

WALDRON RECOMMENDATIONS TASK FORCE REPORT



Photo by Martin Boling

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I. Introduction

In November 2020, Mayor John Hamilton announced the formation of the Waldron Recommendation Task Force in preparation for the impending ownership reversion of the John Waldron Arts Center building from Ivy Tech to the City of Bloomington. The purpose of the Task Force would be to provide an evaluation of the building (financial, structural, and functional) and offer short term (1-3 years), and long term (3+ years out) recommendations for its future use.

Principles that informed the Task Force’s work were:

- maximum community benefit
- significant civic value
- blank slate on eventual use
- cost considerations
- recognition of prior use/current tenants
- commitment to the arts

A Commitment to the Arts

The urge to communicate is a defining aspect of any culture. How we communicate – structure, diversity, availability is what often defines the uniqueness of a culture and ultimately creates a community. Art is a community’s purest form of communication, shaping and molding its culture, just as it has done for thousands of years. But art is more than just a thing, it is the specialized act of making, inventing...imagining. Art gives a community the freedom to express its conflicts, harmonies, dreams, and fears. Art gives citizens the ability to be moved, empowered, enlightened, to speak and to respond. Art does not belong to the privileged few in a community, but to everyone and anyone who wishes to experience it. Bloomington believes strongly in the arts. We recognize the richness it has provided to our citizens, the education to our children, and the opportunity to our economy. But art is not something Bloomington can take for granted. It must be continually nurtured, grown, and expanded so it can continue to enrich future generations of our citizenry.

Bloomington’s commitment has been strong for the arts, but it can and should be stronger. We recognize that nurturing the arts is fundamental to our culture, our identity as a community, our local economy and ultimately the health and well-being of our citizens. In the end, the arts help define our community, and that definition has lacked a signature effort to lift it to a level truly worthy of its creative community and citizens.

II. About the Waldron

Built in 1915, the building served as Bloomington’s City Hall and subsequently housed the City’s police and fire departments until the City deeded the property in 1990 to the Bloomington Area Arts Council. Since then, the building has provided gallery space, classroom space for art classes, two performance spaces, meeting rooms, and offices, and since 1994 has been the home of WFHB Community Radio. Ivy Tech purchased the building from the City of Bloomington and owned and operated the building as a community art center from 2010 – 2020. Bloomington’s Old City Hall building is listed on the National Register of Historic Places and is part of the Courthouse Square Historic District. In 2020, it was announced that Ivy Tech would no longer operate the building as an arts center, and that the building would revert to City ownership in January 2021.

III. Summary of Task Force Activities

The Task Force received information related to the building's physical state and its operational requirements – including required capital investments due to deferred maintenance and the cost of annual operations. The Task Force also reviewed the building's assessed value and discussed downtown and cultural activity reemergence post-pandemic. To solicit the viewpoints of the larger community, the Task Force hosted moderated focus groups asking questions related to both the building's previous use as an arts facility and what other uses focus group members could envision for the building. Task Force members also toured the building with Ivy Tech and City facility management staff. The Task Force also heard from a consortium of performing arts organizations in the City which had submitted an unsolicited management proposal for the building.

IV. Summary of Major Findings

Physical State - Capital Improvements

The City authorized Tabor/Bruce and Quality Roofing Services to perform due diligence on the Waldron building including a review of the roof, windows, tuck pointing, building interior, and mechanicals. Copies of building reviews and inspections are included as part of the Appendix.

Following is a summary by City staff of the capital improvements/deferred maintenance needed according to these evaluations. The determination of "Critical" versus "Lower Priority" was made by the City's facility management staff and was current as of February 28, 2021, recognizing that priority items may shift based on current public health or other recommendations, restrictions or requirements. An internal City task force, including the City facilities group, further refined the "Critical Investment" list to determine which investments would be required day one "To Operate" the facility starting in 2021 and which would be required "To Close" the facility (should that become necessary). These "critical" investments are the bare minimum required for the building to operate as is. It should be noted that these investments do not materially change the building nor provide any improved customer experiences necessarily.

Critical		To Operate	To Close
ACCU's (outside condensing units)	\$75,000		
Roof Repairs	\$1,685	\$1,685	\$1,685
New backflow on water service	\$15,000	\$15,000	
Tuck pointing on exterior masonry	\$75,000	\$75,000	\$75,000
Water damage, 2nd floor SW office	\$8,000	\$8,000	
Rebuild exterior wooden stairs	\$30,000	\$30,000	
Repair & paint exterior steel stairs	\$6,000		
Repair 2nd floor roof access door	\$3,000		
Replace wooden windows	\$48,000	\$48,000	
Weatherproof wooden windows	\$2,500		\$2,500
	\$264,185	\$177,685	\$79,185
Lower Priority			
Ventilation	\$60,000		
Humidification (\$100,000.00 to \$150,000.00)	\$150,000		
Lighting retrofit (LED)	\$40,000		
Replacing toilets (low flow)	\$1,000		
	\$251,000		
Total Capital Investments	\$515,185		

Annual Operational Costs

A working group of the Task Force met with Ivy Tech and City facility management staff to develop a baseline number for estimated operational costs (excluding necessary capital expenses).

