



August 4, 2009

Michael Stern
Chairman
Historic Review Commission
200 Ross Street, Third Floor
Pittsburgh, PA 15219

Dear Chairman Stern:

The Young Preservationists Association of Pittsburgh (YPA) appreciates this opportunity to comment on the nomination of the Paramount Pictures Film Exchange to be a City of Pittsburgh Historic Landmark.

First, YPA would like to express its deepest sympathies to the family of Michael Eversmeyer, who served as staff and then chair of the HRC. He possessed an uncommon talent in history and architecture and was a reliable and credible presence in the preservation field. Mike was also a trusted friend. YPA will miss Michael Eversmeyer.

Historical Importance of Film Exchanges

YPA nominated the Paramount Pictures Film Exchange for the important role it played in the development of Pittsburgh's film industry, as well as the development of the Uptown Neighborhood. The Paramount building is the last original remainder of a once extensive "Film Row" that existed in Pittsburgh, as it did in many cities. Film Row provided an important distribution network for the major film studios to reach neighborhood theaters throughout the Pittsburgh region. Paramount Pictures also became a national leader in the evolution of the film exchange industry.

Pittsburgh's Film Row existed on the Boulevard of the Allies from the 1920s through the 1960s, represented by the major film studios: Columbia Pictures, MGM, Warner Brothers, Universal



Pictures, United Artists, RKO, Paramount Pictures, and Republic. The last film exchange still standing in its original condition is the Paramount Pictures building.

Today, all the other film exchange buildings besides Paramount's have either been demolished or converted into small businesses, offices, or Duquesne University buildings. The Paramount Pictures Film Exchange is relevant and culturally significant to the City of Pittsburgh, as well as significant to the history and development of the Paramount Pictures company and the current system of film distribution nationally.



The Paramount Pictures Film Exchange in Pittsburgh's Uptown neighborhood.

Significance of Film Row's Location

It is no accident that Film Row exists in the Uptown neighborhood, approximately one mile from Pittsburgh's central business district. Fire regulations required film exchanges to be segregated from other commercial buildings due to the risk of fire.



The films being stored in film exchanges were very flammable, with nitrite being one of the key ingredients used in storage. Several deadly fires—namely in Albany in 1912, Memphis in 1914, Atlanta in 1915, and Chicago in 1916—prompted cities to take action to move film exchanges outside of the city’s commercial core.¹

Cities such as Dallas, St. Louis, and Seattle passed strict film exchange laws that required films be stored in fireproof vaults or to have sprinkler systems installed. In St. Louis, film exchanges were required to move into buildings no taller than two stories. Not coincidentally, Pittsburgh’s Paramount Pictures Film Exchange in Uptown is two stories.

As a result of the isolation of film exchanges, many U.S. cities supported a “Film Row” where all the film exchanges were located. This row became the place to find Hollywood studio exchanges and cinema supply stores. Cities such as Boston, Cincinnati, Detroit, and San Francisco all supported film rows. Boston’s Film Row was on Pleasant, Tremont, and Ferdinand streets and Columbus Avenue. San Francisco’s film exchanges lined three downtown streets.

Paramount’s Role in the Evolution of Film Distribution

Paramount Pictures became a national leader in the evolution of the film exchange system. It is “regarded as the first film company to pattern its distribution system after the legitimate theater,” according to film historian Max Alvarez. For instance, Alvarez writes, “To prevent neighborhood cinemas from advertising Paramount movies that were still in first run engagements, the studio instituted a three-month waiting period for second-run houses where reduced ticket prices were charged. Paramount also insisted upon a three-day minimum booking for all new releases in order to put an end to daily schedule changes.”²

There are several film exchanges that have been restored and reused in other cities across the country. These include Chicago, Detroit, and Kansas City, and Seattle. In Oklahoma City, for

¹ Max Alvarez, “The origins of the film exchange,” *Film History*; 2005; 17, 4; pp. 446-451.

² “The origins of the film exchange,” p. 457.



instance, the city supports a historic film exchange district.³ The Paramount Pictures Film Exchange in Seattle is now home to the Del Rey restaurant and lounge (below).⁴ See attached “Film Row Success Stories from Around the Country” for details of the other exchanges.



Paramount Pictures Film Exchange, Seattle.



Del Rey Restaurant, Seattle.

³ “Historic ‘Film Row’ Area Timeline,” accessed online at <http://www.scriptfolio.net/FILMROWTIMELINE.pdf> on August 3, 2009.

⁴ Clark Humphrey, *Images of America: Seattle's Belltown*, Arcadia Books, p. 39.



Clarifying Facts About this Nomination

During the process of public hearings for the Paramount nomination, information was presented in opposition to this nomination that should be clarified and corrected.

