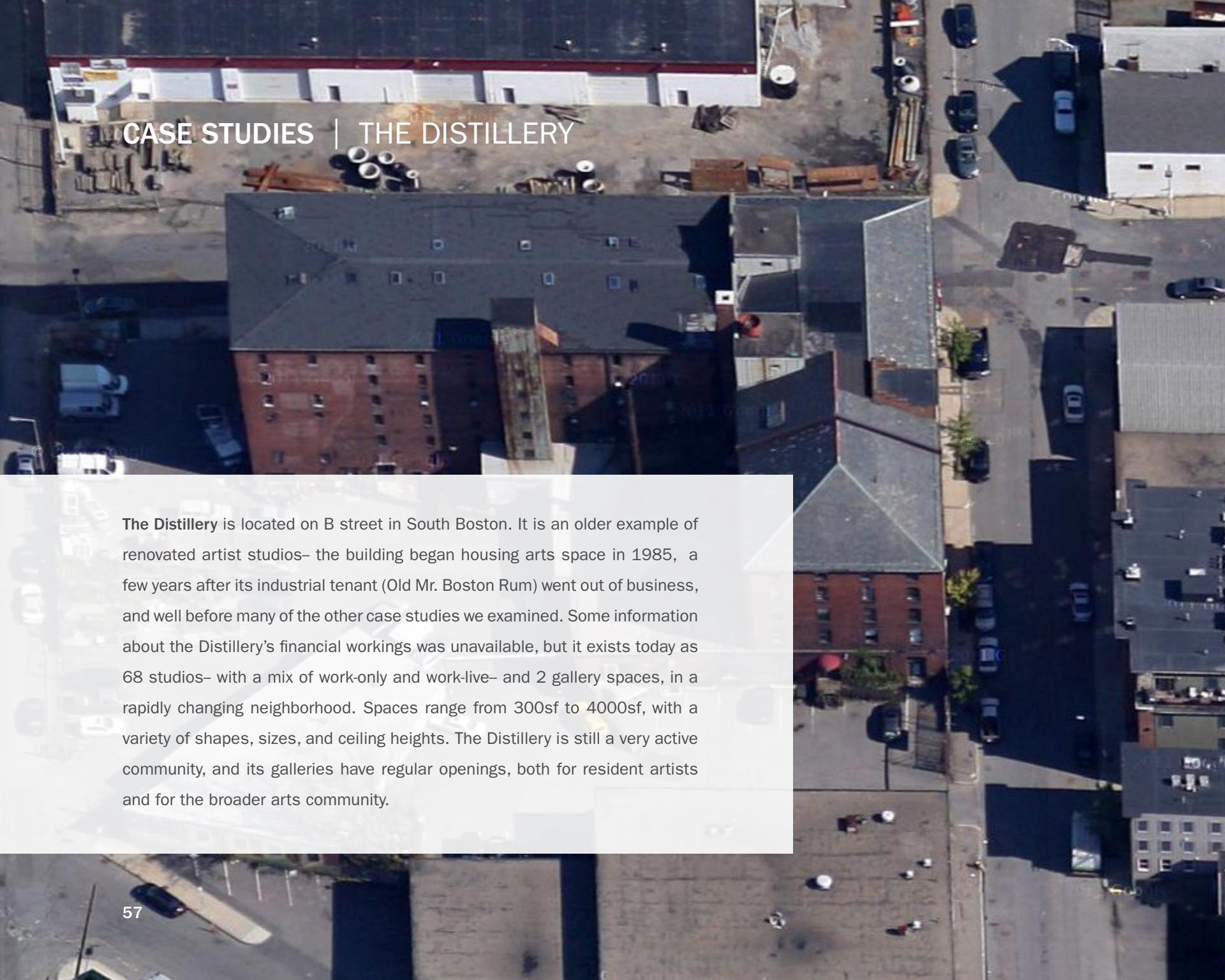


Location	<i>Lowell, MA</i>
Number of Studios	<i>245</i>
Vacancies (12/13)	<i>9</i>
Studio Model	<i>Rental</i>
Rental Rate	<i>\$0.73 / sf/ mo.</i>
Utilities	<i>prorated electricity</i>
Real Estate Taxes	<i>included</i>
Year Converted	<i>2005-13</i>
Acquisition Price	<i>None</i>
Conversion Cost	<i>\$2,205,000</i>
Conv Cost per Studio	<i>\$9,000</i>
Conversion Type	<i>Partial height partitions</i>
Mixed Use	<i>50 live/work rentals</i>
Public Subsidy	<i>Federal + State Historic Tax Credits</i>

