

Testimony of John Snider, Restoration Committee Co-chair
Randy McKay, Executive Director of the Holly Theatre
Before the Joint Subcommittee on Capital Construction 2/12/16

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KEY ECONOMIC DETAILS

When the Holly is in operation, it will:

Generate over \$3 million in additional revenue circulating in the economy annually.

Add 87 full time equivalent jobs¹,

Spur \$250 million in new building activity²

Bring 10,000 new hotel guests to the region each year.³

The Holly Theatre's business model, based off of our 12 years of operation of the similarly-sized Cascade Theatre in Redding, California, is designed to operate without annual government, private or Foundation support.

Narrative:

Medford and southern Oregon have gradually been transitioning from a timber-based economy to a more diverse and resilient base. Although we still lag behind the northern Metro area in job growth, we are steadily moving forward.

Among the bright spots is the booming wine industry. Also, emerging is an entertainment cluster of live performance, film, and film production that is growing rapidly, building on already successful heritage programs such as Oregon Shakespeare Festival, Britt Music Festival, and the Ashland Film Festival. The entertainment cluster is spurring tourism, spawning capital investment, and is a natural and synergistic fit in making southern Oregon a destination for leisure travel and business relocation.

¹ Americans For The Arts' "Arts and Economic Prosperity IV" study

² League of Historic American Theatres: Case Studies – Proctors Theatre, Newberry Opera House, and similar venues.

³ Zipcode Analysis of Cascade Theatre ticket buyers

Restore Oregon, the Oregon Arts Commission, Oregon Main Street, Travel Oregon, the Governor's Regional Solutions Office, the Cultural Trust and the University of Oregon have identified historic theaters as a strong impetus to the economy in Oregon.

The Holly Theater, an elegant 1,000-seat 1930 movie palace, is being restored to accommodate modern entertainment for diverse audiences. Being the largest indoor venue in southern Oregon, and having exceptional acoustics, the Holly will be a major factor in expanding the entertainment and education options in the Rogue Valley. The Holly Theatre will book big-name entertainers who skip the Rogue Valley nine months out of the year because there is not a large enough indoor venue. All of that means a boost to the southern Oregon economy.

Because of an amazingly sound building structure, the entire budget is \$4.3 million. A real bargain. Over 1,500 donors have helped to put the project at 41% of goal, and the sooner the Holly opens, the sooner the state and southern Oregon can reap the economic benefits.

According to Americans for the Arts, when the Holly is in operation, it will generate over \$3 million in additional revenue circulating in the economy annually, add 87 full time equivalent jobs⁴, spur \$250 million in new building activity⁵ and bring 10,000 new hotel guests to the region each year.⁶ The Holly Theatre's business model, based off of our 12 years of operation of the similarly-sized Cascade Theatre in Redding, California, is designed to operate without annual government, private or Foundation support.

Your consideration of this project that strongly stimulates the southern Oregon economy, enriches the Oregon lifestyle, and is enthusiastically supported by local governments and citizens alike, is very much appreciated. We can't wait to welcome you to our opening night gala and the hundreds of outstanding performance that will follow.

⁴ Americans For The Arts' "Arts and Economic Prosperity IV" study

⁵ League of Historic American Theatres: Case Studies - Proctors Theatre, Newberry Opera House, and similar venues.

⁶ Zipcode Analysis of Cascade Theatre ticket buyers

Holly Theatre Restoration Project

PRESERVE | ENTERTAIN | REVITALIZE



ECONOMIC IMPACT

- \$3.2 million added to Rogue Valley economy annually
- 87.9 full-time equivalent jobs added to the community
- Up to \$250 million in additional development
- 10,000 hotel guests added per year

