

Q: Referring to the first slide of the info session presentation, who does “appropriate artists” refer to?

A: It is the intention of the AREA initiative that affordable workspace should be available and accessible to the broadest swath of the public that self-identify as artists. While there is currently no specific definition of an “appropriate artist,” guidelines may be provided by the City on a project-specific basis to ensure that artist workspaces are being used for their intended purpose.

If respondents have a specific approach or guidelines regarding artist selection, they are encouraged to include that information in their submission.

Q: Can a respondent satisfy both developer and operator roles?

A: Yes, a respondent may be a developer, an operator or both. However, a respondent must be a not-for-profit corporation.

Q: Are partnerships allowed?

A: Yes. If any are contemplated, please indicate so in the proposal. We encourage members of a partnership to respond individually as organizations if they qualify to do so, and then indicate potential partner projects. This allows the maximum flexibility to consider respondents for multiple projects and not just a single proposed partnership.

Q: Is this RFEI a selection for candidates to operate or develop a space that you don’t have currently?

A: The purpose of the RFEI is to identify qualified entities that can develop and/or operate affordable artist workspace throughout the City, should such space be identified. The New York City Economic Development Corporation (EDC) and the New York City Department of Cultural Affairs (DCLA) will evaluate responses and create a reference list of qualified nonprofit operators and/or developers. In the event sites become available, this list may be shared with developers and property owners and pre-qualify selected respondents to participate in project development opportunities, both existing and potentially forthcoming.

Q: By developing the space, do you mean find the space to develop?

A: Locations will be identified by the City. If a respondent has a specific project or space in mind, and has site control individually or with a developer, they may mention this in their submission. However, this RFEI is not for any specific project, but is intended to qualify respondent organizations for a variety of potential projects. The purpose of this RFEI is to identify qualified nonprofit organizations in advance, so that they may be contacted if available space is identified by the City for potential development.

Q: If a respondent has a space that can be programmed and submits a proposal by April 2, will the capital funding be available since the deadline for capital funding was February 22?

A: As stated in the guidelines, the AREA RFEI is not tied to funding. Rather, it is a mechanism to identify qualified nonprofit developers and operators for potential development projects. Should a site be

identified and a nonprofit operator be selected for the site, the nonprofit operator would be required to raise necessary funds for the capital project. While it is expected that projects will be funded primarily through private sources, funding may be available through DCLA's AREA initiative, or DCLA's standard capital funding process. Selected respondents will also be encouraged to contact elected officials regarding funding.

Funding provided through DCLA's Capital Unit will be subject to the standard yearly funding cycle, with applications due each February. Funding provided through DCLA's AREA initiative may be available any time during the year.

In addition, EDC may waive or discount rent for qualified projects in the properties owned by the City and managed by EDC.

Q: If you are fiscally sponsored organization through for example Fractured Atlas <https://www.fracturedatlas.org> (<https://www.fracturedatlas.org/>) are you qualified to participate in this program?

A: The City has funded capital projects to fiscally sponsored organizations on a limited basis. Given the pilot nature of the AREA initiative, we encourage all interested respondents to apply.

Q: What does the \$333 per square foot AREA funding cover?

A: The \$333/SF may be allocated towards improvements to outfit the premises with operable artist workspace. Eligible project costs may include interior furniture, fittings and equipment (FF&E), tenant improvements (TI), and the purchase of eligible equipment. This funding may not be used for core and shell construction or repair, except in so far as there are particular elements that are added onto core and shell for specific cultural purposes, such as sprung floors or acoustically treated walls.

Q: To clarify, an organization can seek a deal with a private developer and can then use the capital funding for the build out?

A: A non-profit organization may partner with a for-profit private developer to develop a site. In the event the nonprofit organization is eligible for and receives City capital funding, such funding would only be available to the nonprofit operator to pay for eligible project costs of the site, as described above. EDC may be able to provide additional non-City capital funding or other forms of incentives (e.g. rent discount) for AREA-qualified projects conducted as part of other City RFPs or in the City owned properties managed by EDC.

Q: Would a member of the CIG be eligible for AREA funding?

