

Agency: Commerce, Community and Economic Development

Grants to Named Recipients (AS 37.05.316)

Grant Recipient: Juneau Housing Trust

Federal Tax ID: 31-1698129

Project Title:

Project Type: Remodel, Reconstruction and Upgrades

Juneau Housing Trust, Inc. - 20th Century Theater Affordable Housing Project

State Funding Requested: \$500,000

House District: 3 / B

One-Time Need

Brief Project Description:

Purchase and renovation of the Gross 20th Century Theater and Apartment Building into 22 affordable housing units and restored historic theater building.

Funding Plan:

Total Cost of Project: \$14,000,000

	<u>Funding Secured</u>		<u>Other Pending Requests</u>		<u>Anticipated Future Need</u>	
	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>
Federal Funds			\$14,000,000	2011		
Local Funds	\$10,000	2002				
Other Funds					\$1,000,000	2012
Total	<u>\$10,000</u>		<u>\$14,000,000</u>		<u>\$1,000,000</u>	

Explanation of Other Funds:

The Juneau Housing Trust will apply to private foundations, including Rasmuson, the Paul Allen Foundation, and the Ford Foundation's "Art Place" program for grants to support the theatre portion of the project.

Detailed Project Description and Justification:

The 20th Century Project is requesting federal funding for acquisition, rehabilitation of affordable housing, and restoration of the historic 20th Century Theater and Gross Apartment Building. State funds will help leverage federal and private foundation grants, as well as psy for more detailed design and development.

The Juneau Housing Trust will work with the federal government to qualify for historic restoration tax credits. The Trust will also work collaboratively with Alaska Housing Finance Corporation to enable this mixed-use affordable housing opportunity and leverage available funding.

Federal funds will be used to acquire the property, hire local firms to complete design documentation, secure permitting, provide project management, building renovation / construction services and establish the resident management structure required for sustainable operation of the mixed use building. The proposed project is vital to reversing the loss of affordable housing in downtown Juneau, revitalizing the downtown business core, and the preservation of a historically significant Art Deco Theater built in 1939.

The 20 Century Project will:

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**\$55,000
Approved**

- Provide 22 affordable home ownership opportunities in the core downtown area in a mixed use building (commercial and residential).
- Create 45 plus construction jobs for 24 months and stimulate regional building trades supply and service companies.
- Help revitalize the downtown core by adding year-round residents to a currently abandoned apartment building.
- Provide economic opportunities to develop small business to meet the needs of the increased downtown population.
- Establish an economical, moderate sized state of the art, ADA accessible performing arts facility that will be home to a nationally recognized local theater company.
- Support, encourage and enhance educational and cultural experiences in the community through use of the theater and associated creative projects.
- Restore a historic building to its original Art Deco design for future generations

The Juneau Downtown Historic District consists of 42 contributing buildings. The 20th Century Theater and Gross Apartment Building is located on Front Street where the greatest number of contributing buildings are found. The property was built by David Gross in 1939 and is a fine example of the Art Deco style that began to appear in the United States following the Century of Progress World's Fair in Chicago, 1933-34. Experts in historical architecture say it is one of the State of Alaska's best examples of Art Deco buildings.

Project Timeline:

Acquisition of Property
October 2010

Design Development
October 2010 - April 2011

Construction
May 2011 - May 2014

Expenditure of AK Legislative portion of funding would occur in Design Development October 2010 - April 2011

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

Juneau Housing Trust, Inc.

Grant Recipient Contact Information:

Name: Stephen Sorensen
 Address: One Sealaska Plaza Suite 300
 Juneau, AK 99801
 Phone Number: (907)321-3401
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Has this project been through a public review process at the local level and is it a community priority? Yes No

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5:46 PM 5/4/2010

20th Century Theater and Gross Apartment Building Renovation & Restoration Project INFORMATION SHEET

The 20th Century Working Group, through the Juneau Housing Trust, plans to purchase and renovate the historic 20th Century Theater and Gross Apartment building in downtown Juneau, Alaska. The coalition of interested stakeholders in the 20th Century Theater Working Group includes Juneau Housing Trust and Alaska Housing Development Corporation members, representatives of the City and Borough of Juneau, performance arts interests, historical preservation proponents and architects. The 37,515 square foot building was designed by N. Lester Troast & Associates Architects in 1938 in the Art Deco style that began to appear in the United States following the Century of Progress World's Fair in Chicago, 1933-34. Construction of the building proceeded from 1938 through 1940.

