

OUR VIEW

When it comes to historical preservation, what do we value?

Anchorage Daily News editorial board

Anchorage has been wracked for the past week by a paroxysm of collective grief over the pending loss — finally, it appears, for good — of the historic 4th Avenue Theatre. Despite essentially no public access to the building’s interior for the past decade and a half, the art deco landmark and its iconic edifice loomed large in our community consciousness. To many, the building seems to have been a symbol of a time when Anchorage was more hopeful, more wholesome and more united in a common purpose. Through those eyes, each letter removed from the theater’s facade looks like a step away from the qualities we value and toward a divided, unimaginative, complicated present.

Divorced from nostalgia, the reality isn’t that simple or unambiguous. If we want to understand why the saga of the 4th Avenue Theatre came to be where it is, and why that outcome is far from a worst-case scenario, we’d be well served to take off our rose-colored glasses.

The 4th Avenue Theatre, opened in 1947 by Alaska entrepreneur Austin E. “Cap” Lathrop, was the largest and most visually distinctive of the art deco theaters in the territory, alongside Fairbanks’ smaller Lacey Street theater and a pair of theaters each named the “Empress” in Anchorage and Fairbanks. As others have eloquently noted, the 1,000-seat theater, along with its modern styling and intricate inside artwork, was an expression of optimism — in Alaska’s potential, its future growth and where it was heading. Those expressions of hope were deeply felt by the community, and still are.

Given all of that, why is the 4th Avenue Theatre headed for a renovation that will drastically change the look and feel of the building and the block it sits on? The answer, simply, is that although there are all kinds of different visions for what should happen to the theater, there wasn’t sufficient community will nor funding to fix it up and maintain it in perpetuity — and there hasn’t been for decades.

It’s not easy to confront the fact that although so many people have fond memories of the theater and what it stands for, no one who wants it to remain a theater has been willing or able to rally an effort to preserve it. It’s not as though such a campaign was beyond the means of a community-based effort — when Peach Investments purchased the theater at a foreclosure auction in 2009, the group paid \$791,000 for the building and about \$850,000 in back taxes. The purchase of the theater had actually come before voters in 2006 as a bond measure that would have allocated \$2 million to that purpose; Anchorage residents rejected it by a 16% margin. Like it or not, that was when we made our decision about whether we valued the theater enough to keep it as-is.

The reality is, that was a rational decision by voters. With the Performing Arts Center and the Egan Center a block away, downtown Anchorage has no shortage of performance and event space. Private operators had been unable to keep the theater in the black, hence the massive back-tax bill. Moreover, decades of sparse maintenance meant keeping the then-60-year-old building in usable shape going forward would have required a substantial ongoing commitment of resources — one that residents ultimately said no to. Just to keep the building in its present, unrestored state, Peach says it’s spent \$2 million since acquiring the property.

It’s not as though Alaskans tend to completely disregard our history or the spaces the public values. Anchorage’s crown jewel, the public greenbelts and trail system, have been preserved and thoughtfully developed over decades with broad, continual



Workers began dismantling the iconic sign on the front of the 4th Avenue Theatre on Thursday.

public support and funding. In Fairbanks, the preservation of the former Creamer’s Dairy and its reinvention as a migratory waterfowl refuge is a similar success story, with members of the public banding together to fund the purchase and maintenance of the site. But efforts like that take major, ongoing infusions of public effort and funding, and that means a broad swath of the community needs to support and be able to benefit from the vision for the space. There was never a plan for the 4th Avenue Theatre that cleared that bar.

We should remember, too, that there is great value in new development downtown. Other Peach-owned projects have been steps forward for Anchorage, such as the 188 Northern Lights office tower and the ongoing, multimillion-dollar renovation of the downtown Key Bank building. There are few other private entities making such significant investments into our community and its infrastructure. Although Peach’s project bears a different visual aesthetic than the 4th Avenue Theatre, it represents the same optimism for Anchorage’s future.

Although it’s tempting to write off Peach Investments’ plans for the block as garish or insufficiently deferential to the theater’s history, it’s important to remember that the vision for the theater in the first place was about looking forward. Peach’s operators have made pledges to preserve the building’s facade and artwork in some form; given the circumstances, that’s more than they’re obligated to do, and more than voters opted to do themselves. At present, the block is an unused, derelict structure with no real hope of returning to its former state. Whatever you think of its design, Peach’s plans for the block represent a sorely needed investment in the rehabilitation of downtown. With the loss of mainstay retailers like Nordstrom, that’s more important than ever. If he were here to redesign the block today, Cap Lathrop might not have chosen the shape of the new building, but he would recognize the inclination to make bets on Alaska’s future. Wonderful memories of the 4th Avenue Theatre should be treasured — but they shouldn’t preclude our ability to make new ones.