THE DISTILLERY



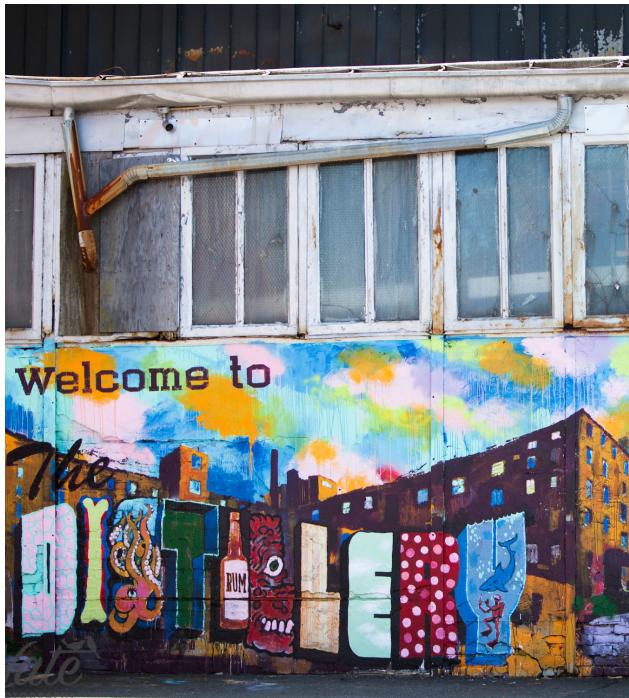


An aerial photograph of an urban neighborhood, likely South Boston, showing a mix of industrial and residential buildings. A large, multi-story brick building with a dark roof is the central focus. Surrounding it are smaller buildings, parking lots with cars, and streets. The text 'CASE STUDIES | THE DISTILLERY' is overlaid in white at the top left.

CASE STUDIES | THE DISTILLERY

The Distillery is located on B street in South Boston. It is an older example of renovated artist studios– the building began housing arts space in 1985, a few years after its industrial tenant (Old Mr. Boston Rum) went out of business, and well before many of the other case studies we examined. Some information about the Distillery’s financial workings was unavailable, but it exists today as 68 studios– with a mix of work-only and work-live– and 2 gallery spaces, in a rapidly changing neighborhood. Spaces range from 300sf to 4000sf, with a variety of shapes, sizes, and ceiling heights. The Distillery is still a very active community, and its galleries have regular openings, both for resident artists and for the broader arts community.

CASE STUDIES | THE DISTILLERY



Location	<i>Boston, MA</i>
Number of Studios	68
Vacancies (12/13)	
Studio Model	<i>Rental</i>
Rental Rate	<i>\$1.10 / sf/ mo.</i>
Utilities	<i>included</i>
Real Estate Taxes	<i>included</i>
Year Converted	1985
Acquisition Price	
Conversion Cost	
Conv Cost per Studio	
Conversion Type	<i>Partitions to underside of decking</i>
Mixed Use	<i>38 work-only; 30 live-work; 2 galleries</i>
Public Subsidy	

DEVELOPMENT PROFORMA

DEVELOPMENT PROFORMA | WORKSHEET

ASSUMPTIONS

Avg. Studio Size (usable sf)	350 sf
Rental Rate (per usable sf / month)	\$1.00
Expenses & Real Estate Taxes (/sf/mo)	\$0.33
Development Cost / unit (hard + soft)	\$15,000
Capitalization Rate	9.00%

WORKSHEET

Rent (per unit per year)	\$4200
Expenses + RE taxes (per unit per year)	\$1400
Net Operating Income (per unit per year)	\$2800
Property Value (per unit-- NOI/cap. rate)	\$31,111
Development Cost (per unit)	\$15,000
Amount available for Acquisition (per unit)	\$16,111