Project Description

The project will preserve an architecturally important building in the Downtown Historic District. The theater will be restored to its original 1930's Art Deco splendor and equipped to become a state of the art performing arts facility seating 500. Twenty housing units located in the upper floors will be refurbished to provide needed downtown core affordable owned housing. The second floor of the building will feature businesses, gallery, studio and class spaces for art, dance, yoga, martial arts or music and offices for the nonprofit theater organization.

Problems the 20th Century Theater and Gross Apartment Building renovation project addresses

Increased demand for space in the Downtown Historic District for commercial enterprises capitalizing on the influx of cruise ship passengers has aroused concern that new development is detracting from the historic nature of the downtown area, and that the focus of the district is to serve tourists instead of local residents. There is a trend developing for shops to open during the summer season and then close for the balance of the year, turning what should be a vibrant downtown area into a seasonal ghost town. The traditional mingling of office space, housing and businesses oriented to serving residents is being lost in the historic downtown core.

As well as significant tourism growth, Juneau's overall resident population has grown creating a well-defined need for affordable home ownership in the downtown area. Currently the vast majority of affordable housing available is in rentals. There is also a need for a reasonably priced performance venue for a variety of functions in the downtown core to serve Juneau's residents and visitors.

Added to this, there is the strong argument for historic preservation of what has been determined by an expert to be possibly the state's finest example of the Art Deco period. The 20th Century Theater building is an important part of Juneau's history and provides a link to the roots of the community that should not be lost. This building's early history and the glory of its original Art Deco interior are still remembered by many with fondness and civic pride. The 65-year-old building is in need of restoration. The apartments on the 2nd through 5th floors have not been inhabited since the early 1980's due to concerns about safety and the diminishing quality of mechanical functions and plumbing. Interior finishes, heating, plumbing, electrical and ventilation systems need to be replaced.

Opportunities the 20th Century Theater and Gross Apartment building renovation presents

The restored theater and the connected housing will spark new life into downtown Juneau. More residents living and attending events in the townsite's core improve feasibility for year round small business development to help overcome the seasonal closure of the downtown area. The project is designed to maintain infrastructure and promote a climate that makes the business district vital, bringing life back to the central city. The restored building will bring together human resources of teachers, artists, lecturers, musicians and performers to enrich the quality of life for residents and visitors. The renovated 20th Century Theater will be a tangible means to help the community understand its past and to teach about local heritage. There is also the environmental value afforded by the reuse of an existing building rather than new construction to fill community needs.

Expected Outcomes

The 20th Century Theater and Gross Apartment building renovation is an investment in a local asset that creates the physical infrastructure to provide essential social, educational, cultural and economic benefits to the community. It will improve the quality of life for residents of all ages and offer special cultural and educational opportunities to Alaskan and other visitors. Display of contemporary Alaskan

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art will support Alaskan artists and offer viewers a unique visual experience. Classes and workshops provided in the studio spaces will bring educational opportunities to residents and other attendees. The theater will attract audiences of locals, regional residents and tourists. It may also become a host location for groups from outside of the community, widening the cultural offerings available in Juneau. Performances will be held in the theater year round, expanding the visitor industry from its current seasonal limitations and diversifying the type of visitors attracted to the community.

Non-profit groups, organizers of community events, arts organizations and education providers will all use the renovated facilities. Potential future uses include concerts, plays and other performing and visual arts programs. The theater and other building spaces will be leased for a variety of local uses.

