

REEDER'S ALLEY ACQUISITION PROPOSAL

Decision Notice

MONTANA HERITAGE COMMISSION HELENA, MONTANA 9TH OCTOBER, 2001

Proposed Action

The owners of Reeder's Alley, located in Helena, have offered to donate the site to the Montana Heritage Commission (MHC). An acquisition report has been prepared to address criteria listed in the Commission's enabling statute and the acquisition rules promulgated under the authority of the statute (22-3-1001 MCA). Reeder's Alley meets the criteria established in the legislation. Reeder's Alley has outstanding historical values, it displays exceptional qualities worth preserving, it is genuinely representative of the state's culture and history, and it demonstrates the ability to become economically self-supporting.

Montana Environmental Policy Act

MHC assesses impacts of its proposals to the human and natural environments. The proposal to acquire Reeder's Alley was discussed in the 6th September 2001 Draft Environmental Assessment (EA) to comply with the requirements of the Montana Environmental Policy Act (MEPA).

A thirty (30)-day comment period was open from 6th September 2001 through 6th October 2001. Public notification of the proposed action was publicized in legal notices printed in the Helena Independent Record.

Summary of Public Comment

Two telephone calls in support of the action were received by the MHC. One letter of support was received in support of the proposed action. Eight members of the public attended a public hearing on 4th October 2001. There were no opponents at the public hearing.

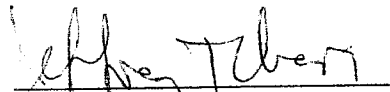
DECISION

Based on the information in the Draft EA, it is my decision to proceed with the proposed action and submit the proposal to the MHC for their consideration

Based on the analysis in the EA and the applicable laws, regulations and policies, I have determined that this action will not have a significant effect on the natural or human environment. Therefore, an Environmental Impact Statement will not be prepared.

The draft EA is hereby made the final document by this Decision Notice with no modifications or changes.

If you have any questions regarding this Decision Notice, please contact Jeffrey Tiberi, Executive Director, Montana Heritage Commission, at 406-443-2081, P.O.B. 201204, Helena, Montana 59620-1204, or at jtiberi@state.mt.us



Jeffrey Tiberi
Executive Director
Montana Heritage Commission
10th October 2001

MONTANA HERITAGE
Preservation & Development
COMMISSION

13th September 2001

Subject: Acquisition of Reeder's Alley by the Montana Heritage Commission

The owners of Reeder's Alley have offered the site to the Montana Heritage Commission. We have prepared three documents to explore the feasibility of such an acquisition. These include an Acquisition Report, an Environmental Assessment, and an Environmental Site Audit. All three documents are attached.

The comment period for this proposed acquisition is open until 6th October. A public hearing on the proposed acquisition will take place from 7:00 PM – 9:00 PM at the Fish, Wildlife and Parks headquarters on 1420 East 6th Avenue, Helena, on 4th October 2001. We invite public comments in writing or in person.

Please contact Jeffrey Tiberi at 443-2081, or jtiberi@state.mt.us or P.O.B. 201204, Helena, MT 59620-1204 should you have any questions or comments.

Thank you for your time.

MHC

REEDER'S ALLEY

REAL PROPERTY ACQUISITION

prepared for the

MONTANA HERITAGE PRESERVATION AND DEVELOPMENT COMMISSION

August, 2001

Introduction

In 1999, the owners of Reeder's Alley approached the Commission to inquire if the Commission would be interested in acquiring the property as a donation. The buildings in Reeder's Alley are designated as an historic district listed in the National Register of Historic Places with the National Park Service. A map of the area and buildings is included in this document. This study attempts to analyze the feasibility of such an acquisition, and follows the procedures set forth in the acquisition rules promulgated by the Commission and adopted in April 2000. Based on this report, the Environmental Assessment, and the Environmental Site Audit Form, we recommend acquisition of the Reeder's Alley property.

We acknowledge the contributions of Ellen Baumler of the Montana Historical Society, Commissioner Jeffrey Safford, and Herb Dawson from the State Historic Preservation Office in the preparation of this report.

