



Grant Fund Case Study

Ateliers Créatifs Montréal (ACM)

Ateliers créatifs Montréal (ACM) is a non-profit organization founded in 2006 whose mission is to develop and protect affordable, adequate and lasting workspaces and creation spaces for professional artists in visual art, crafts and cultural organizations.

Currently, ACM has developed more than six workshop facilities in four Montreal boroughs and manages more than 280 workshop spaces in a total surface of 300,000 sq.ft. for about 750 artists and artisans.

Considering the growing demand for affordable art spaces in the context of generalized gentrification around the city, current forecasts aim to reach total real estate under management of 500,000 sq.ft. hosting 1,500 artists and artisans by 2023.

In 2019, ACM came up with a new concept: a subscription-based co-working workshop space for artists in visual arts, ceramic crafting and digital arts. This space adds up to the six existing workshop facilities currently managed by ACM. RISQ, through the S4ES Grant Fund, issued a loan of \$25,000 for the hiring of the personnel needed to coordinate the implementation of three pilot projects, rent expenses, professional fees to design the renovations necessary, travel, and representation expenses for the launching of the space.

This timely loan provided support for the non-profit as the enterprise was facing a liquidity shortage in 2019, a year that has been one with net losses, due to various reasons including:

- ▶ The most recent workshop facility managed by ACM suffered some important vacancies after its opening
- ▶ The same year, ACM saw important tax increases in some of its projects

INFO

Grant Fund Manager:

Réseau d'investissement social
du Québec (RISQ)

Pillar Addressed:

Ensuring Access to
Capital and Investment

Support Provided:

\$25,000 Capital and Interest
Payment Holiday Loan



Acquisition of
Commercial
Space



Acquisition of
Equipment and
Material



Increased
Membership



Increased



Increased
Sales

- ▶ An important tenant filed bankruptcy after a legal dispute
- ▶ Important repairs had to be done to the sprinkler system in one of the buildings

The flexible reimbursement terms and conditions offered by the loan allowed ACM to enjoy the use of the funds during a liquidity crunch without adding pressure on their cash flow.

IMPACT

The disbursement of the loan allowed ACM to fill some of its vacant spaces thereby alleviating their liquidity needs. In addition, the enterprise explored other complementary efforts to fill their liquidity gap, in particular a revolving loan from Caisse d'économie solidaire Desjardins (\$85,000). Thanks to the S4ES Grant Fund and RISQ's pre-start-up loan, ACM was able to kick-start the pilot project of their new subscription-based co-working workshop spaces for visual arts, ceramic and digital arts. Despite pending confirmations from other financial partners, ACM was able to test the concept and adjust many parameters (pricing strategy, promotion, equipment needs, time slots, bundles and plans). Moreover, the loan resulted in the hiring of a project coordinator to implement the co-working project pilot.

New spaces, equipment and material were made available to dozens of new artists and artisans at convenient conditions. The sharing model, as opposed to single-space monthly rentals, allows ACM to have a significantly larger scope in the fulfillment of its mission. More artists and artisans with a varying range of needs can now handpick the equipment and material they need, for the specific time they need it, making the services accessible to many profiles that could not otherwise afford to pay a fixed rent. As a result, ACM saw its overall real estate vacancy rate shrinking to its lowest at under 2%.

Contrary to expectations, the COVID-19 pandemic hasn't had a significant impact on the rents of the majority of the artists. ACM negotiated a temporary rent reductions with the landlords of most of their buildings, which they passed on to their tenants.



GOING FORWARD

ACM is hoping to build upon their favorable position. One way to leverage the loan will be through additional funding from the new Government of Quebec and City of Montreal's 30 million Workshop Fund. This five-year fund is aimed at the deployment of affordable workshops for artists and artisans across Montreal. This will allow ACM to launch more projects and contribute its sustainability as well as the livelihood of the artists benefiting from their facilities.

For more information, please contact:

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