

Seattle University

ScholarWorks @ SeattleU

Equinox Studios

Arts Ecosystem Research Project

2020

Equinox Studios: A Case Study

Sacha Bliese-VanDeZande
Seattle University

Follow this and additional works at: <https://scholarworks.seattleu.edu/equinox-studios>

Recommended Citation

Bliese-VanDeZande, Sacha, "Equinox Studios: A Case Study" (2020). *Equinox Studios*. 1.
<https://scholarworks.seattleu.edu/equinox-studios/1>

This Case Study is brought to you for free and open access by the Arts Ecosystem Research Project at ScholarWorks @ SeattleU. It has been accepted for inclusion in Equinox Studios by an authorized administrator of ScholarWorks @ SeattleU.

Equinox Studios: A Case Study

Sacha Bliese-VanDeZande

Seattle University

Cultural Infrastructure and Facilities

October 22, 2014

Abstract

As a result of his own search for affordable, appropriately-sized workspace, sculptor Samuel Farrazaino became the accidental developer of artists' studios. After subdividing leased spaces in two buildings in downtown and West Seattle, in 2006, he purchased an old World War II-era factory building in the industrial neighborhood of Georgetown on Seattle's south side. Investing his own money and years of sweat equity in the face of financial and environmental challenges, Farrazaino and a team of like-minded artists built Equinox Studios. In the course of building a home for working artists, he created a thriving business enterprise and a mutually supportive community.

Equinox Studios: A Case Study

Equinox Studios is an artist workspace community located at 6555 - 5th Avenue South in Seattle, Washington. Heavy and fine artwork are produced within the walls of this 28,700 square foot property. It offers a workspace for painters, potters, photographers, graphic designers, musicians, filmmakers, blacksmiths, glass artists, leatherworkers, and more. Most tenants use the space to operate their businesses, filling everything from small web-based orders to large contract jobs for city government. Other tenants use the space as an outlet to simply explore and create in whatever way they feel inspired, without the constraints or pressures of producing or profiting. Several Equinox tenants are instructors at some of the finest art institutions in the Puget Sound region. Equinox Studios is home to one of the most recognizable public artists in the area and several high-end, professional artists specializing in custom orders.

An Accidental Developer

Samuel Farrazaino is responsible for the development and management of Equinox Studios. A sculptor by trade, Farrazaino describes himself as an accidental developer of artist workspace (personal communication, November, 2014). As the result of his own search for affordable artist workspace, he has transformed more than 185,000 square feet into artist workspace in the last 28 years and is now a leading expert on the subject in the Seattle area.

In 1995, Farrazaino was looking to rent a working artist studio. Ideally, he was searching for 1,000 square feet of reasonably-priced space with exposed floors, high ceilings, large windows, access to 220 volt power, an industrial sink, and ventilation; where welding, forging, and unusual hours wouldn't infringe on the neighbors. These criteria are fairly common for producing visual artists. However, because there is otherwise not a high demand for this unique combination of real estate amenities outside of the artist community, such space is nearly

impossible to find. While many property owners have spaces that meet or accommodate many of the criteria and needs, often times they are over 20,000 square feet in size. Rather than framing the space into smaller sections and finding multiple tenants, they prefer to lease one large area to one tenant. When properties like this are available, they are usually located in remote areas, which may lack foot traffic for potential clients and other social benefits, such as proximity to restaurants. Safety and security can be a concern in isolated locations, as well.

Farrazaino recognized the dearth of such properties and realized he couldn't be the only one looking to rent such a space in a desirable location. By leasing a larger property, dividing the space into smaller studios, and subletting to other artists, he saw an opportunity to not only meet his space requirements but help other artists in the process. With previous experience working as a contractor, he had the skills to put this plan into action. He decided to move forward, even though it was a potentially risky financial choice.

In 1995, Farrazaino rented 2,600 square feet of the "619 Building" on Western Avenue in Pioneer Square. The venture was successful enough that two years later he leased another 12,400 square feet. In 2004, a property in West Seattle presented a similar opportunity, so Farrazaino decided to move his studio and create more opportunities for artists. He called this 17,500 square foot project "The Ridiculous Factory."

In 2006, Farrazaino says his landlords were investigated for involvement with the Chinese Mafia and defaulted on the loan on the West Seattle property. The bank allowed Farrazaino to fulfill the remainder of his lease agreement but would not allow him to extend. Of the twelve subletting artists at the West Seattle property, ten of them committed to following him to a new property, so he began looking for a more permanent arrangement.