1. **Does the property represent the States' culture and history? Consider the quality of the significance of the property in Montana history, including the property's authenticity and integrity of location, design, setting, materials, and workmanship; its age; and its aesthetic or historic sense of place or period of time.**

Perhaps by virtue of its vantage point snug against the rough, uneven hillside, Reeder's Alley has been the subject of many a local tale. While only some of its stories bear the seeds of truth, the small cluster of buildings and its neighbors on the block have certainly presided over some interesting activities. This oldest intact piece of early Helena is particularly important in the context of the colorful mosaic that once spread out around it. The larger picture gives Reeder's Alley and its immediate neighbors added dimension as the centerpiece of a fascinating slice of our earliest community.

The first miners staked their claims along Last Chance Gulch and the gold camp spread outward where it could. At the south end of Clore Street (now Park Avenue) and along West Main, the early residents literally prospected out their front doors. One of them, Wilson Butts, built a small serviceable cabin in 1864 to mark his claim. The next spring, his brother and sister-in-law, Jonas and Luanna, arrived with their three daughters and built an adjoining cabin in front of Wilson's. The two combined dwellings form the Pioneer Cabin. But the rowdy gold camp was not to the liking of Jonas, a strict Baptist. He worried about the music of the nearby hurdy-gurdy houses that filtered into his daughters' ears.

Among the other newcomers who came to Helena for opportunities beyond prospecting was a young man from Bucks County, Pennsylvania named Louis Reeder. A skilled brick and stonemason, Louie arrived in town as the Butts family left in 1867. He immediately signed on to help build Helena's first brick courthouse. The maturing

camp offered plenty of other building projects and by 1872, Reeder began investing in property and development. He soon owned a number of lots on West Cutler Street where he constructed a series of small tenements and bunkhouses that catered especially to single miners. By 1884, the collection of brick and stone buildings we see nestled along the steep slope of Reeder's Alley was in place.

2. Does the property lend itself to programs to interpret Montana history?

The property is directly or indirectly connected to the beginnings of settlement in Helena, mining and the life of miners, Chinese influence, building construction techniques, and life of the common man and woman. There are numerous opportunities to tell many stories about our past in the setting provided by these buildings.

One option is to convert one room of the commercial space into an historical interpretation area. At present, visitors are limited entirely to outdoor signage and to the facades of the buildings. The allocation of one small area to interpretation could give visitors an orientation to not only the significance of the Alley--its builders and early history--but that of the area around it, including placer mining history and the role Chinese played (the Pioneer Cabin nearby is said to be the last remaining structure relating to their influence in Helena). The Stonehouse Restaurant contains numerous photos of the complex area; copies of these could be installed in this new small visitor's center. We have Sanborn maps of what the Alley looked like before Urban Renewal. The history of Last Chance Gulch, including the role of the so-called "Four Georgians," could be portrayed here probably better than in any other place.

There are several potential partners that may be willing to participate in a joint venture to establish an historical interpretation area. These include the Helena Chamber of Commerce, Downtown Helena, and the City of Helena. The addition of partners may change the focus of interpretation to include a broader 'gulch' approach.

3. Is the property associated with events that have made a significant contribution to Montana history and prehistory?

The property is associated with the passage of time and the many and various influences that helped to build Montana. While there is no one particular significant event that occurred on the property, many vignettes of history are associated with the site and life in early Montana.

4. Is the property associated with the lives of a person or persons who were significant in Montana history?

Louis Reeder's fame is associated with this building. His story is the story of many immigrants who traveled to this land in search of a new beginning. The property can be said to be associated with the 'worker bees' that built this country and led their lives in social interactions we enjoy knowing about. In this regard, the persons associated with Reeder's Alley were significant in Montana history.