A: Yes, if all qualifications are met.

Q: Would we have to apply for private funding if we couldn't build the projects within the cap of \$333psf of capital funding?

A: Additional sources of funding may be necessary, depending on the scope and scale of the contemplated project.

Q: Does the City have a required minimum for the operating budget of a cultural organization?

A: There is no minimum operating budget requirement; rather, the City is interested in identifying organizations that can demonstrate capacity to operate artist workspaces effectively and efficiently.

Q: What is the difference between applying as an operator and filling out the Tenant Survey on the Cultural Affairs website?

A: The purpose of the RFEI is to identify qualified nonprofit organizations that have the capacity to develop and/or operate artist workspace at sites that may be identified by the City in the future.

The Tenant Survey is intended to capture information about organizations that: 1) wish to rent space for their own use (but have no interest or capacity in developing or operating spaces), or 2) have existing space of their own that they wish to offer for rent to artists.

Q: If we have existing artist workspace that we wish to rent out, and do not need City capital funding at this time, which form should we complete?

A: The Tenant Survey would be the most appropriate form to complete.

Q: Who will be charged with vetting prospective artists to use the workspaces? Will the City provide additional funding to assist with the operation and management of artist workspaces?

A: The selected nonprofit operator will be tasked with identifying and selecting prospective artists and funding the management and operation of each site. City capital funding may not be used for overhead or staffing expenses.

Q: How do you want operators to protect inventory and equipment that require certain skills? How can we screen experience if we can't screen artistic merit?

A: Cultural operators will be responsible for ensuring that inventory and equipment are properly used and maintained. Operators will be permitted to develop safety protocols to ensure that artists have the appropriate training and technical skills to effectively operate specialized equipment.

Q: May respondents propose a residency program?

A: The purpose of this RFEI is to identify interested parties to develop and/or operate artist workspace that may be available for artists to rent on an hourly or monthly basis. The City's priority is to make the workspaces available to as many self-identifying artists as possible. If a respondent has a specific approach to an artist residency program that they wish to share/describe to the City, they may include it in their submission.

Q: Are nonprofit operators permitted to ask potential artists for a resume or a credential check?

A: Nonprofit operators of artist workspaces will be responsible for identifying and selecting appropriate artists to use the workspace. If respondents have a specific approach or guidelines regarding artist selection, they are encouraged to include that information in their submission.

As stated above, guidelines may also be provided by the City on a project-specific basis to ensure that artist workspaces are being used for their intended purpose.

Q: We recently started as an affordable artist space developer. We've been successful and are currently looking to expand after 10 months of being in the business. Do we have enough experience to qualify for this RFEI?

A: There is no minimum amount of experience required to respond to the RFEI. However, depth and range of experience and capacity will be taken into account by the City when determining which respondents are qualified.

Q: What calculation will the City use to determine the affordable hourly rate for artist workspace rental?

A: To calculate an hourly rate: (\$1.50 per square foot monthly rent multiplied by gross area square foot for the applicable workspace unit) / divided by 140. 140 represents 35 hours of weekly available space multiplied by 4 weeks in a month.

Q: Of the 35 hour-a-week availability requirement, what percentage of the space has to be available to the public?

A: Generally speaking, 90% of the total workspace should be available to artists at affordable rates for 35 hours per week. Nevertheless, it is understood that artist workspace operating models will differ from one another depending on scope and size of space available.

Q: How is storage space going to be treated?

A: Storage space had not originally been contemplated as part of AREA, given that the purpose of the initiative is to make space available for artists to create and/or present artistic and cultural work. If a respondent has a specific idea or proposal regarding storage space, they are encouraged to include it in their submission.

Q: Should small to medium organizations without the financial capability to develop space respond to the RFEI?

A: Yes. The City is interested in understanding the full spectrum of organizations interested in operating artist workspace, regardless of development experience. Qualified nonprofit operators may be paired with qualified developers, if/when appropriate.

Q: Does a respondent need to have previous or current association with the neighborhood where the proposed project is located?

A: No.

Q: Is the City looking for candidates who can operate and/or develop workspaces, or is the City looking for candidates with relevant arts programming experience?