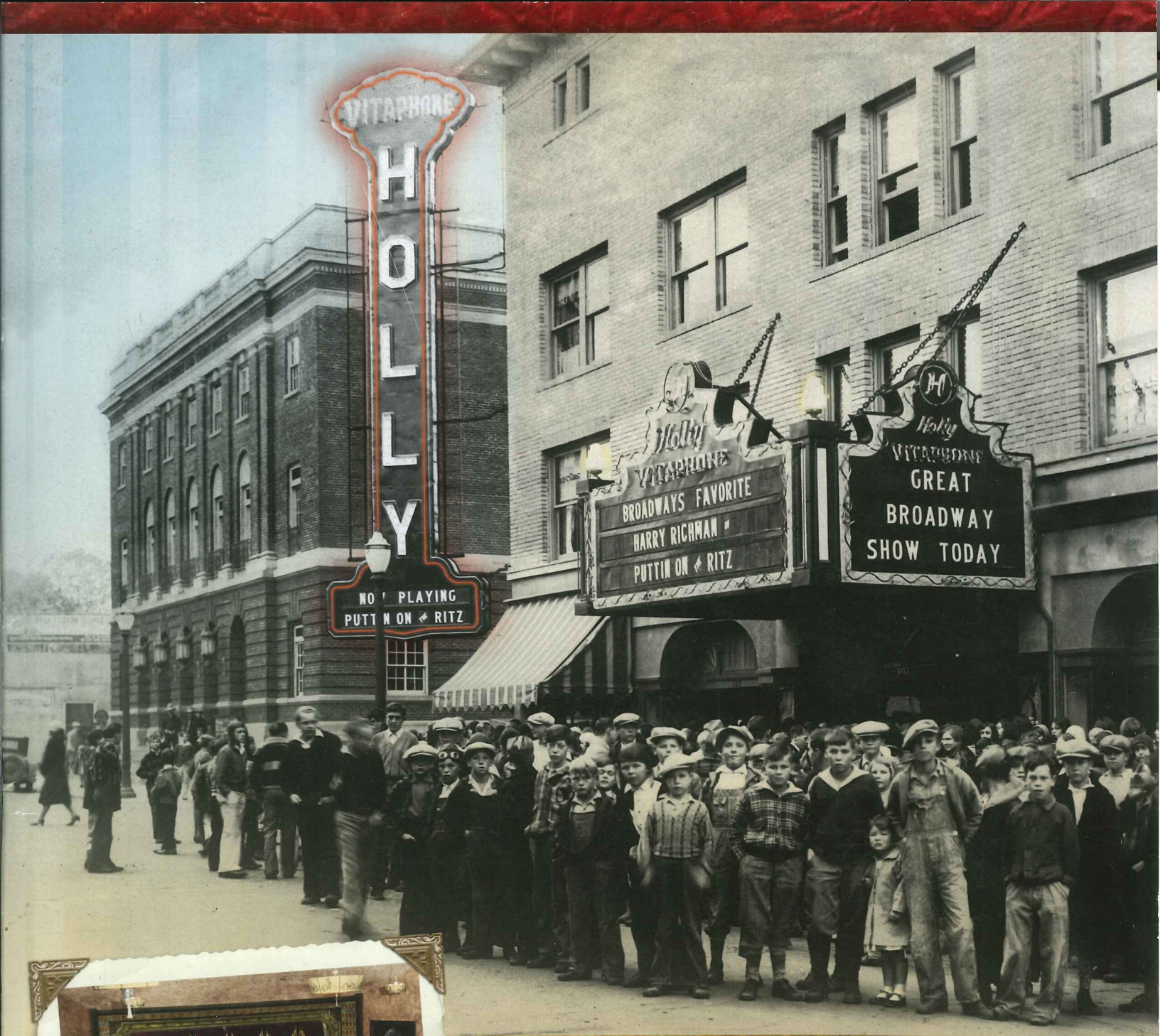
DONORS | SUPPORTERS | AFFILIATIONS

- Named a vital component in City of Medford's "City Center Revitalization Plan"
- Identified as a key project by the Oregon Historic Theatres Initiative – a joint project of Restore Oregon, the Oregon Arts Commission, Oregon Main Street, Travel Oregon, the Governor's Regional Solutions Office, the Cultural Trust, University of Oregon and PacifiCorp.
- Recent major donations from Jim Collier (\$200,000) of the Collier Center for the Arts at Medford's Craterian Theatre, Asante Health Systems (\$50,000), Suzi & Robert Given (\$100,000)
- Endorsed by Hollywood movie star Jim Belushi and TV star Patrick Duffy
- Partial List of Awarded Grants:
 - Oregon Cultural Trust
 - Oregon Arts Commission
 - National Trust for Historic Preservation
 - Autzen Foundation
 - Turner Foundation
- Endorsed by Medford Chamber's Legislative Action Team, Ashland Chamber, Talent Chamber, City of Medford, Metro Medford Downtown Association, Medford Old Town Dining District, and nearly 100 local businesses.