Interior Alterations are Not Covered by the City's Historic Code

It is important to note that the interior of any building is not considered in the city's historic review process. According to the City of Pittsburgh Historic Review Commission, "The HRC must review all exterior changes to any parts of a building that are visible from a public street or way. Its jurisdiction does not include the interiors of buildings or their use."

Historic Designation Helps the Sale of Properties

Pittsburgh's HRC has a reputation as being one of the more flexible historic review commissions in the state. Most applications for work are approved at the staff level in two days or less. In 2004, the HRC issued 137 Certificates of Appropriateness for external alterations of historic properties and denied only 10. Of the 137 that were approved, 96 (70%) were approved by the staff. The other 41 were approved by the Commission. Eighty six of the approvals (or 63%) were issued on the same day. The average number of days it takes to approve a certificate is two. All this is to say that the Historic Review Commission is a user-friendly city office that works hard to serve the public.

There is no evidence that historic designation hinders a property from being sold. In fact, the opposite is true. Historic designation is often cited by real estate professionals as a key selling point for properties. It adds distinction and sets it apart from other properties.

Three examples: Murray Hill Avenue Historic District; the Armstrong Cork Factory; and Bakery Square (the former Nabisco Baking Company). In all three cases, historic designation enhanced the marketability of the properties.



In the Murray Hill Avenue Historic District (designated in 2000), a house at 1171 sold for \$682,500 in 2001, up from \$202,537 in 1984, an increase of 236%. Other homes on the street have sold for over \$500,000, and two homes are currently being listed for \$679,000 and \$549,000, respectively. In many of the city's historic districts, home sales are brisk, even in a down economy.

The Armstrong Cork Factory sat for many years, vacant and derelict, until the current owners utilized historic tax credits and historic easements to restore the building—a \$70 million boost to Pittsburgh's economy, which employed hundreds of local workers. Today, this historic building is marketed as “ultra-cool” and “urban chic” loft apartments for empty-nesters and young urban professionals alike. The Cork Factory is a True Historic Landmark,” the Cork Factory website reads. “Rarely have the past and the present co-existed so beautifully in one place.” Just this year, the Cork Factory was named the winner of the 2009 Award of Excellence by the Urban Land Institute.

Today, the 383,000 square-foot factory is masterfully adapted into an elegant 297-unit luxury apartment complex with 43,547 square feet of retail, 427 parking spaces and a new 60-slip marina, all while preserving a meaningful part of the history of Pittsburgh. Anchor tenants include the 10,000 square-foot Cioppino Seafood and Chop House and an 18,000 square-foot Right By Nature Organic Grocery. Most importantly, the Cork Factory exceeded lease-up and occupancy expectations by





reaching stabilization within 15 months from delivery of the units. It maintains an impressive 98% occupancy rate and 55% average renewal rate. Not bad for a run down, derelict old building.



Finally, Bakery Square. YPA nominated this building to be a historic landmark in 2004, only to be told by the owners at the time, RIDC, that they would not be able to market the building; historic preservation would be a hindrance to selling the property. Today, however, the historic property is marketed by Walnut Capital on its website: “Bakery Square offers tenants an exciting lifestyle center environment in an affluent and densely populated location, with a new urban aesthetic that

integrates historic architecture with new construction.”

It offers 121,060 square feet of ground floor retail, 15,400 square feet of second floor retail, a 41,000 square-foot fitness center, 216,000 square feet of office space, a new hotel, and parking for more than 1,000 cars. The \$130 million historic project will retain and create more than 1,100 jobs. So, the doomsday prediction by RIDC did not come to pass. The opposite happened: the distinctive, historic nature of the property became its chief selling point. And the dozen articles the media produced about YPA’s historic nomination certainly didn’t hurt marketing efforts.





The point is that a building, though empty, has great potential, particularly in a neighborhood that is currently undergoing a renaissance. When a building is standing, even empty and unused, four things can be done: 1) nothing, 2) stabilize the building and wait, 3) rehabilitate the building, or 4) tear it down. Option 4 is always available, but if that option is taken, all the others are eliminated.

Historic designation must be seen as a key strategy for economic revitalization of neighborhoods, as well as a strong selling point for both occupied residential and abandoned commercial properties. It wasn't that long ago that the South Side was ridiculed for its empty and abandoned storefronts. Today, of course, it's the hottest place to be--and it's a historic district. The same goes for Manchester, the Mexican War Streets, and Pittsburgh's other historic districts.

Historic preservation is good business and a cornerstone to neighborhood revitalization. Across the country and across the state, historic preservation has been shown to reduce vacancies, stabilize neighborhoods, and spurs additional rehabilitation. For the Uptown Neighborhood, historic designation of the Paramount Building only adds momentum to the revival that has begun.

In fact, we are convinced that the current property owners of the Paramount Building would only be helped in their efforts to sell the property through historic designation. Given its location and condition, the building needs designation to give it that competitive edge in the market.