LOCAL PROPERTIES



LOCAL PROPERTIES | SUMMARY

1



411 Barnstable Road, Hyannis MA 02601

- \$850,000
- 13,482 sf
- \$63.04 / sf
- 0.53 acres
- Retail

2



571 Iyannough Road, Hyannis MA 02601

- \$1,750,000
- 13,500 sf
- \$129.63 / sf
- 1.42 acres
- Office / Flexible

3



20 Sea Street, Hyannis MA 02601

- \$999,000
- 4,420 sf
- \$226.02 / sf
- 7,840 sf
- Retail

4



72 North Street, Hyannis MA 02601

- \$995,000
- 12,000 sf
- \$82.92 / sf
- N/A
- Retail / Restaurant

5



467 Iyannough Road, Hyannis MA 02601

- \$945,000
- 8,064 sf
- \$117.19 / sf
- 1.34 acres
- Retail / Restaurant

LOCAL PROPERTIES | SUMMARY

6



59 Bodick Road, Hyannis MA 02601

- \$550,000
- 6,000 sf
- \$91.67 / sf
- N/A
- *Industrial / Flexible*

7



145 Barnstable Road, Hyannis MA 02601

- \$799,000
- 14,252 sf
- \$56.06 / sf
- 0.79 acres
- *Office / Medical*

8



37 Hincely Road, Hyannis MA 02601

- \$995,000
- 13,936 sf
- \$71.40 / sf
- 0.57 acres
- *Industrial / Showroom*

9

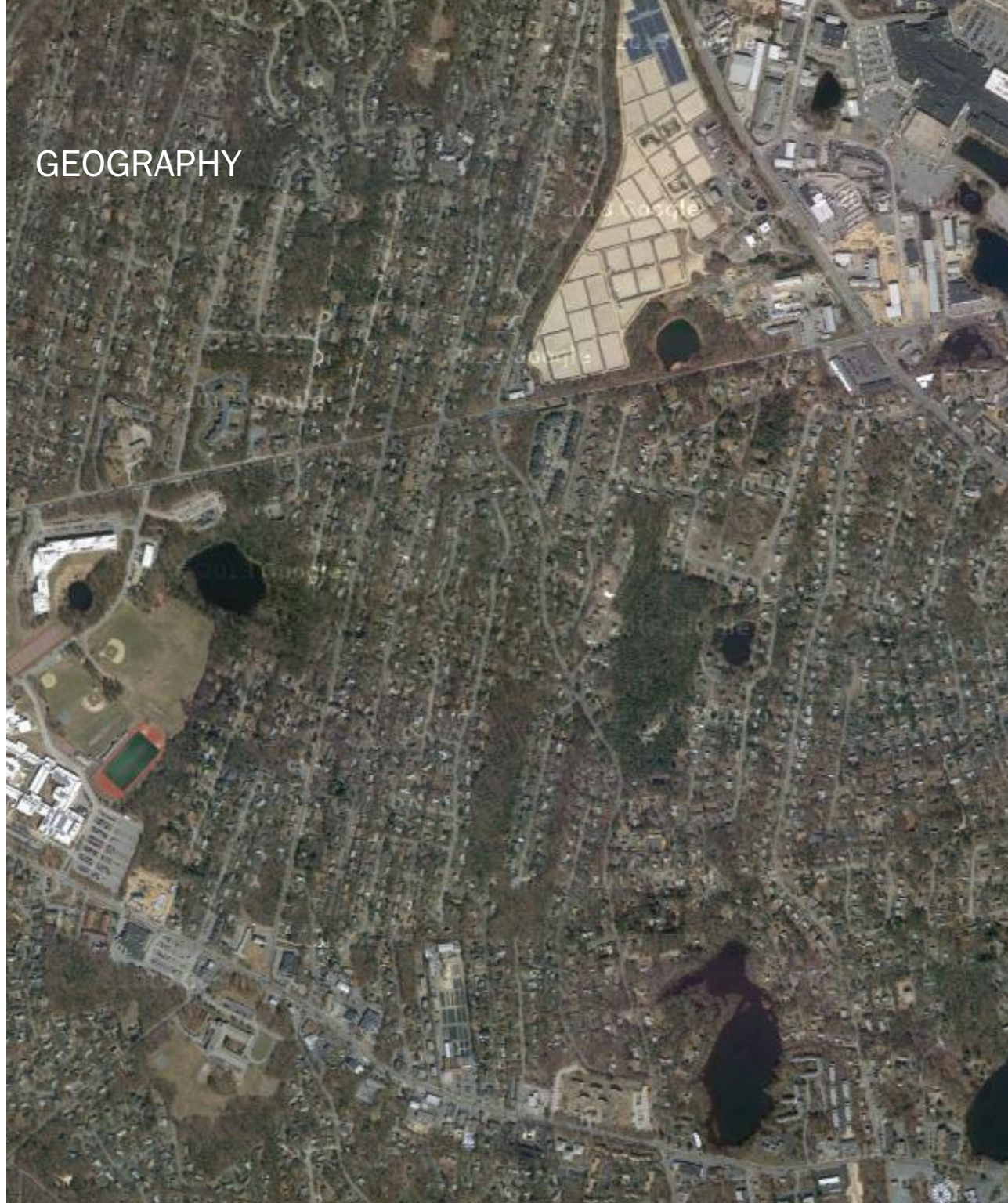


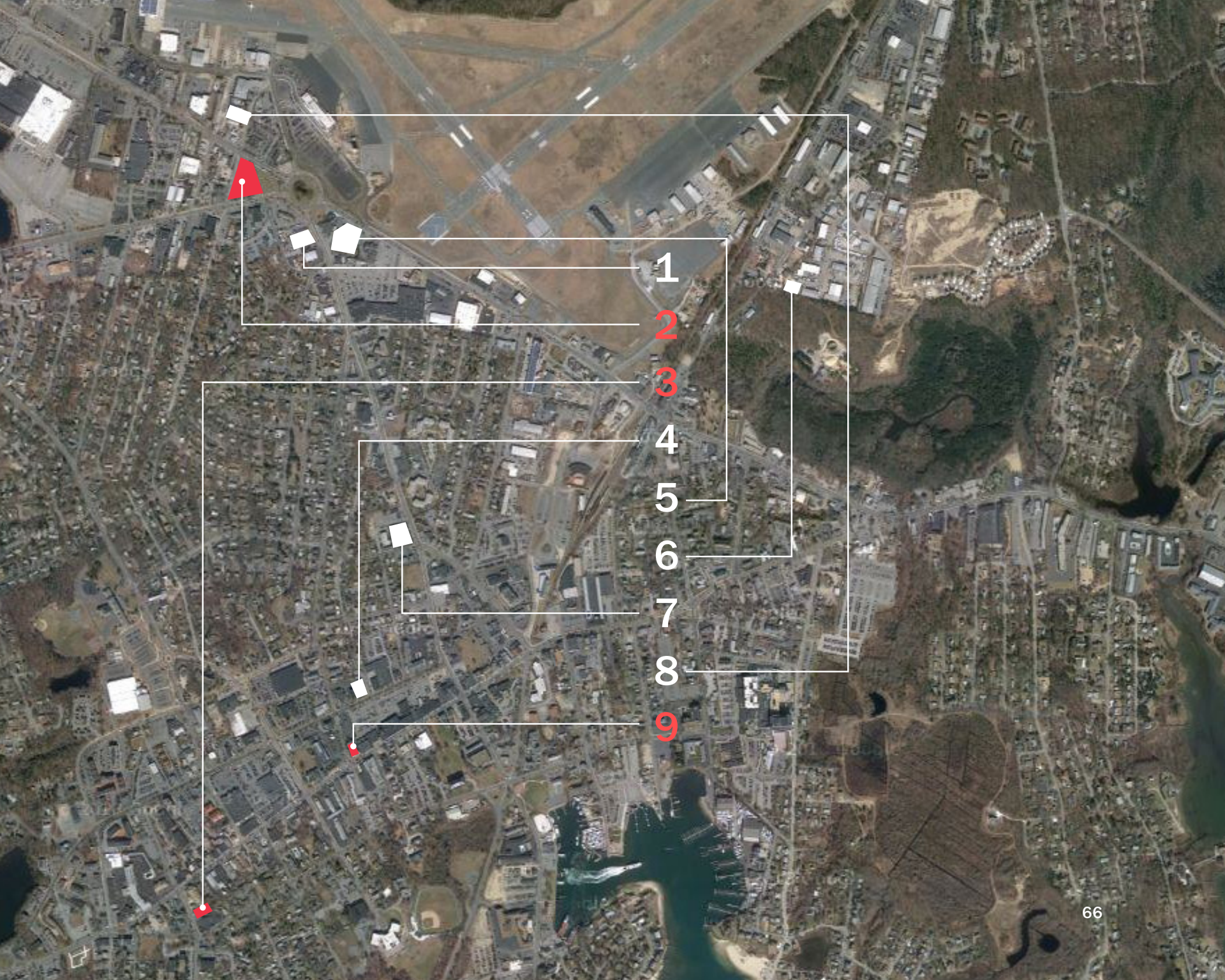
448 Main Street, Hyannis MA 02601

- \$450,000
- 4,772 sf
- \$94.30 / sf
- 0.08 acres
- *Retail*

LOCAL PROPERTIES

GEOGRAPHY





1

2

3

4

5

6

7

8

9

An aerial photograph of an industrial and residential area. A red triangle with a white dot is positioned on a road, with white lines extending to the left and down to a text label. The background shows various buildings, parking lots, and a large open area.