FUNDRAISING BENCHMARKS

- \$4,300,000 Fundraising goal
- 41% of goal raised to date
- More than 1,500 contributors show local enthusiasm and support

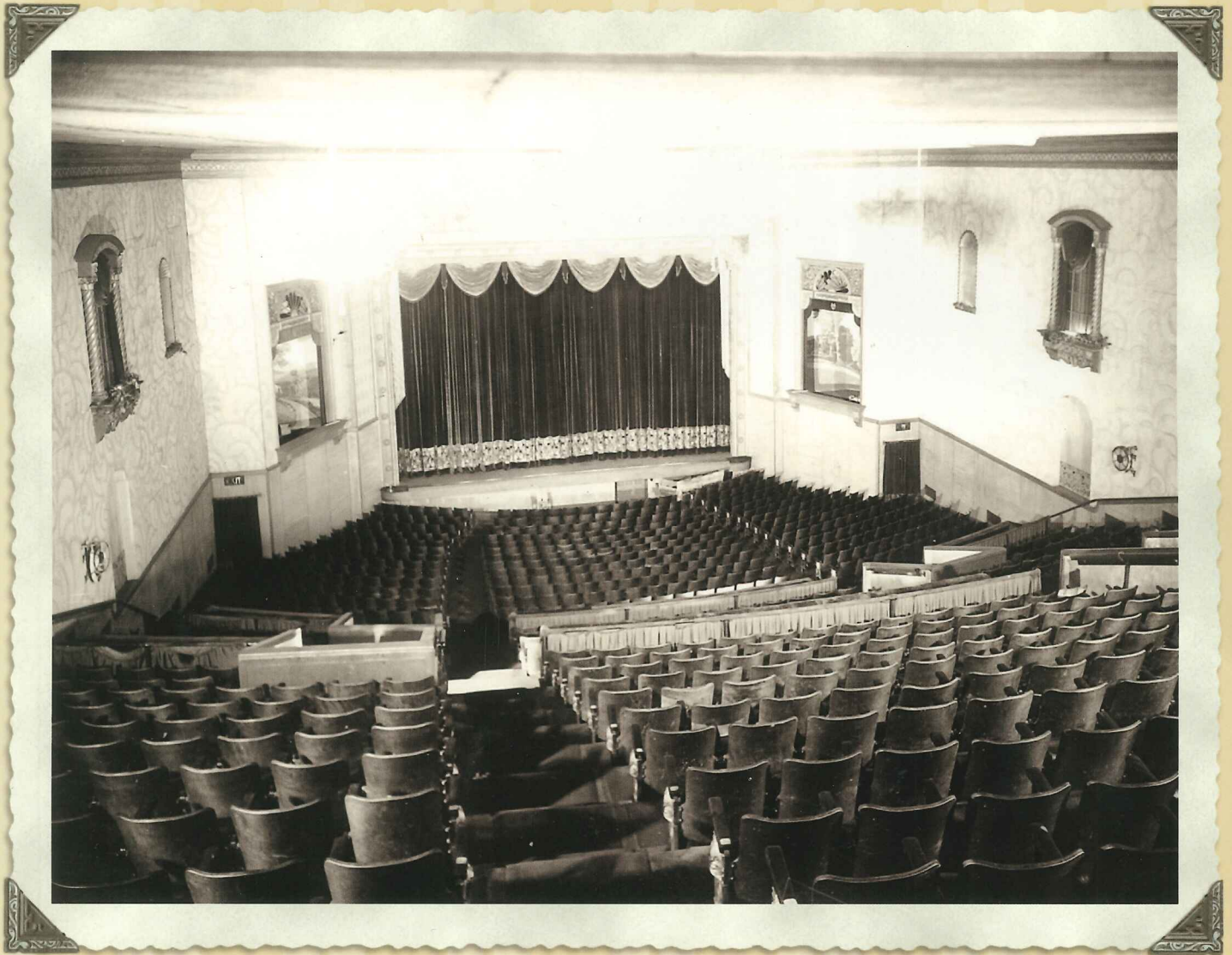
More information at: www.HollyTheatre.org



THE HOLLY THEATRE RESTORATION PROJECT

Creating a live performance venue through preservation
and restoration of Medford's historic Holly Theatre

THE HOLLY THEATRE RESTORATION PROJECT



Holly auditorium, circa 1930

“By turning the [Holly] Theatre back into a local showplace we will be able to breathe additional life into the downtown area and take one more step toward our goal of giving the area a sense of place for destination visitors.”

