

June 1, 2012

City of Loveland
Affordable Housing Commission
500 E. Third Street
Loveland, CO 80537

RE: Artspace Loveland Lofts

Dear Commissioners,

Thank you for considering our application for Community Development Block Grant funds for the Artspace Loveland Lofts project. We understand how challenging your allocation task is so we are grateful that the Commission voted to recommend that Artspace Loveland should receive \$35,000 of our initial request for \$65,000. In response to conversations throughout your review, we wanted to provide this comprehensive statement on the lease-up and resident selection process. It is our shared intention that this project primarily benefit the artists, cultural participants and citizens of Loveland, Larimer County and the NoCo region. We intend that this project serve multiple goals for the City of Loveland, including providing affordable housing for eligible artists; incubating new creative sector businesses; and helping catalyze the City's Downtown revitalization efforts through community events and visitor attraction.

Artspace is a 501(c)3 non-profit organization with a mission to create, foster and preserve affordable space for artists and arts organizations. In developing and owning over 30 projects nationally, we have minimized displacement in communities where we work by targeting existing residents. This result is often a self-fulfilling consequence of the length of time and community process we use in creating a project: to wit we have been involved in discussions in Loveland, at your invitation, for over three years.

In almost all cases our leasing strategy builds on our community process in using existing local arts communication networks virally to promote the project. We host information sessions in local arts venues, publicize through social media as well as cards in local arts locations, coffee shops, supply houses, etc. We also use local media advertising in the arts and cultural sectors if affordable and effective. This is in addition to having regular arts community interactions through the development process. As a case in point, our

Santa Cruz, CA project (100 units) had over 450 people waiting overnight in line to submit applications. In two cases (East Harlem, NYC and Patchogue, Long Island), we have been asked to employ a specific geographical preference to local artist residents at initial lease-up and this was in markets with exceptional demand demographics and an obligatory lottery/preference structure already in place.

It is our preference to work without specific geographic restrictions imposed; we intend this to be a local project nonetheless. If necessary, however, we propose a resident selection process as follows:

Working with the Housing Authority of the City of Loveland, which will conduct the preliminary determination of eligibility, we will take all applications first come, first served with a discrete application period. Once the application deadline is closed, eligible applications will be sorted into two initial groups: 1) those in which the applicant has self-identified as an artist and desires to go through the artist selection process with the Artist Selection Committee and 2) those that have not self-identified as artists. Within each of those groups, applications from zip codes within Loveland will be segregated. The ranking of eligible applicants will be conducted as follows to meet the preferences established:

1. self-identified artists who live in Loveland.
2. self-identified artists who do not reside in Loveland. These applicants will be considered behind all the applicants who self-identified as artist who reside in Loveland.
3. applicants who are not self-identified artists but who live in Loveland. These applicants will be maintained on a non-artist list and processed only if units are not filled from either of the two artist lists.
4. applicants who are not self-identified artists AND do not live in Loveland. These applicants will be maintained on a non-artist list and processed only if units are not filled from either of the two artist lists and the non-artists living in Loveland.

This preference overlay would not be a set-aside, nor a restriction holding units open for local applicants. This local preference is for initial occupancy effort, after which lists would be consolidated to artist and non-artist, FCFS.

We're excited to be considered by your Commission for the pending application. Please do not hesitate to contact us with additional questions/ concerns.

Yours,



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