

Restoring our Theaters; Rebuilding Our Communities

by Paul Westlake Jr., FAIA, Principal, van Dijk Pace Westlake Architects
Presented at National Trust Conference, Savannah, Georgia, October, 1998

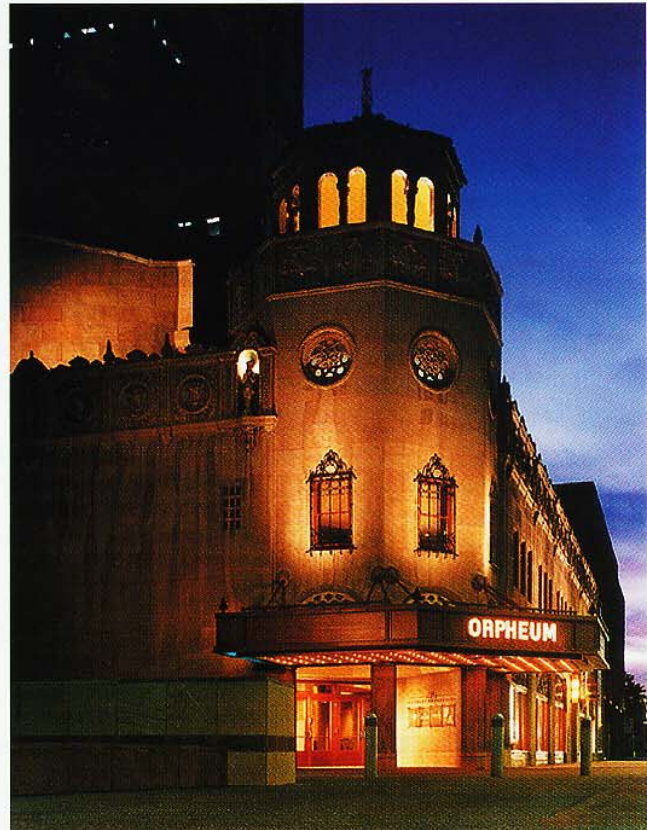
The U.S. has experienced growth of the Performing Arts in an era of decline or marginal growth in other forms of entertainment and a general decline of the arts as a portion of the U.S. Gross Domestic Product

According to the Bureau of Economic Analysis of the Department of Commerce, American consumers spent more than \$10 billion on admissions to performing arts events in 1997. This spending was 1.6 times larger than spending on admissions to either motion pictures or spectator sports events. From 1992 to 1997, American consumers increased their spending on performing arts events by almost \$2 billion, a gain of **26%**. This compares to gains of 8% in motion picture expenditures and 9% in spectator sports. Over a fifteen year time span, from 1982 to 1997 real spending on performing arts more than doubled, a gain of \$5 billion, while motion picture expenditures dropped by almost 2% and spectator sports grew by 9%. Higher attendance levels were reported in 1997 than 1992 for each type of performing arts activity surveyed. (The strongest growth has been in musical theatre.)

Growth in development of cultural facilities across the U.S. parallels growth in audience demand for live performing arts events. However, there is more than a supply and demand phenomenon at work, and playing in American Cities is the drama of urban development stimulated by cultural districts, often with historic movie palaces at their center.

The role of the movie palace in urban cultural districts across the U.S. is to be applauded

The explosion in movie palace development began in



*Orpheum Theatre, Phoenix, Arizona
van Dijk Pace Westlake Architects*

1915; talking movies were introduced in the Warner Theatre in New York in August of 1926 and the era of the movie palaces ended in 1930 with the beginning of the depression.

The American movie palaces were a uniquely American building type and a place of escape and fantasy; their identity did not come franchised, yet they were built for an economic purpose. Their developers were competing to attract moviegoers to the box office. **90 million**

*For questions concerning this article, please contact Paul Westlake, Jr. at van Dijk Pace Westlake Architects at:
(216) 522-1350 • fax: (216) 522-1357 email: pwest@ypwa.com*

people per week went to the movies in the 1930's. The architecture was part of the show. Gene Kelly said that *"the place where you went to see the show was more important than the show, itself."* Architects and artisans ransacked the cultures of several continents for inspiration, and their borrowings from history, eclectic decoration, and invented landscapes tell us a great deal about taste and design in this era. In the late 1920's we find in the theatre an apex of an impure form and style resulting from many influences. Styles range from the Adams-inspired ornamentation of the Lucas Theatre in Savannah and the Circle Theatre in Indianapolis to Rapp and Rapp's Baroque Al. Ringling Theatre in Baraboo, Wisconsin to the atmospheric Coronado in Rockford, Illinois which was influenced by John Eberson and is as animated as a Maurice Sendak story.