By providing the increasingly seasonally abandoned downtown core with some of the amenities that make it a desirable place to live and raise a family, the restored 20th Century Theater and Gross Apartment building will help to attract new residents including families with children, retired people and working households. Saving this important piece of Juneau's history will enhance Juneau's social capital. This project is a broad based collaborative effort taking pro-active steps to revitalize Juneau's Downtown Historic District and meet community needs. The renovated building will enhance the community's quality of life and pride in a distinctive sense of place and historic heritage.

Beneficiaries

Families and individuals in need of owned affordable housing in the downtown area will be served by this project. Beneficiaries will also include the entire population of Juneau, who will have access to a new performance venue, resident oriented businesses, and classes and workshops located in the Downtown Historic District. There will be increased opportunities for music, theater, and other performing arts. The project will serve as a focus for downtown revitalization, benefiting both the community and visitors seeking a sense of Juneau's unique character.

Economic opportunities will be created by this investment in downtown. The project will be a model for other communities to preserve and restore their historic buildings, using them to meet the needs of their residents as well as encouraging economic development by supporting the tourist industry.

Estimated Project Cost

Total estimated construction cost is \$12 million based on a Conceptual/Budget construction cost estimate prepared by HMS, Inc. of Anchorage, updated by Sketch and Others jTRAVISm Architects.

Fundraising Plan

The fundraising strategic plan creates a coalition of funders: municipal, state and federal government appropriations; funds for affordable home ownership units; historic tax credits; grant applications to foundations, corporations and businesses; and a local public fundraising campaign.

Plan for sustaining the project

Operation and maintenance costs for the housing units will be obtained through the sale of condominiums. The theater, once it is renovated, will receive support from a variety of sources including income from use of the facility and leased space.

Project goals

- Provide affordable home ownership in downtown area in a mixed use building (commercial and residential)
- Establish an economical, moderate sized state of the art, ADA accessible performing arts facility that is reasonably priced for arts groups
- Restore a historic building to its original Art Deco design
- Revitalize the downtown core
- Provide economic opportunities
- Support, encourage and enhance educational and cultural experiences in the community
- Support and display contemporary Alaskan art

20th Century Theater and Gross Apartment Building Renovation & Restoration Project CASE STATEMENT

HISTORY OF PROJECT

The 20th Century Theater and Gross Apartment Building is situated on Front Street at the head of Shattuck Way in the heart of the Juneau Downtown Historic District where the greatest number of its 46 contributing buildings is found. The 37,515 square foot building was designed by N. Lester Troast & Associates Architects in April, 1938 in the Art Deco style that began to appear in the United States following the Century of Progress World's Fair in Chicago, 1933-34. Construction of the building proceeded from 1938 through 1940. The building was built for William David Gross, and has belonged to the Gross family for its entire history. Possibly the State of Alaska's best Art Deco building, according to Arthur A. Hart, Director Emeritus of the Idaho State Historical Society, the property has architectural as well as historical significance. The 20th Century Building shares an architectural history with the adjacent First National Bank of Anchorage building, the Alaska Electric Light and Power building directly behind the 20th Century Theater and the Baranof Hotel.

According to the City and Borough of Juneau records, the 20th Century Building was constructed during the peak of the Alaska Juneau Gold Mining Company. The irregular shape of the 20th Century Theater Building is due to the fact that the footprint of the building traces the boundaries of the patented mining claim it occupies. This period is marked by an economy recovering from the effects of the Depression and an interest in experimentation in building styles. The building is a five-storey structure with a renovated penthouse and a flat roof. It is constructed of reinforced concrete with decorative grooves and side canopy.

The apartment interiors were renovated in the 1960's and the theater was remodeled into a multi-plex in the 1970's. The Gross family had the apartments vacated in the 1980's, and they have remained vacant ever since. The Gross corporate offices moved into the penthouse in 1984. The Gross family is now prepared to sell the entire property.