Utilities	\$35,000
Repairs & Maintenance (non-capital expenses)	\$40,000
Property Taxes	\$33,000
Property Insurance	\$3,500 - \$9,500
Total Annual Operational Costs	\$117,500

Appraisal

The City authorized Monroe/Owen Appraisal to do a real estate appraisal report of the Waldron. The building was appraised at \$2,800,00 as of November 6, 2020. A full copy of the appraisal is included in the Appendix.

Focus Groups

The Task Force conducted eight focus group meetings in January 2021: Arts organizations/artists; Downtown Bloomington; Previous Waldron users; Developers; Economic Development Organizations; WFHB Radio; Monroe County School Corporation; Young Professionals.

All participants were asked the following:

- Assuming no prior use aside from City Hall, what are uses you could envision for the building?
- Is there a downtown or community need or opportunity this building could address?
- What arts and cultural assets are the community missing?

Major focus group takeaways:

Usage

- After 30 years in operation as a visual and performing arts center, it was difficult for participants to put the building into any other use with which they were clearly enthusiastic about.
- The most identified possible use was luxury apartments or student housing.
- Other suggested uses included co-workspace; a new home for Visit Bloomington; event space (wedding venue); senior center; affordable housing.
- Other suggested arts-related uses included artist studios; gallery store; recording studio.

Functionality

- Several focus group members indicated that although the building's usage should remain arts-focused, it did not always function efficiently in that use (it's the best we have.)
- Non-performance organization focus group participants pointed out the performance space shortcomings more often than performance organization representatives did.
- Those attendees who spoke about the facility's suitability to host visual arts, did so favorably. It was mentioned several times as a key anchor event for the monthly Downtown GalleryWalk.

Downtown

- Many members indicated that the building's location: proximity to restaurants, bars, and other entertainment venues, meant that it should be kept in a foot-traffic generating role.
- Its physical connection and adjacent to Fountain Square Mall was mentioned a few times as a consideration for future use.



Photo by: Jiangei Wu

V. Identified Potential Scenarios (in no particular order):

The following scenarios were considered by the Task Force over the course of their deliberations:

1) **Sell the building at fair market rate (for any non-arts purpose) and commit the proceeds to build a performing and visual arts facility.**

a. Benefits:

- i. For the City: Definitely severs relationship/responsibility for Waldron; provides some “seed money” for new development (modest); adds building to tax rolls;
- ii. For Downtown: Significant historic structure available for private ownership and reuse;
- iii. For the arts community: Result in new/only purpose-built performance/visual arts space in community; more access to space.

b. Challenges/Risks:

- i. For the City: Leadership responsibility; significant financial commitment; project manager for another major civic infrastructure project; lack of a ready buyer for Waldron; time to execute; opportunity cost in whatever property is developed; need to determine management for new facility;
- ii. For Downtown: Possible unknown changes to foot traffic with new Waldron use;
- iii. For the arts community: Disruption of programming due to project completion time; identifying alternative spaces; inability to financially contribute to new building development; equitable access; affordability of new space.

2) **Sell the building at below market rate to buyer that commits to continuing to use the building as performing / visual arts center.**

a. Benefits:

- i. For the City: Definitely severs financial responsibility for building;
- ii. For Downtown: Significantly placed historic structure back in active use;
- iii. For the arts community: Building maintains current use as performance/visual arts community.

b. Challenges/Risks:

- i. For the City: No leverage or stake in subsequent usage or ownership; divesting a perceived asset at below market value; perceived transparency in sales process (should there be multiple offers); no offers;
- ii. For Downtown: inability to maintain facility; decreased foot traffic with subsequent owners;
- iii. For the arts community: Inability to maintain facility; equitable access; affordability for users.

3) Maintain public ownership of the building for the purpose of continuing the use of the building as a performing and visual arts venue. Transfer ownership of the Waldron and the BCT into a new Cultural Improvement Corporation (CIC). The CIC issues a RFI from interested organizations for venue management for both facilities.

- a. Benefits:
 - i. For the City: Ensures usage and facility upkeep remain at community standards; Maintains ownership/control of historic asset; only one management entity to work with; economics of scale in maintenance, other services;
 - ii. For Downtown: Significant historic structures remain in active use (foot traffic);
 - iii. For the arts community: Buildings maintain current uses as performance/visual arts facilities; more coordination in venue availability.
- b. Challenges/Risks:
 - i. For the City: City would need to provide very public RFI process should there be multiple offers; Ongoing and significant financial responsibility;
 - ii. For Downtown: none noted;
 - iii. For the arts community: Inability to maintain facility; equitable access; affordability for users; Possibly upending BCT management organization; managing vs. programming.