COMMENTARY

Backcountry huts and public use cabins are an economic opportunity for Alaska

Gretchen Fauske

Growing up hiking and skiing in Alaska’s backcountry gave Mackenzie Barnwell a love of Alaska’s wilderness and a solid foundation for a career in outdoor recreation. Barnwell is the executive director of the Alaska Huts Association, aka Alaska Huts, and part of a collaborative group of outdoor advocates working to increase recreation opportunities in Alaska. This includes creating new trails and lodging while improving existing assets to benefit Alaskans and visitors alike.

“I recognize the opportunities that enjoying public lands gave me, and want to help others to similarly experience the transformational power of nature,” Barnwell said. “There are so many benefits to exploring outside, and huts are a wonderful way to do it. Alaska Huts is really focused on creating more opportunities for people to enjoy the wilderness.”

Alaska Huts is experiencing significant growth each year; at the Manitoba property, bookings are up 20% from pre-2020 numbers, and an estimated 4,000 people stayed in the association’s managed properties in 2021. In March, the busiest month of the year, the property is booked at nearly 100% capacity.

Barnwell says their usership runs the gamut, from avid outdoors people there for backcountry skiing to multigenerational families of children, parents and grandparents enjoying light exploration around the Manitoba property, which includes a cabin and three yurts.

As Alaska Huts continues to expand its properties, the association is focusing on building and maintaining backcountry lodging that promotes camaraderie, stewardship, outdoor education and Alaska’s cultural heritage. They are currently raising money for the Glacier Discovery Project, a hut-to-hut system along the backcountry Whistle Stop corridor in the Chugach National Forest, as part of their focus on making the state’s wild outdoor spaces more accessible.

Hut-to-hut systems

Alaska Huts isn’t alone in their work — considerations about how to serve people new to wilderness experiences, or those who simply want more amenities, are top of mind for state and federal officials funding new outdoor recreation projects. Many recently completed or proposed outdoor recreation projects focus on meeting the “missing middle” for both visitors and locals.

Chris Beck, a longtime outdoor recreation advocate and the Alaska Trails Initiative Coordinator, defines the missing middle as an experience filling the gap between extreme backcountry experiences and packaged tours, and says that this kind of experience is what the market wants.

“Alaska has many lifetimes’ worth of hardcore adventure, and we’ve done a good job for large-volume visitor experiences like the cruise industry,” said Beck. “But we’re weak on offering a way to get outside for an Alaska adventure, and ending the day at a nice place to stay with an IPA, a bed, and internet access that’s not on a ship with 3,000 other people.”

One increasingly popular way to provide this kind of experience is through hut-to-hut systems or public use cabins, opening up the wilderness to adventurers of varied skill and abilities while making an economic impact.

Hut-to-hut systems are broadly defined as a chain of three or more overnight accommodations along a trail, with the average distance between them being 6-8 miles. They can range from wall tents or yurts to cabins or modern lodges, and provide space for as few as four or as many as 300 guests to eat, sleep and socialize. Sometimes, a hut system extends to accommodations in communities near trail access points and may include bed and breakfasts, inns, and hotels.

Altogether, Alaska is home to approximately 381 public use cabins and huts, managed by the state or federal government, or nonprofits. Nightly rates range from free — donations encouraged — to \$195 for the “whole shebang” at the Manitoba property.

Alaska offers public use cabins connected by trails that could be considered hut-to-hut systems — the Bomber Traverse in the Talkeetna Mountains and Resurrection Pass Trail in the Chugach National Forest both offer rustic shelters — but in general, they lack some of the amenities offered by popular systems outside of the state and are more suited for somewhat experienced outdoorspeople rather than the “missing middle.”

Economic impacts

Groups like Alaska Trails and Alaska Outdoor Alliance have been working to increase awareness of outdoor recreation as an economic driver for the state’s economy. With an estimated 81% of the population engaging in outdoor activities, Alaska is ranked the highest in the nation for outdoor recreation participation — tied with Montana. Nationally, the rate is under 50%. Outdoor recreation is on the rise for visitors as well; hiking was the fastest-growing activity for both air and cruise out-of-state visitors from 2011 to 2016.

The Bureau of Economic Analysis estimates that economic activity related to outdoor recreation — gear purchases, lodging, guided trips, etc. — generated \$1.57 billion in value for Alaska’s economy in 2020, supporting 17,800 jobs.

Public investment in huts and trails creates demand that supports an ecosystem of private businesses that spring up around the hut-to-hut system. New or expanded hut-to-hut systems in Alaska would be especially impactful for gateway communities — the communities where systems begin and end — resulting in more jobs, business opportunities, and tax revenues near access points.

Public use cabins constructed by the Alaska Department of Natural Resources Division of Parks and Recreation (Alaska State Parks) vary in cost depending on location, design and price of materials, but in general are \$100,000-\$150,000 to build. Accounting for differing occupancy rates, ranging from \$45-\$100 a night, a cabin can pay for itself in four to seven years.