Gary H. Wheeler – Mayor, Medford

“Second only to easily available parking, preservation of Medford’s historic downtown buildings was the downtown amenity survey respondents most want to preserve.” “Supportable demand for additional downtown entertainment venue space equals more than twice the existing entertainment space in downtown Medford.”

Medford Retail Market Analysis & Business Development Plan conducted by Marketek, Inc. · April, 2010

PROJECT SUMMARY

The Holly Theatre was constructed in Medford in 1930 and was an icon of Medford's downtown district, bringing families downtown to see the latest films and serving as a catalyst for business activity. Like many movie palaces of its era, the Holly was bigger than life — replete with ornate woodworking, a highly decorated interior, a grand neon sign and marquee, and lavish draperies and furnishings. With an original seating capacity of 1,200, the Holly operated until 1986, when changes in the motion picture industry caused many downtown, single-screen movie houses to close. This project will restore the Holly Theatre, creating a live performance venue that honors the heritage of the building while having the functionality of a modern facility.

The project will be undertaken by Jefferson Live!, a wholly-owned subsidiary of the nonprofit JPR Foundation, with the

mission to foster the arts in Southern Oregon and Northern California. The JPR Foundation has experience restoring and operating historic theatres having successfully completed restoration of the Cascade Theatre in downtown Redding, California in 2004. That project, which is similar in scale to the Holly Theatre project, involved extensive historic preservation work, coupled with innovative architectural design to create a facility that is both historically authentic and capable of supporting a wide range of contemporary cultural events.

When the Holly Theatre restoration is complete, the two theaters will operate in tandem, creating opportunities for new programming and operational efficiencies for both communities.

PROJECT BENEFITS

✿ **Historic Preservation** – The Holly Theatre building has been recognized as having both national and statewide historic significance and is listed on the National Register of Historic Places. Designed by noted Medford architect, Frank C. Clark, in a Spanish Colonial Revival style, the Holly Theatre was built at a cost \$100,000. Newspaper accounts described the elegant and unique architectural elements that appeared throughout the building. Restoring the Holly Theatre will preserve one of Medford's nationally recognized historic structures.

✿ **Supporting the Arts** – Restoring the Holly will support additional music, film and HD Cinema events that complement the offerings of other Rogue Valley venues. With a seating capacity 36% larger than the Craterian Theater, the Holly will be capable of presenting touring acts that currently bypass Medford and the Rogue Valley because of a lack of a large enough indoor venue during the Fall, Winter and Spring presenting seasons. Over the past several years, artists such as Merle Haggard, Jackson Browne, Bonnie Raitt, Robert Cray, Jo Dee Messina, Joan Osborne, and Clint Black have performed in Redding at the Cascade Theatre but skipped Medford. In operating the Holly,

Jefferson Live! will consult and collaborate with the region's performing arts organizations, including the Britt Festivals and the Craterian Theater, to explore and develop partnerships that promote operational efficiency, organizational capacity and cultural opportunities for Rogue Valley residents. When completed, it is projected that the Holly will have a seating capacity of approximately 1,000.

✿ **Community Development/Economic Revitalization** — In hundreds of cities across the nation, the development of historic theatres has produced enormous economic benefits for downtown districts — bringing people back downtown, expanding downtown activity after 5pm and during weekends and stimulating the growth of restaurants and other businesses supporting the activities of the theatre. Authentically restored theatres are generally widely supported by the public because they unite older audiences interested in preserving a community's heritage with younger audiences interested in contemporary entertainment. Restoring the Holly will provide an important destination for downtown Medford's west side and serve as a catalyst for continued revitalization of Medford's downtown district.