In the Orpheum Theatre in Phoenix we find Spanish Baroque, Churriguerresque, Art Deco, and Italian Renaissance influences. This was not a pure style. An architectural critic in the late 1920's observed: *"No more pitiful degradation of an art has ever been presented than the prostitution that goes on daily in the construction of these huge (theatre) buildings."* On examination through the lens of the late twentieth century, the Orpheum may be viewed as an eclectic collage, a collision, a medley of influences with great vitality, a conspiracy of composition, a happy accident. *This was not a fine wine, but a succotash.* On another level, it may be read as a very sophisticated duality of Greek Mythology and architectural illusion, an intricate tapestry woven to the tastes of American "entertainment/commercial" moguls. It is also an expression of the vast education and worldliness of the early twentieth century architect schooled in the Beaux Arts tradition, assisted by sophisticated European craftsman and artisans. In some respects, the dawn of the movies and of American enterprise in entertainment, the late period of classical architectural education and training, and the ready availability of highly skilled artisans conspired to create a style which I term **"entertainment baroque."**

Today, we have an inventory of these buildings and they have become important catalysts to revive the neighborhoods in which they are situated. Many cultural districts



*Orpheum Theatre, Phoenix, Arizona
van Dijk Pace Westlake Architects*

have incorporated old movie palaces, adapted for new use as performing arts centers.

Cultural districts have developed across the U.S. in the last 3 decades as part of comprehensive strategies for urban development

In her book "Cultural Districts: The Arts as a Strategy for Revitalizing Our Cities," Hilary Frost-Kumpf notes that more than 90 cities in the U.S. have planned or implemented a cultural district in the last 3 decades- she notes that *"almost every community in this country is using the arts in some way as part of urban revitalization."* It is worth mentioning that the National Building Museum in Washington DC featured an exhibition mounted through 1.3.99 entitled: "Building Culture Downtown: New ways of revitalizing the American City." Organizer Deborah Dietsch made the statement that *"cultural institutions of the 1990's signal a return to civic engagement."*

Cultural facilities historically have been **urban** phenomena and it is a fact that most arts facilities and arts activities in the U.S. are still located in the **urban core**. Because cultural districts are often anchored by historic properties and situated in an historic context, these projects can have an important ripple effect. Preservationists and urbanists are examining the role of cultural facilities:

For questions concerning this article, please contact Paul Westlake, Jr. at van Dijk Pace Westlake Architects at: (216) 522-1350 • fax: (216) 522-1357 email: pwest@vpwa.com

- They animate cities by creating concentrations of people and density is an important ingredient in urbanism. *Rebuilt but not reborn* downtowns lack concentrations of people. When the Coronado Theatre (a movie palace reborn as symphony house, Broadway roadhouse, and community center in Rockford, Illinois) is busy 150 nights a year, it will attract hundreds of thousands of people to the downtown; the traffic it will generate will have ancillary benefits
- The theatre will play a role in the reversal of urban decay and will stimulate preservation on Main Street

But the Arts **cannot work alone** as a strategy for urban development; cultural development must be seen as part of a **mixed strategy** for development. Urban development efforts focused on cultural districts are created through **partnerships** of stakeholders representing: artists and arts organizations, government agencies; foundations; downtown business groups; educational institutions; development agencies; developers; and banks. **The project must be cast as a community-based undertaking from the outset** and its success is dependent on the coming together of multiple funding sources in both the public and private sectors. *In our experience, projects which rely heavily on private sector support with little public sector support are less successful. The variables are not financial; if public support is absent, the project is simply not a community partnership and will not be part of a mixed strategy for urban development.*

The coordination of public and private property owners and solicitation of their cooperation in selling, leasing or developing and maintaining their own properties in accordance with the Plan is complicated and may be key to the cultural district's success (as an example I return to Rockford, Illinois and Mary Ann and Gordon Smith's persuasion of the property owners of the Coronado theatre and the adjacent Jackson Piano Building to sell these properties to the City and a private foundation to implement the master plan in Rockford for the cultural arts.)

It is **economic diversity** within a cultural district that makes the district attractive, but that diversity also requires complex decision making for policies that govern the district's planning, programming, and development. Of all of the cultural districts surveyed by Frost-Kumpf, not one has a single entity with complete management control over the district's functions and properties.

A framework for consensus is required. The development process of cultural facilities in concert with urban revitalization strategies is very complex.

HL Menken's observation is appropriate:

"For every complex, difficult problem, there is a simple, easy solution...and it is wrong."