A: The primary purpose of the RFEI is to identify nonprofit organizations that can develop and/or operate affordable artist workspace.

Q: If the operator of artist workspace primarily focuses on educational activities, is there a difference between classes offered to the public, and the affordable artist workspace?

A: The primary purpose of the AREA initiative is to make space available for artists to create and/or present artistic and cultural work and engage in their artistic and creative practice. Affordable artist workspace must be open to the public and made available at the rates outlined in the AREA term sheet. If a respondent has a specific idea or proposal that meets AREA requirements, they are encouraged to include it in their submission.

Q: Please provide more clarity on the capacity requirements for developers.

A: While there are no specific requirements, the City will take into account previous experience developing space, related programmatic mission, fundraising experience, and other relevant factors.

Q: Will the City accept a response from a fiscal sponsor if the non-profit entity isn't formed already?

A: The City will review all responses to this RFEI. While qualifying for AREA does not guarantee funding, allocation to a fiscal sponsor, should funds be available, would be determined on a case-by-case basis in the City's sole discretion.

Q: Will a selected respondent be able to take ownership of the space?

A: This would be determined on a case-by-case basis, depending on the site identified and the specific scope and operator identified for it. The City generally supports long-term ownership of space that allows for affordability and equity.

Q: What research supports the City's AREA initiative?

A: DCLA and EDC conducted a series of research efforts in recent years that highlight the critical need for further cultural investment in historically underserved areas, including the addition of more affordable artist workspace. For example, the City's cultural plan, [CreateNYC](#), identified affordability as a key issue impacting artists and cultural organizations today. Further, the University of Pennsylvania's Social Impact of the Arts Project (SIAP) project studied the impact of arts and culture on social well-being and developed a set of strategies for cultural investment across certain areas of the five boroughs. To the extent applicable, the City is using such reports to help guide site identification and financial investment for arts and culture going forward.

Q: If the City determines that a respondent is qualified but no spaces are available, can that organization seek private space?

A: A nonprofit organization that qualifies under the AREA RFEI is not guaranteed space. Organizations are welcome to seek out private spaces at any time; this independent search is unrelated to the RFEI. Such space may qualify for AREA funds or other incentives offered by the City if the project scope of the site adheres to the AREA term sheet. EDC and DCLA believe that a nonprofit organization that qualifies as a successful respondent to this RFEI will have an advantage in seeking private space.

Q: Does the City have an estimated number of spaces that will become available?

A: The policy goal is to add at least 500 units of artist workspace in New York City that are affordable and accessible to all.

Q: Are there set rental rates for the affordable space?

A: Yes, \$1.50 per square foot per month. Please refer to the AREA Term Sheet rental calculator to determine hourly rates.

Q: Does a respondent who is an operator need to have a developer predetermined?

A: No, part of this effort is to identify potential partnerships between qualifying operators of cultural organizations and interested developers.

Q: Does the 15-year estimated minimum mean that the lease and affordable rental rates are supposed to last for 15 years?

A: Yes. Please note that the required affordable rental rates may be subject to change to account for inflation, market conditions, and other relevant factors. The City will notify relevant stakeholders if/when rates change.

Q: Why is there an estimated 15-year minimum and not infinite? Who defines that?

A: The estimated 15-year minimum is determined by research conducted by EDC and DCLA that showed this timeframe as most palpable to potential developers and operators to commit to a project, and also by the City's bond-issuance policy, which contemplates 15 years as the useful life of many similar capital investments. However, the time period for each project will be determined on a on a case-by-case basis in accordance with the City's capital eligibility requirements.

Q: Does the City have a rental rate that the organization operating artist workspace will pay?

A: There is no standard rental rate. The rental price that a cultural operator pays will depend on the scale and scope of the project, and the rental rate for privately-owned sites would not be determined by the City. The AREA Term Sheet only provides requirements for pricing to the artists using the space for workspace purposes (\$1.50 per square foot).

Q: Who owns the improvements after the estimated 15-year use term?

A: Ownership of City-funded improvements will depend on a fact-specific analysis of a variety of factors, including but not limited to ownership of the site and the funding mechanism used to finance the project.