THE HOLLY THEATRE RESTORATION PROJECT

RESTORATION & OPERATING PLAN

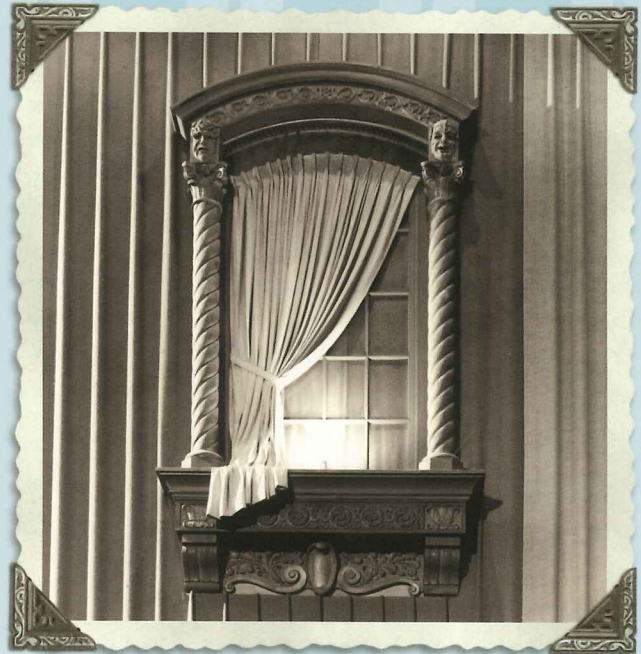
The Holly Theatre Restoration Project will balance the dual goals of creating a state-of-the-art modern facility with authentically recreating the theatre's many unique architectural elements. Like the Cascade Theatre, restoration of the Holly will be executed consistent with the *Secretary of the Interior's Standards for the Rehabilitation of Historic Properties*. The goal of the project will be to make the building's façade and interior public spaces look exactly like they did when the Holly opened in 1930, while adding new support spaces that allow the theatre to serve modern performers and patrons. The estimated cost of the restoration is \$3.5 million.

Restoration work will include:

- ✱ Restoring the building's original exterior blade sign and marquee [completed]
- ✱ Recreating the building's unique decoration and historical architectural elements
- ✱ Restoring the storefronts and exterior windows to their original configuration [completed]
- ✱ Remodeling rental spaces in the building
- ✱ Constructing new dressing rooms and green rooms
- ✱ Making the building accessible for people with physical disabilities
- ✱ Updating the building's electrical, mechanical and plumbing systems
- ✱ Upgrading the building's structure to meet current seismic standards
- ✱ Installing new seating consistent with historic design and contemporary standards
- ✱ Installing modern rigging, theatrical lighting and sound systems
- ✱ Constructing additional patron restrooms
- ✱ Expanding lobby space

Restoring existing historic theatres has three advantages over constructing new facilities:

- ✱ By using an existing historic building, the community turns an unproductive structure into a productive community asset.
- ✱ Renovation of an existing building is usually significantly less costly than new construction.
- ✱ Because historic theatres have deep emotional roots in a community, both restoration efforts and operating these facilities are generally widely supported by the public.



Holly auditorium detail, circa 1930

Jefferson Live! will leverage operating the Holly with its operation of the Cascade Theatre to create operational efficiencies, organizational capacity and joint promotional opportunities for the Holly. Significant operational efficiencies and cost savings can be achieved in the areas of booking, marketing, accounting and box office services. By operating the Holly in this way, it is projected that the Holly will need far less contributed income than most other single performing arts venues.

In addition to concerts, the Holly would also present specialty film (as does the Cascade) as well as HD theatrical performances (like the San Francisco Opera HD Grand Opera Series), which are types of events that have never been presented at any other Rogue Valley venue. In recent years, theatrical HD presentations associated with several public radio programs, like *This American Life* and *A Prairie Home Companion*, have been made available to public radio stations. Through a programming partnership agreement with Jefferson Public Radio, these kinds of events as well as concerts by emerging artists and some national public radio shows like *E-Town* and *Mountain Stage*, which travel to NPR member station communities, would be available to our patrons. Because the events anticipated for the Holly differ so significantly from the events of other Rogue Valley venues, the audience that the Holly attracts would be additive and not come at the expense of any other facility or organization.

FREQUENTLY ASKED QUESTIONS

Q The Holly looks wonderful from the outside. What's been done? What is left to do?

A Thanks in large part to funding from the Medford Urban Renewal Agency, the Holly's exterior was returned to its opening day luster. The original blade sign and marquee were recreated and returned to their places of honor and the building was made structurally sound. On April 21, 2012, the Holly held a grand relighting ceremony and turned on the marquee and sign for the first time since their removal decades ago.