Too often, these kind of projects fall short of potential because there is too much emphasis on bricks and mortar rather than a comprehensive analysis which should include:

- A market and demographic study, which places the facility in the context of other cultural assets
- Consideration of the implications of seat count on performance
- Needs assessment or programming
- Analysis of operations and governance
- Sources of funding (public and private)
- Systems of cooperation necessary for development and maintenance
- Development of a plan for the cultural facility and the district in which it is situated
- Impact analysis; making the case

Paul Jenkins of the Benedum Foundation in Pittsburgh advises that: *"Projects must be postured in terms of all of their implications and not just cultural advantages"*.

Communities deserve solid evidence that, by investing in these projects, they are not only generating social and aesthetic benefits, but also promoting economic well being.



*Playhouse Square, Cleveland, Ohio
van Dijk Pace Westlake Architects*

In order to gain support for funding within the public sector and from many sources, including foundations, it is important to make the case for economic impact/social impact

There is much evidence that the arts provide benefits, or “spillover effects” that extend beyond their audience. The magnitude of economic impact depends largely on the assumption of the multiplier one uses on direct spending on tickets and operations. The multiplier accounts for two forms of spending directly associated with cultural activities: 1) admission revenues for performances, themselves, and ancillary spending from the outings (parking, restaurants, meals, gifts, baby sitters); and 2) total operating budgets of spending generated by the cultural organizations. The multiplier varies widely depending on whether the dollars are considered new dollars to the community or dollars recycled within the community.

The best scenario in impact analysis assumes that other consumption categories may **not** be substituted readily for cultural consumption and that most spending associated with the arts is **new**. The argument is that much of the spending and employment that follows directly from cultural activities may never have materialized *without* the Arts.

There are two well documented strong examples of cultural entities with quantified impact: Pittsburgh Cultural District and Playhouse Square in Cleveland.

Playhouse Square/ Cleveland

This is an on going saga of success. In a twenty year period, Cleveland’s annual operating investment in the performing arts exceeded all other metropolitan areas of comparable size except San Francisco on a per capita basis. Cleveland’s business and civic leaders agree that it was culture that sparked the boom in downtown redevelopment, and they cite the “critical role the arts will play in the city’s economic future”.

Consider the Economic Data and Impact

The preservation of four historic theatres in Playhouse Square let them be active players in the city’s revival; they form the largest performing arts center outside New York’s Lincoln Center, with 9,500 seats. At 800 performances / year, Playhouse Square has an annual budget of \$30 million with 85 full time employees and 2000 volunteers.

The theatres draw people from outside the region and ticket demographics are represented by 1,304 zip codes in 45 states. The theatres draw an estimated 1.75

*Palace Theater Lobby, Playhouse Square, Cleveland, Ohio
van Dijk Pace Westlake Architects*



*For questions concerning this article, please contact Paul Westlake, Jr. at van Dijk Pace Westlake Architects at:
(216) 522-1350 • fax: (216) 522-1357 email: pwest@ypwa.com*

million people per year with the completion of the Allen Theatre which is utilized for long-running events. For example, the *Phantom* show in eight weeks generated \$20 million and drew tour groups from Atlanta and Kansas City. With the completed Allen Theatre, the complex will draw an additional 300,000 patrons/year from a 4 state region; these 300,000 outsiders will spend \$30 million in new money annually at hotels, restaurants, stores, parking, other entertainment. *The income from the Allen theatre, alone allows five resident performing arts groups to perform rent-free for ten years.*

79 new businesses were attracted to the Playhouse Square in the five years bracketing the re-opening of the State and Ohio theatres (1980-1985), a 22% increase; between 1981 and 1984, the price/sf of rental space in Cleveland increased 7.8% while the Playhouse Square district increased 17.9%. In this period, evaluating impact on rents and occupancy in the district, Playhouse Square had a \$22 million impact.

The neighborhood experienced investment of over \$300 million in the 1980's, including \$26 million in the first three theatres restored.

Prior to construction of the Allen, which reopened in 1998, the estimated impact of Playhouse Square was 6,300 jobs to the City and \$165 million/year, and 7,300 jobs and \$191 million/year to the region. The Allen Theatre added a third to this, due to its regional draw, increasing the regional impact to nearly \$300 million a year. Playhouse Square has also developed a restaurant, cafe, banquet center, hotel, parking garage, and a retail store on Euclid Avenue.

A recent retail revitalization study for Euclid Avenue surveyed the "primary purpose for being on Euclid Avenue" following work and theatre events were cited most. Over half of those surveyed reported staying after work to go to cultural events at least once a month and a large percentage of theatre goers were under 35 years old (which is good news for the future of city and its street life).