LOCAL PROPERTIES | 571 IYANNOUGH ROAD

571 Iyannough Road, Hyannis MA 02601

571 Iyannough Road is located adjacent to the airport rotary at the intersection of two major roads. It is comprised of a large open warehouse space, and a smaller office component which could easily be converted to a gallery/retail space. The open plan warehouse space would provide ample and flexible studio space, likely accommodating 20-25 artist studios, and possibly some additional amenities. There is also a dedicated parking lot with over 40 spaces. The property has a relatively high cost per square foot, but could work very well as an owner-developed property. Unlike other properties in Hyannis/Barnstable, this property could potentially accommodate a 'critical mass' of studio spaces, and foster a destination / community for local artists. The warehouse space is equipped with two large (12'-0") overhead garage doors for loading, or for a studio opening.

LOCAL PROPERTIES | 571 IYANNOUGH ROAD



LOCAL PROPERTIES | 571 IYANNOUGH ROAD

STATISTICS

- \$1,750,000
- 13,500 building sf
- \$129.63 / sf
- 1.42 acres
- Office + Flexible

PROS

- "Critical mass" of studios possible
- Large flexible open plan
- Current office area could become gallery / retail
- Ample parking on site
- Adjacent to major roads / airport rotary
- Overhead garage door for loading

CONS

- Removed from "downtown" area
- Moderately high cost per sf
- Potential 'visibility' issues
- Large lot / high property value



LOCAL PROPERTIES | 571 IYANNOUGH ROAD

Potential # of Studios	20 (@ 350 sf each)
Potential Retail / Food Service	1 (@ 2000 sf)
Studio Rent	\$1 / sf / month
Retail Rent	\$1.50 / sf / month
Studio Net Operating Income	\$56,000 / yr (\$2800 / unit / yr)
Retail Net Operating Income	\$27,500 / yr
Total Net Operating Income	\$83,500 / yr
Development Cost (studios)	\$300,000 (@ 15,000 / unit)
Development Cost (retail)	\$150,000
Total Development Cost	\$450,000
Total Acquisition Cost	\$1,750,000
Return on Cost (current owner)	18.5% (5-6 year cost recovery)
Return on Cost (new owner)	4.7% (20-25 year cost recovery)



LOCAL PROPERTIES | 20 SEA STREET

20 Sea Street is located downtown in an area with some pedestrian traffic. It formerly housed a restaurant, and has a fairly complex layout with a first floor space which might serve well as a gallery/retail component. Like many downtown properties, it is wood-framed and relatively inflexible with interior space, and also has a relatively small footprint. 20 Sea Street has a very high cost per square foot, making acquisition very unlikely. Between 8-10 studios may fit in this space, depending on the size of the retail/gallery component. This property includes some dedicated parking spaces, which is a significant benefit for potential artist studios.

20 Sea Street, Hyannis MA 02601

LOCAL PROPERTIES | 20 SEA STREET



LOCAL PROPERTIES | 20 SEA STREET

STATISTICS

- \$999,000
- 4,420 sf
- \$226.02 / sf
- 7,840 sf lot
- Retail

PROS

- Downtown location
- Walkable / pedestrian-friendly
- Access to downtown parking
- Potential public access/gallery/retail component on level 1
- Some dedicated parking

CONS

- Small capacity / lot
- Very high cost per sf
- Challenges renovating restaurant into studios?
- Renovated studios not particularly flexible / would be tied to floorplan