An economic analysis by the University of Alaska Center for Economic Development estimates that a network of 10 huts would generate more than \$1.3 million in direct spending, or \$1.5 million in total economic activity when accounting for multiplier effects, and would create 11 total jobs with a payroll of about \$428,000. About two-thirds of total economic activity would benefit businesses other than the hut operator, such as retail stores, restaurants and others. Scaling up to 100 huts results in economic activity approaching \$15 million, with 109 jobs created.

Investment for the future

Alaska is already a world-class destination for travelers, and many residents choose to live here because of the outdoor adventure opportunities and wild spaces. Huts and public use cabins across Alaska have proven their worth, with people of all experience levels waiting at their computers the moment of opening to book some of the most-sought-after sites. It’s not uncommon for popular, easy to reach cabins to be booked at 80%-90% occupancy.

Public investment in hut-to-hut systems, public use cabins, and trails makes economic sense; there’s a proven market, demonstrated return on investment, and case studies from around the world showing that public dollars spent on outdoor experiences for entry- and mid-level wilderness adventurers spur increased entrepreneurial activity and new business.

By investing in hut-to-hut systems, public use cabins and trails, Alaska can access a new segment of travelers to benefit the economy, while continuing to provide quality experiences for residents.

Gretchen Fauske is the associate director for the University of Alaska Center for Economic Development, Board President for the Anchorage Downtown Partnership, and a Gallup-certified Clifton Strengths coach.

COMMENTARY

Alaska is chipping away at its deferred maintenance backlog

Ryan Anderson

The Wildwood Corrections Complex in Kenai needs security fencing upgrades and a new phone system; the Mat-Su Pretrial Facility needs the slider doors fixed. The state medical examiner’s office in the Anchorage public health lab needs a fire alarm panel replacement. There are armory projects in Kodiak and Ketchikan and bunkhouse overhauls needed in Bethel and Emmonak. The list of upgrades needed in state facilities is robust. These projects, and many others will be completed due to the steady stream of deferred maintenance funding that the state received in the FY23 budget.

The State of Alaska has more than 1,800 structures in its inventory, including armories, ferry terminals, hangers, sheds, sand storage buildings and yes, offices. And they are spread throughout the state — from Homer to Haines and Kivalina to King Cove. As these facilities age, the need for additional maintenance increases to keep them in good working order. We’ve all seen it in the houses in which we live, or the buildings in which we work.

It is the state’s responsibility to safeguard and protect state-owned property. This means performing maintenance, operation, repairs, utilities, security and any other owner responsibilities until the property is no longer owned by the state.

Why defer the maintenance? Much like any property owner, the state’s to-do list often exceeds available resources. We must plan repairs and upgrades over some period of time. Like any property owner, unexpected circumstances may even bump planned upgrades further out on the schedule. For these reasons, it’s important to keep a steady stream in deferred maintenance funding over many years to address life cycle issues.

Recently there has been some criticism over the level of deferred maintenance approved in the FY23 budget — even though it is at the historic normal level. Gov. Mike Dunleavy initially proposed \$42.1 million, and the final budget ended up higher, at \$45.7 million — an additional \$23 million supplemental appropriation was signed into law

but effective for the previous fiscal year, FY22. The FY23 budget gives us the funding we need to address our high-priority needs and matches the capacity we need to execute these projects.

Why not even go with an even higher level of funding? Great question. Right now, the market-place is under a great deal of stress with inflation, supply chain issues and an exceedingly tight labor market. We’re cautious about overextending what we can execute, and we certainly don’t want our investment gobbled up by an unexpected surge in building material prices. We are applying a measured approach — repair and replace what is needed this year and plan for future needs.

This summer we are constructing several needed upgrades, including the Ketchikan Pioneer Home Structural Upgrades for the Alaska Department of Health, the Bethel Hangar and Office Improvements, for the Alaska Department of Public Safety, replacing the Yakutat boilers and making electrical upgrades at the Atwood Building in Anchorage for Alaska Department of Transportation and Public Facilities.

In FY22, the State of Alaska consolidated the management of many of our state-owned structures in the Division of Facility Services (DFS). Housed in the Alaska Department of Transportation and Public Facilities, DFS includes Statewide Public Facilities (Design and Construction), Maintenance and Operations, and Statewide Leasing. We’re working on the effectiveness and efficiency issues that come with such a consolidation, and looking for ways to maximize service to our partner agencies, and with our private sector partners, keep quality upgrades coming for years to come. With a steady, reliable stream of deferred maintenance funding like what was in FY23, we should be able to upgrade our buildings, and extend the life of the state’s facilities.

Ryan Anderson, P.E., is the commissioner of the Alaska Department of Transportation and Public Facilities.



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