Developer Interest

Historic designation attracts developers who specialize in these types of buildings. A New York-based developer which specializes in conversions of historic properties into medical clinics, Gordon Atlantic, wrote a letter in support of the nomination. In his letter of July 6, 2009, William Gordon writes, “due to the unique nature of the facility, as the Paramount Pictures Building, it is likely that a group of physicians or physicians may like the building out of nostalgia. Gordon Atlantic looks forward to working with you on a suitable development strategy for this lovely property.” This provides hope that the Paramount Building could become an asset to Pittsburgh’s medical community.



Neighborhood Support for the Historic Designation

The Uptown community residents support the preservation and reuse of this building. During our walk-through of the neighborhood last month, we presented information about the Paramount Building to residents, informing them that it has been nominated to be a historic landmark. We passed out more than 200 flyers to people in homes and on the street. Not one person objected to the designation. In fact, every single person with whom we spoke was supportive of the nomination. This offers perhaps the strongest evidence yet that people who live in the neighborhood who know very little about economics know that saving the Paramount Building is good for Uptown.

In conclusion, the Paramount Pictures Film Exchange possesses unique history and is the last remaining structure of its kind that tells a compelling story about Pittsburgh's film past. It is an important symbol of neighborhood rebirth and enjoys wide support among residents of Uptown. Preservation of this structure is good business and good policy. YPA urges the City of Pittsburgh Historic Review Commission to vote in favor of historic designation for the Paramount Pictures Film Exchange.

Sincerely,

Dan Holland
Chief Executive Officer



Film Row Success Stories from Around the Country

Oklahoma City's Film Row

Located in the heart of the cultural district, Oklahoma City's Film Row has gone from a



collection of run down buildings, to being the centerpiece of a successful restoration effort. The city's film row was formerly occupied by several motion picture companies to store, exchange, and screen movies. These buildings had the same type of use as the Paramount building in Pittsburgh. As film rows across the country began to diminish in the 1960's due to urban renewal developments, Oklahoma City's exchange followed suit and was left for deterioration.

However, with the creative initiative of architect David Wanzer, who collaborated with the buildings' owner, Film Row was renovated into apartments, shops, and restaurants with a cultural twist including an art gallery and retail space. Focusing on the unique history of the buildings, and with a catch phrase like "From Hollywood to Oklahoma City," Film Row is effectively luring people in to take part in what is now deemed the "keystone" of the downtown area by the leading architect.

Even more promising, are the plans underway to surround Film Row, including developments for a skyscraper and other new projects.

People have observed the successful renovations, and want to build around what is, once again, becoming the cultural focus of the area. Devon Energy Corporation is planning to build their headquarters just a block away from the site. David Wanzer was able "to take a forgotten area of





downtown with a forgotten history and revitalize that,” he said. “To add to the momentum of the downtown renaissance and hopefully make this a creative hub.” With lofts in place and a flashy website telling the story, Oklahoma City’s Film Row renovation is a successful preservation of these significant historic landmarks.





Chicago's Film Exchange Lofts

Chicago's film row renovation is very similar to the Oklahoma City success. Located in the South Loop of Chicago's downtown area, Film Row was once the center for several film



company exchanges, including Goldwyn, Paramount, and Universal picture buildings. However, the only building that remains intact is the Warner Brothers Pictures building.

The Chicago Landmarks Commission has designated the Film Exchange building as a historically significant structure. This building was transformed into what is now called the 'Film Exchange Lofts' in the year 2000, using the history of the building

and the area to encourage people to live there. These lofts consist of 73 living spaces that are located very close to the Downtown district, and also have a commercial space on the ground floor for a possible restaurant.



Kansas City Film Exchange



The intact Vitagraph Film Exchange is the last remaining building from Missouri's Film Row. Owned by Warner Brothers, it operated in the 1930's as part of the lively film exchange in the downtown area. The building had no use after film row slowly deteriorated. The empty building sparked Shirley Helzberg to restore the building, in order to create a center for much needed office space for the Kansas City Symphony. Because the building is near the cultural district, and thus in proximity to the symphony's performing space, it is the perfect location for offices. This \$16 million project includes a plan to create offices for other tenants in the building. Other incentives to restoring the building include preserving and improving the area surrounding the new performing arts center for the symphony.

Seattle's Film Row

Seattle's Film Row remains incredibly intact, as several buildings are still clustered as a reminder of the city's past film exchange district. The most intact building to date, the MGM/Loews building, was converted into an insurance office in the 1960's, but was recently renovated into a



popular restaurant and bar. The exterior of the building remains incredibly intact, as black terra cotta lines the building. The building is located in Seattle's cultural Belltown district, which was the center of Seattle's film industry in the 1930's and 40's. The restaurant has embraced their building's historic past, and that significance has led to its recognition as a historic structure in Seattle.



Details of the Paramount Pictures Film Exchange, Uptown