LOCAL PROPERTIES | 20 SEA STREET

Potential # of Studios	8 (@ 350 sf each)
Potential Retail / Food Service	1 (@ 500 sf)
Studio Rent	\$1 / sf / month
Retail Rent	\$1.50 / sf / month
Studio Net Operating Income	\$22,400 / yr (\$2800 / unit / yr)
Retail Net Operating Income	\$6000 / yr
Total Net Operating Income	\$28,400 / yr
Development Cost (studios)	\$120,000 (@ 15,000 / unit)
Development Cost (retail)	\$40,000
Total Development Cost	\$160,000
Total Acquisition Cost	\$999,000
Return on Cost (current owner)	17.8% (5-6 year cost recovery)
Return on Cost (new owner)	2.8% (30-35 year cost recovery)



LOCAL PROPERTIES | 448 MAIN STREET

448 Main Street is in a prime downtown location– it formerly housed a toy shop, and is on a busy pedestrian route. Like many downtown properties, it is wood-framed and relatively inflexible with interior space, and also has a relatively small footprint. 448 Main Street has a very low cost per square foot, which makes this property one of the very few which might be successful as an acquisition. Between 8-10 studios may fit in this space, depending on the size of the retail/gallery component. This property has no dedicated parking, but is adjacent to municipal parking.



448 Main Street, Hyannis MA 02601

LOCAL PROPERTIES | 448 MAIN STREET



LOCAL PROPERTIES | 448 MAIN STREET

STATISTICS

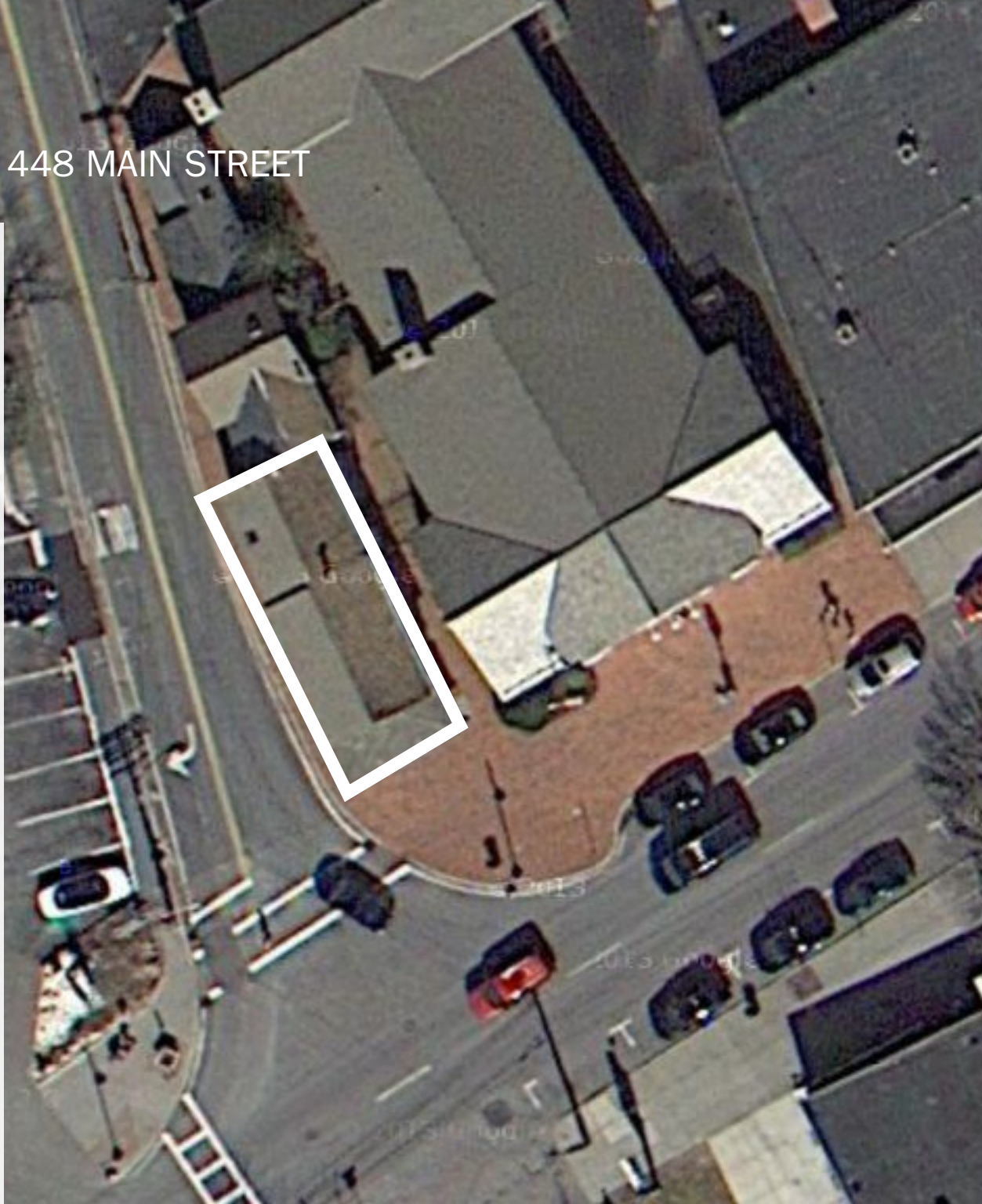
- \$450,000
- 4,772 sf
- \$94.30 / sf
- 0.08 acre lot
- Retail