The advent of the railroad in 1883 had Helena bursting at the seams with new buildings under construction all over town. Such industry unfortunately bred many accidents. The Helena Daily Herald reported on August 26, 1884, that a scaffold upon which Louie Reeder was working to repair a chimney collapsed. Reeder was transported to the hospital on Catholic Hill where doctors in attendance announced that there was no hope for his recovery. Coincidentally, that same day another scaffold collapsed injuring three men and the Herald took the opportunity to warn, "Such careless accidents are too common....; work and enterprise are apt to blind these industrious workmen to the first law of nature." Reeder succumbed to his injuries the following evening, naming his brother, Huston, heir to his Helena properties. These included Reeder's Alley, at least one rental house in the Sixth Ward near the new depot, and Reeder's own house on West Main Street. The estate totaled some \$25,000 to \$30,000 and some of it, including Reeder's Alley, remained in the Reeder family until after the turn of the century.

5. Does the property embody distinctive characteristics of a type, period, or method of construction representing an event, way of life, groups of persons, or trends in Montana history?

Reeder crafted his buildings in both stone and masonry and their design, especially the brick tenements, reflect urban housing trends he brought from home and translated here into a simple vernacular form. A log cabin, likely standing on the property when Reeder acquired it, was incorporated into the complex. Although the buildings look much the same today, historically the landscape was stripped of vegetation. Two locust trees planted in front of the Butts cabin, brought west as seedlings in lard cans, provided the only shade for many decades.

The Stonehouse Restaurant at the top of the hill was originally three separate buildings. The largest of these was once partitioned into four small apartments; the individual entrances are still readily visible. Another building, now the private dining room at the southwest end, was once a two-story dwelling. The kitchen was two small detached apartments. Other buildings that no longer stand served as bunkhouses, stables and more dwellings.

Below these hilltop structures along the slope are Reeder's distinctive red brick tenements. The bricks of these have been the subject of a persistent legend linking the alley to artist Charlie Russell. Russell's family owned the Parker-Russell Mining and Manufacturing Company in St. Louis, one of the nation's leading makers of fire brick. Some of the bricks of Reeder's Alley are rumored to have come by ox team from the Parker-Russell Company. However, Reeder's Alley contains no fire brick, and by the 1870s when Reeder began his housing project, locally-produced brick was readily available. If any Parker-Russell bricks indeed made their way to Helena, they would more likely have been used for industrial purposes such as lining the massive lime kilns (constructed between the late 1860s and the 1890s) at the end of West Main Street.

6. Has the property yielded or is likely to yield information important to Montana history or prehistory?

As noted in the answers to other questions of this report, much day to day information about life in early Montana can be associated with these buildings. Additional information may be discovered as interest in the buildings increases and researchers look for more associations.

7. Describe the location of the property and its proximity to population centers, to other areas of historical and popular interest, and to standard tourist routes. Consider the difficulty or ease in access to the property.

Reeder's Alley is located in the heart of downtown Helena. The site has been mentioned in tourism marketing literature for many years, and is seen as one of the 'draws' to the town. The nearby walking mall contains numerous historic buildings, currently used for retail and office space. Ample services such as hotels, food, retail, etc., can be found in the immediate vicinity.

8. What is the likelihood of individual, public, corporate or government financial support?

The immediate future indicates little need for outside support of this project at this time. In the long run, some sort of fund raising will be needed to replace roofing. The current owners conducted roof repairs in 2001. When capital funds are needed we will look for corporate, government and private support. The success of such a request cannot be predicted at this time due to many variables such as individual financial conditions, company profits, inflation, government surpluses, etc. However, in the next ten years the biggest transfer of wealth in the history of humans will take place, as the parents of the baby boomers pass on. We need to position ourselves so that we are considered when this transfer occurs. In addition, there are many grant opportunities for private, state (the TIIP Program of Travel Montana), and federal dollars.