The 20th Century Working Group under the umbrella of the Juneau Housing Trust was established in 2001 to evaluate the possibility of purchasing and restoring the 20th Century Theater and Gross Apartments. The coalition of interested stakeholders in the 20th Century Theater Working Group includes Juneau Housing Trust and Alaska Housing Development Corporation members, representatives of the City and Borough of Juneau, performance arts interests, historical preservation proponents and architects. The project encompasses the renovation of the upper floors of the building to create 20 new two and three bedroom affordable housing condominiums as well as commercial rental spaces. The theater will be restored to its original 1930's Art Deco design and equipped to become a state of the art performing arts facility. The Gross family supports the 20th Century Gross Alaska Theater renovation project.

The following is a list of planning studies and reports generated by the Working Group:

- May 6-8 2002: Arthur Hart – Planning Workshop and Seminar on Historic Theater Renovation
- April 2002: Conceptual Analysis – Sketch & Other/jTRAVISm art & architecture

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- December 2002: Market Demand Survey 20th Century Theater Building Renovation – McDowell Group
- October 2003: Schematic Design- Gerald R. Gotshall, AIA in conjunction with jTRAVISm art & architecture

GEOGRAPHICAL AREA SERVED

Juneau, Alaska's capital, covers 2,734 square miles and is home to 30,711 people, 5% of the state's population. Juneau is the nation's only state capital not accessible by road, but only by air and water. Juneau has daily jet service from Anchorage and Seattle and the Alaska Marine Highway System provides year round ferry service to the community. The City and Borough of Juneau is bounded on the west by Lynn Canal; on the east by the Canadian border; on the south by Point Coke; and on the north by the Haines Borough. About 90 percent of the total area of the borough consists of water or rugged mountains and glacial ice caps located within the Tongass National Forest, the largest temperate rainforest in the world.

The City of Juneau is lodged between coastal mountains and the Gastineau Channel, an inside waterway of the Pacific Ocean. The peaks of Mount Juneau and Mount Roberts form a steep backdrop to the townsite, which offers more urban amenities than any other community in southeast Alaska. In order to revitalize their diminishing resource-based economies, the City and Borough of Juneau has capitalized on tourism development to generate new economic activity. Hundreds of thousands of cruise ship passengers and independent travelers visit Juneau each summer. Juneau's Downtown Historic District is listed on the National Register of Historic Places.

PROJECT GOALS

- Provide affordable home ownership in downtown area in a mixed use building (commercial and residential)
- Establish an economical, moderate sized state of the art, ADA accessible performing arts facility that is reasonably priced for arts groups
- Restore a historic building to its original Art Deco design
- Revitalize the downtown core
- Provide economic opportunities
- Support, encourage and enhance educational and cultural experiences in the community
- Support and display contemporary Alaskan art

PROJECT DESCRIPTION

The 20th Century Working Group, through the Juneau Housing Trust, plans to purchase and renovate the historic 20th Century Theater and Gross Apartment building in downtown Juneau, Alaska. The project encompasses the renovation of the upper floors of the building to create 20 new 2 and 3 bedroom affordable housing condominiums and commercial rental spaces. The theater will be restored to its original 1930's Art Deco design and equipped to become a state of the art performing arts facility seating 500.

20th Century Theater and Gross Apartment Building Renovation & Restoration Project

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The project will preserve an architecturally important building in the historic district. It will restore, revitalize and preserve the theater, turning it into a full-service cultural center with an excellent downtown location, providing an affordable venue for a diverse range of high quality performances. In addition to the restoration of the theater, 20 housing units located in the upper floors will be refurbished to provide needed downtown core affordable owned housing.

The second floor of the renovated building will feature self-sustaining businesses, gallery, studio and class spaces for art, dance, yoga, martial arts or music and offices for the nonprofit theater organization. The restored building will bring together human resources of teachers, artists, lecturers, musicians and performers to enrich the quality of life for residents and visitors.

The renovated theater and the connected housing will spark new life into downtown Juneau. More residents living and attending events in the townsite's core improve feasibility for year round small business development to help overcome the seasonal closure of the downtown area. The project is designed to maintain infrastructure and promote a climate that makes the business district vital, bringing life back to the central city.