PROS

- Downtown location
- Walkable / pedestrian-friendly
- Relatively low acquisition cost
- Access to downtown parking
- Formerly retail

CONS

- Small capacity / lot
- No dedicated parking
- Renovated studios not particularly flexible / would be tied to floorplan



LOCAL PROPERTIES | 448 MAIN STREET

Potential # of Studios	10 (@ 350 sf each)
Potential Retail / Food Service	N/A
Studio Rent	\$1 / sf / month
Retail Rent	N/A
Studio Net Operating Income	\$28,000 / yr (\$2800 / unit / yr)
Retail Net Operating Income	\$0 / yr
Total Net Operating Income	\$28,000 / yr
Development Cost (studios)	\$150,000 (@ 15,000 / unit)
Development Cost (retail)	\$0
Total Development Cost	\$150,000
Total Acquisition Cost	\$450,000
Return on Cost (current owner)	18.6% (5-6 year cost recovery)
Return on Cost (new owner)	6.2% (15-20 year cost recovery)

MARKET CONCLUSIONS

-Case studies show successful renovation by current owners– renting anywhere between \$0.50 - \$1.60 / sf / mo.

-All case studies are in “peripheral” locations with reasonable parking accommodation

-All case studies have at least one public / gallery component within the project to showcase resident work

-Several local properties provide spaces which would be suitable for renovation as artist studios

-Two smaller downtown properties provide opportunities for pedestrian access and window-shopping / one property adjacent to the airport provides a more generous and flexible space with dedicated parking lot.

-Adequate gallery and/or retail space (for daily public interaction) may be limited or infeasible in downtown properties

-Proforma analyses show that acquiring and developing a property would involve a higher risk and lower return– however, current property owners might see high return on renovated artist studio space

-Acquiring a suitable new property is 3-5x the cost of renovation/development

-\$1/sf/mo rent– the most important metric for potential renters– is very feasible if property is developed by current owner

FINAL CONCLUSIONS

The results of the artists survey clearly demonstrate local demand for studio space. 40% of the 150 survey respondents actively desired some additional external studio space for their artwork, and many were interested in rental opportunities in Hyannis and Barnstable. This market is typically in the 51-60 age bracket, and typically are employed in arts-related jobs). Renovations of industrial spaces have produced several very successful arts spaces in the greater Boston area, and case studies establish that rents for studio spaces range from \$0.50 to \$1.60/sf/mo across the region.

The proforma analysis shows that acquiring *and* developing a property into artist studios is not necessarily a viable model. However, for current property owners, developing a suitable property into artist studios could be a successful alternative. One of the key cost metrics from the artist survey – the desire for \$1/sf/mo rent – is financially feasible in the Barnstable area if the property is developed by a current owner. In reality, rents higher than \$1/sf may be viable – respondents typically under-report ‘ability to pay’ in surveys – which would make the economic calculus even more favorable. The analysis of the local market also shows two distinct models of development: developing a smaller downtown property into relatively few studios with access to downtown pedestrian shoppers; and developing a peripheral property into a larger number of studios with more flexible space, dedicated parking, and a larger gallery/retail space. The survey and analysis are unable to definitively state which model will be most successful – however, downtown spaces may ultimately may be more appealing (and profitable) as retail spaces. Additionally, developing downtown properties may involve a higher development cost per studio space. Larger peripheral properties with dedicated parking may be able to accommodate enough studio space to create a community of artists, and therefore might be a more successful model for development. Ultimately, regardless of the specific space, marketing artist studios as a potential development model to current building owners seems to be the best path forward.