9. What is the estimated cost of restoration, rehabilitation or maintenance of the property?

The current owner will paint trim in September, 2001. We would need a part-time mason, with helper, or equivalent, to re-point, replace, and generally fix water damage to brick. We are going to need new standing seam metal roofs at some time in the distant future (more than \$9,000 of roofing work was completed in the summer of 2001 by the current owners). We have access to National Park Service assistance at Grant Kohrs, where a training seminar on replacements for standing seam metal roofs was recently held. The other aspect is drainage, which is a concern that could be addressed with the installation of an underground storm sewer throughout the site. That may be near impossible on the upper alley, since it is sitting on rock. There are some major problems such as cracks in masonry, but overall this group of buildings is in pretty good shape, although not in a restored condition on the interior. SHPO

has plans and the tax act files on all these buildings. At this point, the biggest problem is the deterioration of the soft red brick, and the inappropriate Portland cement that has been used, plus just the general masonry clean-up that needs to be done. Chimneys that need repair, brick replacement etc. Also some pavers that are modern are spalled. They are going to have to be replaced sooner or later, and we can get real pavers that this won't happen to. Secondly, the concrete walks are spalling on the upper portion of the Alley. We may be able to temporarily patch these.

There are several options that should be looked at to complete the masonry work. The Helena College of Technology teaches construction, and they may be willing to assist in this project. The Apprenticeship and Training Council, local high school vo-tech instructors, and local construction firms should be approached and asked to participate. A part-time mason could be hired with funds generated from the site. The National Guard may be interested in the project as a training exercise. The Commission may be able to conduct a masonry school on site through the Virginia City Institute.

In 1999 the owners spent \$7,466 to maintain the buildings and land. Please see the financial data in Attachment A for additional details as to annual costs.

10. What is the degree of popular and educational interest in the property?

~~The property is well known in the Helena area and by those interested in history throughout the state. The Helena newspaper and other newspapers have published articles about Reeder's Alley. There are many wonderful stories associated with the property. If properly distributed, these stories can make the site more popular, as well as provide a glimpse into our past.~~

The miners who lived at Reeder's Alley in the early days had some very colorful neighbors. At the foot of the alley, Helena's large Chinese community spread out into the area where the federal building is today. Expansive vegetable gardens, diverse businesses and dwellings covered at least five city blocks. Today the only standing building associated with the Chinese community is the cabin to the south at the foot of Reeder's Alley. By 1879 it was owned by the Yee Wah brothers who long operated a grocery store at 304 S. Main.

Anywhere there were miners with spending potential, there were also female followers. These gold camp "groupies" moved from place to place eager to make fortunes, too. Words of a favorite miners' ballad recall that, "First came the miners to work in the mines, then came the ladies who lived on the line." The proximity of these working ladies was certainly part of the reason that the Butts family left Helena. Later on during the 1880s and 1890s, small cribs and houses of prostitution (euphemistically labeled "female boarding" on historic fire insurance maps) were tucked against the hillside all along South Park Avenue from Wall Street almost to the Butts cabin. At least twenty-two women worked and lived on the block in 1890. The shops of a Chinese doctor, pharmacist and tailor served as a buffer zone between later residents of the cabin and these women of "the line."

In 1897, the Helena Weekly Herald reported that as streetcar driver Bob Murray cut through Reeder's Alley on his way home after dinner, he caught a glint of something in the rain-swollen gutter. He picked up a gold nugget valued at \$3.10. Soon half the nearby Chinese community was panning for gold right in the alley, and resident caretaker James Gorman had all he could do to keep them at bay. No more gold was found, but the Herald speculated that the nugget washed down from Mount Helena to let residents know that "there is plenty of gold up there if they will only seek for it." Was this incident fact or fiction? The story's appearance on April Fool's Day is cause for speculation.

Reeder's Alley served as a carriage path for young girls from the west side attending St. Vincent's Academy on Catholic Hill. Because the alley housed unmarried men and was in close proximity to both the Chinese community and the red light fringe, young girls were cautioned not to tarry on their way to and from school. Indeed, Reeder's Alley lore includes murders, suicides and shootings. One tale that bears threads of truth had to do with George Mitchell, the last resident of the Butts' cabin whose death in 1938, according to the IR of June 7, 1953, was "shrouded in mystery." Mitchell raised chickens, sold eggs and poultry and ran a coal and wood business at the rear of the cabin from 1903 until he died in the mid-1930s. Mitchell, who had no family, left all his earnings in dollar bills and loose change lying on shelves, on the cabin floor, and stuffed in socks, tobacco cans and paper bags. Just before public auction of the cabin in 1939, a group of local women formed the Last Chance Gulch Restoration Association and arranged its purchase for \$450. The Pioneer Cabin became one of the first preservation projects in the West.