4) Status quo: City ownership of the building for the purpose of continuing the use of the building as a performing and visual arts venue. The City issues a RFI from interested organizations for venue management. **An unsolicited proposal was received by the Task Force and has been included in the Appendix.*

- a. Benefits:
 - i. For the City: Ensures usage and facility upkeep remain at community standards; Maintains ownership/control of historic asset;
 - ii. For Downtown: Significant historic structure remains in active use (foot traffic);
 - iii. For the arts community: Building maintains current use as performance/visual arts facility; Selected organization(s) ability to be in "driver's seat".
- b. Challenges/Risks:
 - i. For the City: City would need to provide very public RFI process should there be multiple proposals; potential ongoing and significant financial responsibility; lack of public confidence as multiple similar agreements have not been successful requiring the city to resume primary financial and management responsibility;
 - ii. For Downtown: Inability to maintain facility;
 - iii. For the arts community: Inability to maintain facility; equitable access; affordability for users.

VI. Task Force Recommendations

The City of Bloomington has provided major investment in multiple facilities for the growth of community culture and to support economic development and downtown vitality. Switchyard Park, The Mill, Buskirk Chumley Theater, and the Fourth Street Parking Garage to name just a few. As the administration continues to develop a “must have” list for future investment, facilities such as a new Convention Center, and Tech Park have made headlines. Investment, both public and private over the past 30 years into the Waldron Arts Center has been an attempt to fill a facility gap within the arts community and continues to place the facility squarely in the center of any Bloomington arts discussion. And, while viewed by some as sufficient, its actual functionality has at times has limited the expansion and growth of the very arts organizations and artists utilizing its space.

It is with these considerations that the Task Force provides the overarching recommendation of:

leveraging the building to its fullest extent to support the performing and visual arts in the community

This recommendation is supplemented with the following recommendations:

- Extend the initial short-term use period from 1-3 years to 5 years, allowing arts organizations utilizing the facility a secure, yet temporary opportunity to rebuild operation revenue post pandemic. Provide minimum, yet adequate funding for building upkeep and general maintenance over the five-year period. **This extension can also be applied to the current tenant within the building allowing future location options to be explored by the tenant.*
- Continue public ownership of the building throughout the 5-year short-term use period, through the creation of a new Cultural Improvement Corporation (CIC). Upon its creation, the city transfers ownership of both the Waldron and the BCT to the CIC and the CIC issues an RFI from interested organizations for venue management for both facilities. **Provided in the appendix is an initial proposal received by the Task Force for such a management option solely for the Waldron facility. Issuance of an RFI from the CIC defining proposal parameters will assist this and other proposals on the necessary components for full consideration.*
- Commission a third-party study to determine type, size, location, and cost for a future arts facility to be built within the downtown region, ultimately replacing the need for the Waldron as an arts facility.



Photo by: Michelle Dalmau

VII. Appendix

A) Building Reviews and Inspection Reports

B) Appraisal

C) Management Proposal

D) Task Force Members

	First Name	Last Name	Title	Organization
Chair	Valerie	Pena	Assistant Vice President – Office of the Vice President for Government Relations and Economic Engagement, Indiana University.	Indiana University
Chair	Miah	Michaelsen	Deputy Director	Indiana Arts Commission
	John	Fernandez	Former Mayor, City of Bloomington	
	Cindy	Kinnarney	Regional President	German American
	Susan	Sandberg	City Council at Large	City Council
	A John	Rose	Retired/Owner	Textillery Weavers
	Ron	Walker	Vice President, Operations	CFC Properties
	John	West	Commercial Broker/Owner	FC Tucker
	Trent	Deckard	At-Large Member, Monroe County Council	County Council
	Dr. Gloria	Howell	Director	Neal-Marshall Black Culture Center
	Heidi	Harmon, ChFC®	Financial Consultant	Charles Schwab Bloomington
	Bryony	Gomez-Palacio	Bloomington Arts Commission, Chair UnderConsideration LLC, Principal	Bloomington Arts Commission and UnderConsideration LLC
	Mary	Krupinski	Architect	Kirkwood Designs
	Martha	Moore	Owner	Pictura Gallery FAR Center for Contemporary Arts
	Jo	Throckmorton	Owner	Blue Ace Media/Jo Throckmorton Filmworks Media Production Agency
	Laura	Newton	Asst. Director/COO	Visit Bloomington
	Meg	Lagodzki	Visual Artist/Owner	Meg Lagodzki Fine Art
	Jenn	Christy	Musical Artist & President/Owner of 1Pulse Entertainment	One Pulse Entertainment
	Travis	Vencel	Director of Development	TWG
Ex-Officio	Mary Catherine	Carmichael	Director of Public Engagement, Office of the Mayor	City of Bloomington
Ex-Officio	Alex	Crowley	Director, Economic & Sustainable Development Department	City of Bloomington