Q: What level of engagement will the City have with the RFEI respondents?

A: The City will review all responses to the RFEI to determine which respondents are qualified, and will notify respondents accordingly. The City's engagement with qualified respondents will depend on the potential sites that become available, and applicable City procurement rules.

Q: Is there any limit to the number of responses?

A: There is no limit to the number of responses an organization can submit, but the City does not contemplate any reason that would necessitate more than one submission per organization.

Q: Will the City publicly post the list of qualified respondents?

A: Yes, the list will be posted on the RFEI website, as well as on DCLA's website (under AREA initiative).
Link: <http://www1.nyc.gov/site/dcla/programs/area.page>

Q: Would the City consider a co-working space model?

A: Workspaces should be open to the public and be made available at the rates outlined in the AREA term sheet. If a respondent has a specific idea or proposal regarding co-working space that meets AREA requirements, they are encouraged to include it in their submission.

Q: Will organizations responding to the RFEI need to provide a 15-year lease?

A: No, a lease is not required to respond to the RFEI.

Q: How can an existing landlord and property manager avoid cannibalizing an existing earned income stream, if the AREA requires a lower rental rate (\$1.50 per sq ft)? What controls can be put in place to ensure this does not happen?

A: The AREA affordability rate is a requirement and must be applied to all projects that seek AREA funding.

The City considers the loss of potential income from a space that could be rented for a market use and instead is rented for an AREA-subsidized use as "opportunity cost".

In cases in which an existing landlord and property manager have improvements that they must pay for in order to allow for a market use, if they instead allow an AREA-compliant use and can avoid those improvement expenses, they may not have a significant opportunity cost.

Further, since AREA requires only some of the hours to be affordable, it is possible for an experienced operator to “cross-subsidize” the affordable hours with market rate hours, therefore increasing the overall amount that a space can generate and offsetting lost opportunity cost in a different way.

EDC may be able to provide (i) additional non-City capital funding for AREA-qualified projects conducted as part of other City RFPs and/or (ii) discounted rent for AREA-qualified projects at City properties managed by EDC. These additional incentives which may be available for certain projects are another way to offset lost opportunity cost.

Q: What is the maximum amount of funding/space allocated per organization?

A: The maximum amount of AREA funding that can be allocated to a qualifying project is \$333 per square foot (subject to funding availability). There is no space allocation requirement contemplated at this time.

Q: What is the minimum amount of funding/space allocated per organization?

A: Capital projects must have a minimum budget of \$500,000 in order to be eligible for AREA funding. There is no space allocation requirement contemplated at this time.

Q: Is there a minimum number of artists/companies to be served? A maximum?

A: There is no minimum or maximum requirement. The policy goal is to add 500 units of artist workspace in New York City that are affordable and accessible to all.

Q: Will occupancy costs be reviewed by DCLA or EDC on an annual basis?

A: Yes, organizations that receive AREA funding will be required to submit annual compliance reports.

Q: What are the contract terms for AREA grantees?

A: Please review Appendix B, AREA Capital Funding Program Term Sheet.

Q: What is the implementation timeline?

A: Per the Mayor’s public commitment, the City will seek to build 500 units for affordable artist workspace through 2024.

Q: I am seeking space on behalf of my non-profit organization. We desperately need affordable space to run our program in mid or lower Manhattan. How I can register and get on a list to be offered affordable space?

A: Responding to either the AREA RFEI or AREA Tenant Survey does not guarantee space. Nevertheless, all space-seekers are encouraged to respond to the Tenant Survey to inform DCLA of existing space needs.

Q: Is co-working space with a media lab and fabrication lab eligible?

A: The AREA workspace definition is broad to capture all kinds of spaces for the creation and/or presentation of artistic and cultural work. Workspace must be available to the public at the rates

outlined in the Appendix B of the RFEI to be eligible for AREA funding. If the media and fabrication lab meets these requirements, it can be included in the submission for City consideration.

Q: Can cost calculation (of monthly rent per sq. ft.) be based on annual seat fee/ desk fee divided by total square footage of space?

A: Yes.