Clearly, Playhouse Square has generated external

benefits, created new markets in the local economy, and benefited landowners and merchants:

- City government has benefited from increased tax revenue from ticket sales and increased activity in the area.
- It enriched the local arts community
- It provided a catalyst for local economic development. The theatre performances attracted individuals to the downtown area, which in turn fostered the establishment of enterprises that catered to theatre patrons.
- It stabilized the area by absorbing part of the risk of upgrading a once-deteriorating section of downtown
- It conveyed to outsiders an image of the civic pride and commitment of Cleveland residents.
- It encouraged the location and retention of businesses and households in the Cleveland area.

Cleveland's cultural scene is cited as a tremendous asset in this regard; when a 1990 Louis Harris Survey asked top executives of local companies and organizations with more than 100 employees to rate Cleveland on 27 factors important to executives in choosing a business location, they consistently ranked the area's cultural institutions among its 10 greatest strengths. And when residents of the four county area were polled about what they like most about Cleveland, they most often named "culture and the arts."

Other

Let's consider its impact on the street and the neighborhood of this cultural center:

There are 15 properties listed on the National Register of Historic Places between Public Square and Playhouse Square on Euclid Avenue, which is a ten minute walk. The revitalized theatre district is now stimulating the restoration and rehabilitation of these landmarks. Euclid Avenue will return to its historic role as a retail street, and the city has a strategy to create a unique shopping, entertainment, and cultural experience that is distinct and superior to competition in regional towns,

and surrounding suburbs. The retail revitalization study advises:

Euclid Avenue's strategy of creating and emphasizing uniqueness must be based on building the diversity of experiences that suburbs and towns do not have. This will be reflected in high quality, creative, and exciting design that celebrates the historic environment, as well as unique retail, entertainment, and cultural offerings. Retailers believe that Euclid Avenue's greatest attribute is its architecture.

In the mid to longer term, Euclid Avenue will feature a mix of uses and be "Downtown's most important pedestrian and shopping street; a grand street that reflects a rich historic background and is busy day and night, weekday and weekend". Specific revitalization goals include:

- Ground level occupancy of 80% with retail, entertainment, or cultural use
- Occupancy rates of at least 95% in the district
- A pedestrian traffic rate of 1,000 people per hour through the middle of the day and on Saturday and weekend evenings. The avenue must be busy 6/7 days a week and during the evening
- An additional 500,000-700,000 sf of retail space on Euclid Avenue
- The conversion of over 2 million sf of office space to housing.

Developing Euclid into a vibrant street will be accomplished largely through the rehabilitation of properties and with very little new construction.

The Pittsburgh Cultural District

The Pittsburgh Cultural District, located north of the city's central business district, links the interests and activities of historic preservation groups, arts organizations, and downtown developers. The area was a declining commercial warehouse district and had pawn and pornography establishments and many abandoned buildings. Concerned about the problems in this area, key stakeholders in the Central business district established the Pittsburgh Cultural District to revitalize the

area. Many of the theatres that had defined the area as an entertainment district in the 1920's and 1930's still remained, but in a state of neglect. Flanked on one side by the Allegheny River, the District is within walking distance of Point State Park, the site of historic Fort Duquesne - the city's earliest European settlement. It includes plans to improve access to the river and connect the district to an esplanade along the water's edge and encompasses the following cultural facilities:

Heinz Hall (an historic movie palace)

Fulton Theatre (constructed 1913)

Byam Theatre

Wood Street Galleries

Benedum Center (restoration of Stanley Theatre)

The rehabilitation of the Benedum Theatre in the Pittsburgh Cultural District resulted from a complex agreement to preserve the historic district, to create a new private office tower, and to provide income on an ongoing basis for the development of arts spaces. By selling the air rights over the historic theatre, the developers were able to raise funds to renovate the theatre and secure a UDAG grant which supported the development of a new private office complex which provides land rent for the private, non profit Pittsburgh Cultural Trust, which manages the district's arts spaces.

In recognition of the synergy of increased cultural audiences and economic development and urban renewal, the Pittsburgh Cultural Trust's mandate includes urban planning, development of housing and hotel and other real estate developments, the funding of resources for historic preservation, parks, and other public amenities within the District. The Pittsburgh Cultural Trust coordinates the rental of several of the theatres and galleries within the District, including the management of the Benedum Center, a converted movie theatre. The Trust has redeveloped Victorian buildings on Liberty Avenue and upgraded storefronts. An endowment and operating subsidy is provided through income from ground rents in properties developed by the Trust; the current development produces \$450,000/year; a planned second phase tower will produce \$1 million/year in operating income.