The project responds directly to the City and Borough of Juneau's Comprehensive Plan, the official long-range plan for the growth and development of the community adopted by the CBJ Assembly in 1997. Policy 4.18 of the Plan states: "It is the policy of the CBJ to identify and protect historic and archaeological resources; to educate, encourage, and assist the general public in recognizing the value of historic preservation; and to promote heritage tourism which accurately represents Juneau's unique Native Alaskan, Russian, Early American, and other cultures."

The Division of the Community Development Department (CDD) leads the City and Borough of Juneau's overall historic preservation effort with planning that targets the preservation of buildings, structures and sites as well as the outward appearances of the Downtown Historic District. The 20th Century Theater and Gross Apartment building renovation responds to the vision identified in their plan: "Juneau will be a community which is proud to share its past with residents and visitors in a manner which protects the valuable historic resources of the area." In particular, this project meets the objective stated in the plan to "encourage and assist owners of significant historic properties to maintain their original architectural character."

In September 2002, the Juneau Housing Trust contracted with the McDowell Group to conduct a survey of Juneau households. The purpose of the survey was to gauge interest in and support for the proposed renovation of the 20th Century Theater building into a performing arts space and apartment/condominium units. The conclusion of the study is that, "There is fairly strong support for the project among community members in general."

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JTRAVISm and Sketch & Others, an architectural joint venture, and engineering subconsultants performed condition surveys and analyses of the 20th Century Theater and Gross Apartment Building. Structural integrity, mechanical and electrical systems were reviewed by experts. Plans for handling hazardous materials and abatement procedures have been addressed. The theater layout has been examined and a conceptual cost estimate was generated by HMS, Inc. of Anchorage, a renowned firm in this field.

The City and Borough of Juneau awarded a grant of \$10,000 to help with these studies and the 20th Century Project Working Group received another \$10,000 grant in matching funds to pay for the studies.

PROBLEMS THE PROJECT ADDRESSES

The project addresses many of the problems defined in Juneau's Historic Preservation Plan. Juneau has experienced significant tourism growth in the past few years. Cruise ship passengers account for the greatest increase in the number of visitors. Since the ships dock or anchor in the harbor immediately adjacent to the Downtown Historic District, increased demand for space for commercial enterprises capitalizing on this influx has resulted in the conversion of many buildings from resident oriented commercial uses to tourist related retail. This arouses concern that new development is detracting from the historic nature of the downtown area, and that the focus of the district is to serve tourists instead of local residents. Many residents are relocating outside of the core townsite due to the growing requirements to accommodate these tourist related businesses near the cruise ship dock downtown.

There is a trend developing for shops to open during the summer season and then close for the balance of the year, turning what should be a vibrant downtown area into a seasonal ghost town. The vacant buildings in winter, with store-windows shuttered, and empty streets create a strong need for the kind of urban redevelopment this project proposes. The traditional mingling of office space, housing and businesses oriented to serving residents is being lost in the historic downtown core.

During the same time as the growth in numbers of visitors to the community, Juneau's overall resident population has grown. The severe shortage of housing has caused redevelopment in historic neighborhoods. Remodeling of buildings to add housing space can cause changes in the historic design of the buildings. Yet there is a well-defined need for affordable home ownership in the downtown area. Currently the vast majority of affordable housing available is in rentals.

There is also a need for a reasonably priced performance venue for a variety of functions in the downtown core to serve both residents and visitors to the community. Added to this, there is the strong argument for historic preservation of what has been determined by an expert to be possibly the state's finest example of the Art Deco period. The 20th Century Theater and Gross Apartment building is an important part of Juneau's history and provides a link to the roots of the community that should not be lost. The community will be richer for maintaining this visible evidence of its past in a living cultural center that provides services to meet current needs.

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CASE STATEMENT

This building's early history and the glory of its original Art Deco interior are still remembered by many with fondness and civic pride. Restoring this once splendid theater provides a rare educational opportunity for the community and its visitors. The renovated 20th Century Theater will be a tangible means to help the community understand its past and to teach about local heritage. There is also the environmental value afforded by the reuse of an existing building rather than new construction to fill community needs.