While the inside is currently not as gleaming as the restored façade, we know from experience that the Holly can again be the productive jewel of downtown it once was. Based on our experience restoring the Cascade Theatre in Redding, we believe the Holly is capable of being beautifully restored and adapted for contemporary use. The Cascade Theatre was boarded up when we took over the building in 1999. It had water damage, pigeons living in the attic, no working plumbing or restrooms, walls that divided the auditorium into 4 small movie theaters that had to be demolished and a monstrous antiquated oil filled boiler in the basement that had to be cut up and removed through a hole we cut in the roof. Since the Holly has none of these issues, in some ways it will be an easier project than the Cascade.

As in any project involving an old structure, there will undoubtedly be a few surprises along the way, but we are confident the end result will be a truly unique restored facility that connects the community to its past while creating new cultural opportunities for the future.

Q Would the Holly have good acoustic qualities?

A Historic theatres tend to have positive acoustic characteristics. New York's Carnegie Hall is a great example of a fine, old auditorium with outstanding acoustics that modern architects have sought to emulate. The Holly's design is very favorable acoustically. Built with one long rake (as opposed to having a second floor balcony), no audience member would be seated in the acoustic shadow of an overhanging balcony. Additionally, the wall coverings in the auditorium need to be replaced and, while Jefferson Live! is

committed to replacing them with material which visually recreates the original walls, these new surfaces would be constructed to make the hall "tunable" so that it could be acoustically optimized for different types of performances.

Q What is Jefferson Public Radio's involvement in the project?

A Jefferson Public Radio (JPR) does not have a direct connection to the Holly Theatre. When the restoration is completed JPR anticipates that it will collaborate with Jefferson Live! to present emerging musicians and public radio live events through a programming partnership agreement.

Q Is Medford capable of supporting multiple performing arts venues? Will the Holly duplicate other area offerings?

A It isn't unusual for communities of Medford's size to be home to more than one performing arts venue. Generally, each venue tends to specialize in certain types of entertainment which are best suited to their facility and mission — which is the reason Jefferson Live! has designed a vision for the Holly which is distinctive from that of other existing venues.

Examples of other communities similar in size to Jackson County (population 203,206) near the Rogue Valley in which multiple performance venues operate are numerous. Here are two examples:

In Humboldt County (population 134,623) the 862-seat Van Duzer Theater in Arcata, the 770-seat Arkley Center for the Performing Arts and the 866-seat art deco Eureka Theater (both in Eureka) all serve the county.

In Shasta County (population 177,223) our 1,000-seat Cascade Theatre operates in addition to the 2,000-seat Redding Convention Center, the 1,050-seat David Marr Auditorium and the 598-seat McLaughlin Auditorium.

Marketek's 2010 Medford Retail Analysis & Business Development Plan noted "Supportable demand for additional downtown

THE HOLLY THEATRE RESTORATION PROJECT

entertainment venue space equals more than twice the existing entertainment space in downtown Medford.”

Jefferson Live!'s plans for the Holly have been specifically developed to avoid duplication and establish types of events not already offered in the Rogue Valley. The Holly Theatre will focus on presenting singer/songwriters and major concert artists — a mix which has made our Cascade Theatre, in Redding, extremely successful. Typically, only 2 or 3 acts which appear annually at the Cascade also appear in Jackson County so “duplication” would be minimal. In recent years, artists such as Merle Haggard, Robert Cray, Jackson Browne, Bonnie Raitt, Jo Dee Messina, Bruce Hornsby, Joan Osborne, and Clint Black have all performed in Redding at the Cascade Theatre but did not perform in Medford. The Holly will also present film (as does the Cascade) as well as HD theatrical performances (like the San Francisco Opera HD Grand Opera Series), which are types of events that have never been presented in Medford. In recent years, theatrical HD presentations associated with several public radio programs, like *This American Life* and *A Prairie Home Companion*, have been made available to public radio stations. Through a programming partnership agreement with Jefferson Public Radio, these kinds of events as well as concerts by



Holly lobby, circa 1930

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DID YOU KNOW?

The Medford Retail Analysis and Business Marketing Plan, funded by the City of Medford's Urban Renewal Agency and conducted by Portland, Oregon firm Marketek, Inc, found that:

- ✱ Supportable demand for additional downtown entertainment venue space equals more than twice the existing entertainment space in downtown Medford.
- ✱ Food and entertainment retail businesses remain strong urban components and are predicted to remain so, often serving as downtown anchors.
- ✱ Recommended target business opportunities for downtown Medford include: movie theater, concert/live music hall, live theater and dinner theater.
- ✱ A strong majority (57.1%) of respondents to Marketek's survey believe that downtown Medford is missing both an adequate supply of restaurants and a movie theater.
- ✱ A majority (53%) believe that downtown Medford needs more live music and concert events.
- ✱ Three-fourths of the respondents suggested live music as the most requested leisure or entertainment activity for downtown.
- ✱ Second only to easily available parking, preservation of Medford's historic buildings was the downtown amenity survey respondents most want to preserve.