The Economic Impact of the Arts in Pittsburgh

The number of events in the Pittsburgh Cultural District increased from 250 in 1986 to 600 in 1994 with audiences doubling to one million annually for performing arts alone. In its first decade of operation, the district generated \$33 million in public investment and \$63 million in private and philanthropic funds, which in turn triggered \$115 million in commercial activity. Arts organizations, their employees and audiences generate a total economic impact of \$368 million on county business volume and a \$251 million impact on the City of Pittsburgh. The arts generate \$1.1 million in hotel room tax revenues.

Total attendance for cultural events in Pittsburgh exceeds ticket sales for the Pirates, Steelers, and Penguins combined. Much of the arts traffic was regional, and in a 12 month period, 930,000 visitors from **outside** the County attended events **in** the county while 1.6 million people **outside** the City came to events **in the City**. Indirect employment in the county related to the arts accounted for **5,400** jobs.

The county invested \$2.75 million and the City invested \$21,000 in the local arts industry which returned \$11.4 million to the County and \$9.9 million to the City. These are respective returns of 414% (County) and 46,902% (City).

In addition to economic impact, it is important to look at social impact

Intervention

35,417 participants in programs to engage youth and other members of society

Education

459,426 participants

Outreach

140 outreach programs

Community Development

Includes renovation of depressed and abandoned properties

Social Consciousness and Advocacy

42 programs with 238,492 participants

It is important to observe that this cultural district includes elements of preservation, urban stabilization and revitalization, urban connections, complex financing, and on-going endowment and operations support, and public / private / community partnerships.

Providence is interesting to study because its program involves artists as part of the strategy, in addition to a cultural district with historic buildings devoted to the arts.

The city of Providence is home to the largest number of working artists, per capita, in the nation. In 1996, the economic impact of arts and cultural organizations was more than \$240 million. Over a 12 month period in 1996, local arts and cultural organizations registered more than 6 million visits - six times the state's population. Over the years the performing and visual arts community has contributed to the resurgence of this historic city.

The Mayor says: *Art is what gets people excited, what entertains them, It makes them feel good about themselves. So what is so extraordinary about the idea of building a whole downtown economy around the arts?*

The City is encouraging its artists from RISD and other incubators to stay at home in Providence and help revitalize a section of downtown, serving as a model for cities all over the US. And it is significant that artists, government, developers, foundation officers, and corporate leaders have cooperated to establish the Arts and Entertainment District to keep artists living and working in Providence and to make use of an older downtown core area.

Providence is the first American city to use **fiscal** incentives to lure artists to its downtown area. It has a kind of *welcome mat* to the arts, an *empowerment zone* for the Arts; they are using art to take back their streets.

The Providence Performing Arts Center was housed in the Loew's Theatre, one of the most glorious historic theatres in the country. The City also contributed funds

For questions concerning this article, please contact Paul Westlake, Jr. at van Dijk Pace Westlake Architects at: (216) 522-1350 • fax: (216) 522-1357 email: pwest@vpwa.com

to adapt and restore the historic Trinity Theatre, and a number of smaller theatres in the area are also being rehabilitated. City leaders envisioned attracting more artists downtown, utilizing store fronts in very dramatic ways, and refurbishing historic upper floors for apartments and studio space for artists. The City approached the Rhode Island General Assembly with landmark legislation to make the project work and secured both income tax and sales tax breaks for artists living and working in the Arts and Entertainment District. The Mayor created additional tax breaks for the District property owners who refurbish their historic properties for residential uses, as in the SOHO district in New York.

They have received expressions of interest from artists as far away as New Zealand and there is a waiting list of 200 artists seeking live/work space in Providence. The City established a commission to place interested artists, identify available qualifying homes and studios, encourage private sector investment, and work with property owners to renovate their historic buildings. The city also offers low interest loans to restaurants.

Consider the message in the editorial in the Providence paper supporting tax cuts as a revitalization strategy:

The idea is to create an environment attractive not only to artists but to everybody else here...It is the states with the highest qualities of life that will stand out in the competition for jobs, industry, and overall economic growth.

An important principle is discussed by Rypkema, in his article Economics and Historic Preservation: *"It isn't about restoring buildings; it's about restoring communities, and that includes restoring the economic value of communities. The real character and quality of neighborhoods come from people, not buildings. In order for our communities to be **reborn** we have to have economic integration and our historic neighborhoods provide the best environment for that to happen."*