In the spring of 2006, Farrazaino began his search to lease a new property; ideally 15,000

square feet of sturdy, cheap, industrial space that could easily be sectioned off. He spent nine months looking for the right space before signing a lease. When he did, arrangements were made to move all eleven artists' work-studios to the new location. However, seven days before the lease agreement was to take effect, the deal fell through. He and his ten artists would have to be out of their current workspace within the week but they had nowhere to go.

Farrazaino returned to his property search feeling a great sense of urgency. His realtor brought him to an old World War II-era factory in the Georgetown neighborhood on the south side of Seattle. Surrounded by Boeing Field, Interstate 5, and the railroad mainlines, the area is described as "industrial bohemian chic." The building's heavy timber, post-and-beam structure could easily be sectioned into smaller studio spaces, and at 28,700 square feet, there was room for him to expand. The property was listed for sale, but the realtor thought the owner would consider a lease with the option to buy. Farrazaino recognized the potential for long term stability, so he borrowed \$30,000, signed a five-year lease agreement, and quickly got to work.

Building the Studios

With the help of some of his tenants, Farrazaino spent the next few years scraping, stripping, tearing out, and hauling off more than 75 years' worth of debris. The first priority was making the workspace useable for the eleven renting artists: reframing individual studios, adding ventilation, distributing gas service, rewiring, and plumbing areas as quickly as possible. As new tenants arrived, they sectioned off workspaces as needed to meet their requests. Within 18 months, Equinox Studios was fully divided and filled with working artists.

When that stage was complete, his team went back through the property again, this time making it more efficient, restoring and refreshing the space as they worked. Beautiful exposed brick walls, wood floors, ceilings, and beams now give the building an updated feel while

celebrating its history. Farrazaino estimates spending \$400,000 developing the property, excluding his labor. The structure is now divided into 38 individual working studios, ranging in size from 150 to 3,000 square feet.

According to Farrazaino, this work during the first few years of the lease increased the value of the property significantly. In 2006 when Farrazaino took control of the property, the commercial income value of the property was \$1.5 million. After Farrazaino's investments and improvements to the property, the commercial income value in 2010 was \$4.5 million. Farrazaino used that "sweat equity" as a down payment to purchase the building, closing on the property in March, 2011.

Building a Community

Equinox tenants enter into a fairly typical, 17-page commercial lease agreement with Farrazaino, addressing alterations, attorney's fees, common areas, insurance, repairs and maintenance, security deposits, signage, subletting, and taxes. A monthly rent schedule clearly lays out inflation increases for the duration of the lease. Utilities and services are divided on a flat rate as simply and fairly as possible, with the understanding that if a renter's usage habits change, they will be reevaluated.

When signing the lease with a new tenant, Farrazaino expresses his desire that Equinox be more than a building filled with renters; his goal is for it to be a friendly, supportive community of artists. Collaboration and participation are encouraged but not required; however, negative behaviors or interactions are not welcome. Most tenants participate fully, appreciating the invitation to be part of a larger and supportive artist community.

Equinox artists also interact with the Georgetown community at large. Every December, they host "A Very Open House." More than 2,500 people attended the event in 2013. The artists

also take part in Georgetown's Art Attack (art walk) every second Saturday of the month. In 2010, the artists at Equinox began taking part in Georgetown's Annual Carnival events by creating large scale interactive community art projects. For example, Sling-Bang-Bowling where participants are strapped inside a large, round, ball/cage, pulled back in a giant 'sling-shot' and released towards ten larger than life bowling pins. "Jump in, Strap in, Hang on, Bang on... Boom Crash Bang! The interactive sculpture that pits you against 10 industrial sized bowling pins. In honor of Wile E. Coyote and sponsored by ACME Corporation. Be the ball." Other Equinox Carnival inventions include: Zip-Line Mural Painting (powered by a bicyclist on an I-beam), and Splat-A-Paint (a catapult painting activity suitable for participants of all ages).

Farrazaino always intended for the artists at Equinox to be supportive and friendly to one another, but he had no idea how strong the community support would end up being. In 2009, Farrazaino says he fell ill. Diagnosed with swine flu and pneumonia, he was hospitalized and quarantined for seven days. When he returned to Equinox, the artists had collected money to help with his unexpected medical bills. Farrazaino was moved by this gesture; clearly this was more than a typical landlord-tenant relationship. He accepted the help and paid his medical bills but decided to consider it a loan and replaced the money. Those replacement funds are now set aside as an emergency loan for which any Equinox artist may apply, as needed.