BACK TO THE FUTURE

In the early 1900s going to the movies was a different experience than it is today. In visiting their local downtown theatre, movie goers of that era were often transported to Egyptian temples, Spanish gardens or Chinese palaces. Movie palaces were places of enchanted wonder and imagination. Often seating capacities compared to those of stadiums today in terms of the percentage of a community's population that could attend a single event.

In Medford, the Holly Theatre was a vital part of the civic and cultural life of the Rogue Valley. Birthdays were celebrated. Anniversaries were marked. First kisses were had.

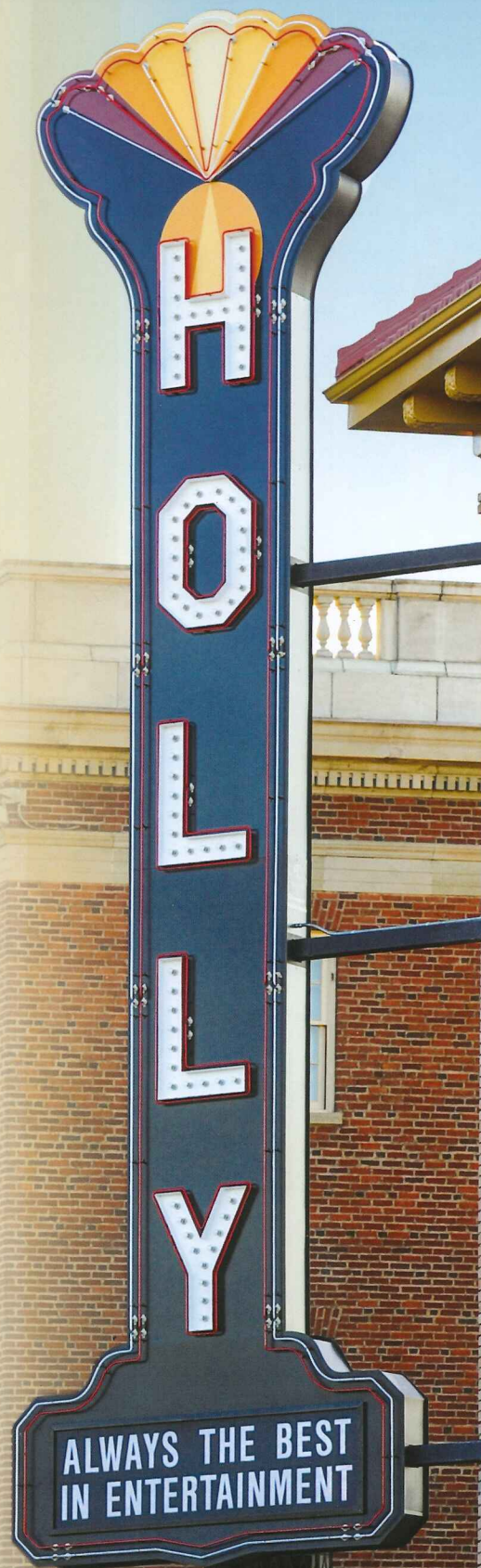
When the Holly was closed in 1986 the community lost an important part of its heritage. With the support of the community, the Holly Theatre will once again become a place that creates memories for generations to come.



Full house at the Holly during the early years

"Having worked with your organization throughout your effort to bring the Cascade Theatre back to life here in Redding, I can attest to the professionalism, expertise, and vision of your organization in executing this type of community project. Before [your organization] took on this project, the Cascade was an eyesore in our downtown district — a boarded up relic of our past. The Cascade now graces our downtown as an important connection to our city's heritage, a central element to Redding's unique identity, and a powerful symbol of civic pride and accomplishment."

Kurt Starman — Redding City Manager



*"I saw the angel in the marble
and carved until I set him free."*

Michelangelo



CONTRIBUTE AND LEARN MORE:

www.hollytheatre.org

541-772-3797