The 65-year-old building is in need of restoration. The building is constructed primarily of reinforced concrete that shows some spalling, crumbling and cracking. The roof has been patched and needs to be replaced with single ply membrane roofing. The apartments on the 2nd through 5th floors have not been inhabited since the early 1980's due to concerns about safety and the diminishing quality of mechanical functions and plumbing. The majority of the building needs complete interior demolition. Fire safety and accessibility are concerns that must be addressed. Interior finishes, heating, plumbing, electrical and ventilation systems need to be replaced and an automatic controls system and wet sprinkler system installed. More efficient windows and insulation would increase the building's thermal efficiency.

Restored to its original splendor, fully upgraded to modern technical standards and meticulously maintained, the 20th Century Theater and Gross Apartment building will meet a variety of Juneau's pressing needs.

BENEFICIARIES

Families and individuals in need of owned affordable housing in the downtown area will be served by this project. Beneficiaries will also include the entire population of Juneau, who will have access to a new performance venue, resident oriented businesses, and classes and workshops located in the core downtown historic district. There will be increased opportunities for music, theater, and other performing arts. The project will serve as a focus for downtown revitalization, benefiting both the community and those who visit it seeking a sense of Juneau's individual character.

Economic opportunities will be created by this investment in the downtown, offering services for residents and creating an attraction for tourists. Juneau's hundreds of thousands of visitors as well as its residents will benefit from the understanding of Juneau's unique historic heritage this restoration will portray. The project will serve as a model to encourage other communities to preserve and restore their historic buildings and to use them to meet the needs of their residents as well as encouraging economic development by supporting the tourist industry.

EXPECTED OUTCOMES

The 20th Century Theater and Gross Apartment building renovation is an investment in a local asset that creates the physical infrastructure to provide essential social, educational, cultural and economic benefits to the community. It will improve the quality of life for residents of all ages and offer special cultural and educational opportunities to Alaskan and other visitors. Display of contemporary Alaskan art will support Alaskan artists and

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CASE STATEMENT

offer viewers a unique visual experience. Classes and workshops provided in the studio spaces will bring educational opportunities to residents and other attendees. The theater will attract audiences of locals, regional residents and tourists. It may also become a host location for groups from outside of the community, widening the cultural offerings available in Juneau. Performances will be held in the theater year round, expanding the visitor industry from its current seasonal limitations and diversifying the type of visitors attracted to the community.

Non-profit groups, organizers of community events, arts organizations and education providers will all use the renovated facilities. Potential future uses include concerts, plays and other performing and visual arts programs. The theater and other building spaces will be leased for a variety of local uses.

By providing the increasingly seasonally abandoned downtown core with some of the amenities that make it a desirable place to live and raise a family, the restored 20th Century Theater and Gross Apartment building will help to attract new residents including families with children, retired people and working households. Saving this important piece of Juneau's history will enhance Juneau's social capital. This project is a broad based collaborative effort taking pro-active steps to revitalize Juneau's downtown historic district and meet community needs. The renovated building will enhance the community's quality of life and pride in a distinctive sense of place and historic heritage.

PROJECT COST ESTIMATE

Total estimated construction cost is \$12 million based on a Conceptual/Budget construction cost estimate prepared by HMS, Inc. of Anchorage and updated by Sketch and Others jTRAVISm Architects.

FUNDRAISING PLAN

A fundraising strategic plan is being formulated to create a coalition of funders. Municipal, state and federal government appropriations will be pursued. The housing affiliates will access funds for affordable home ownership units. Additional monies may be accessed through historic tax credits. Grant applications will be written to foundations, corporations and businesses. Lead donors will be approached and a local public fundraising campaign will be launched.

PLAN FOR SUSTAINING THE PROJECT

Operation and maintenance costs for the housing units will be obtained through the sale of condominiums. The theater, once it is renovated, will receive support from a variety of sources including income from use of the facility and leased space.