Farrazaino is also creating a short-term loan program for his artists. These loans could be used to order materials for an upcoming gallery show or to fill a larger order. He also hopes to take advantage of the new healthcare options being created to form a purchasing group, making affordable healthcare accessible to his tenants.

Because Farrazaino understands artists' workspace needs and has fostered a supportive atmosphere, Equinox Studios has flourished since the doors opened in December of 2006. Word

has spread about the workspace community that Farrazaino has created at Equinox Studios. In 2009, artists began finding him through word-of-mouth; he hasn't advertised available space since that time. The 38 working art studios at Equinox are currently leased to 65 artists.

This approach to business (a high level of support between landlord and tenant) is similar to the divergent, yet highly successful approach that Costco and Southwest Airlines have taken with their employees. It is a philosophy and a practice that happy employees (or in this case renters) will result in less turnover and a strong sense of organizational pride and a sense of belonging to an organization. Compare Farrazaino's "accidental" business practice (and success) with the following statement by Herb Kelleher, cofounder and Chairman of Southwest Airlines:

When I started out, business school professors liked to pose a conundrum: Which do you put first, your employees, your customers, or your shareholders? As if that were an unanswerable question. My answer was very easy: You put your employees first. If you truly treat your employees that way, they will treat your customers well, your customers will come back, and that's what makes your shareholders happy. So there is no constituency at war with any other constituency. Ultimately, it's shareholder value that you're producing. (Lucier, 2004)

Jim Sinegal, CEO and President of Costco has drawn a similar conclusion.

It's really pretty simple. It's good business. When you hire good people, and you provide good jobs and good wages and a career, good things are going to happen. It doesn't do much good to have a quality image, whether it's with the facility or whether it's with the merchandise, if you don't have real quality people taking care of your customers.

(Ruggieri, 2009)

Gail Howard, a tenant at Equinox since January of 2007, said Farrazaino's artist

community is the best she's ever been a part of, including the professional painting studio from her graduate studies in San Francisco. She described feeling isolated in other fine art facilities, as if the other artists were self-absorbed and competitive. For multiple reasons, Howard stopped painting many years ago. When her brother invited her to share a workspace at Equinox, Howard decided to pick up her paintbrush once again. The feeling of community is like nothing she's ever felt before. Artists treat one another as credible professionals and there is a sense of belonging that creates confidence, where everyone is taken seriously (personal communication, December 2, 2014).

Howard is now a featured artist at Seattle Art Museum's Gallery and had an installation show at last year's Carnival. She credits the fact that she's painting again, and her newfound success, to Equinox. At least 70 percent of her current accomplishments can be directly tied to an encounter at, or an introduction through, Equinox (G. Howard, personal communication, December 2, 2014).

The Future of Equinox Studios

The road to Equinox's success has not been without setbacks for Farrazaino. During the sale in 2011, he says the property had issues with vinyl-chloride groundwater contamination. For that reason, traditional financing was problematic, so the seller held the note while Farrazaino treated the problem. He estimates spending \$100,000 to investigate, treat, reinvestigate and file the clean groundwater reports and is now ready to refinance the property with a conventional mortgage company at a lower interest rate.

Equinox has operated at full capacity since 2009 and hasn't stopped gaining momentum. The ever-growing wait-list currently has 20 artists and three nonprofit arts groups requesting more than 20,000 square feet of space to lease. With plans to expand in January of 2015,

Farrazaino is currently in the midst of negotiating the purchase of three neighboring buildings totaling 39,000 additional square feet.

Farrazaino's email signature summarizes his passion and vision for Equinox: he's "creating space for limitless possibilities"... and he's doing it quite successfully.

Method Note:

This case study was developed by Sacha Bliese-VanDeZande, MFA 2015 for Seattle University's MFA in Arts Leadership course Cultural Infrastructure and Facilities taught by adjunct faculty Katie Oman and Bill Moskin. Interviews were conducted with Samuel Farrazaino, owner of Equinox Studios; and artist Gail Howard, a tenant at Equinox, as part of this research during Fall quarter, 2014. Susan Kunimatsu provided editing. Citations and references may not conform to APA standards.

References

Lucier, C. (2004, June 1). Herb Kelleher: The thought leader interview. *Strategy+business*.

<https://www.strategy-business.com/article/04212?pg=all>

Ruggeri, A. (2009, October 22). Jim Sinegal: Costco CEO focuses on employees. *US News and*

World Report. <https://www.usnews.com/news/best-leaders/articles/2009/10/22/jim-sinegal-costco-ceo-focuses-on-employees>