George Duchesney owned Reeder's Alley by 1920, and its small apartments and dwellings were home to 32 single male tenants including a stock herder, a sheep herder, a cemetery caretaker, two fruit store proprietors and a hotel cook. Duchesney and his wife, Laura, lived at 200 West Cutler Street, which was the front apartment of the present-day Stonehouse. Duchesney, a groundman for the electric company, advertised "cabins for rent" in the 1920s city directories. Laura Duchesney was well-known as a breeder of canaries and "bird doctor." She filled their small apartment with the little birds and their songs. An advertisement in the 1927 Polk city directory for Laura's canaries promised "excellent singers." When Laura died in 1933, the viewing was held at the Duchesneys' apartment. George remained at Reeder's Alley until his death a decade later.

By the 1950s, Reeder's Alley was home to a number of pensioners. Owners Reed Matthews and Godfrey Sullivan supplied a need for low-rent housing for older folks on a small fixed income. But city planners had slated the "seedy" area, along with all nearby reminders of Chinese occupation and red-light activities, for demolition as part of urban renewal. Reeder's Alley would be gone today but for the efforts of three Helena matrons who became its saviors in 1961.

Jane Tobin, Patricia Beodecker and Eileen Harper envisioned Reeder's Alley as an artists' colony and set about to clean it up. The three stone buildings at the top of the hill were their first purchase. They removed the four interior partitions in the largest structure, cleaned, painted, and connected the buildings. Sullivan offered to sell them the rest of Reeder's Alley, but it was home to 23 residents who could not afford to move. Sullivan spent months relocating every tenant. Only after everyone had found a new home did he finalize the sale to the women. The seeds of their vision are still viable as a variety of businesses have occupied the buildings.

And the tales about Reeder's Alley live on. A few years ago, author Dick Pace wrote an unpublished article about Reeder's Alley in which he recounted the story of a world-renowned musician out for an evening stroll after a performance. As the visiting master passed through Reeder's Alley, he heard a resident musician playing for his neighbors. The visitor borrowed the instrument (perhaps a violin) and gave the pensioners a courtyard concert that other Helenans had paid to hear. For several hours, music caught the night breeze and drifted along the gulch.

11. What are the current and projected revenues and expenses associated with the property?

In 1999 the rental income collected from the buildings was \$28,345. The expenses that year were \$30,432. Projected revenues will remain about the same, but projected expenses will decrease once property taxes (\$5,954) and depreciation (\$7,808) are removed from the expense column. See the financial data in Attachment A for more details.

12. Is the property an educational resource for the study and interpretation of Montana history?

Yes. As mentioned above, the property holds many great stories associated with our past. At present, tours (many Helena school kids visit the Alley annually) have very little to go by except by what is provided through human guiding services. Casual visitors have even less to go by. A display, designed to function without staff, would provide an on-going service during weekday working hours.

13. Describe the operations plan for the property.

There are several options for operating the property. The first option would be to continue renting to private businesses. This is the preferable option, as all units are currently occupied and there is a waiting list. Over the last few years, the current owners of the property have had a high occupancy rate. The property is in a transition phase, moving from a retail space to more of an office space. We should consider inviting the Montana Historical Society Foundation to establish their offices on the property.

Another way to operate the property could include modeling our approach after policies used in the town of Old Salem in South Carolina, combined with the approach used in a modern day condominium complex. In brief, many of the offices (interiors only) could be sold on the commercial market after the title is divided and converted to include legally binding covenants that guide development of the units. The covenants would restrict changes that could alter the historical integrity of the building. The money received from the sale of the individual offices could

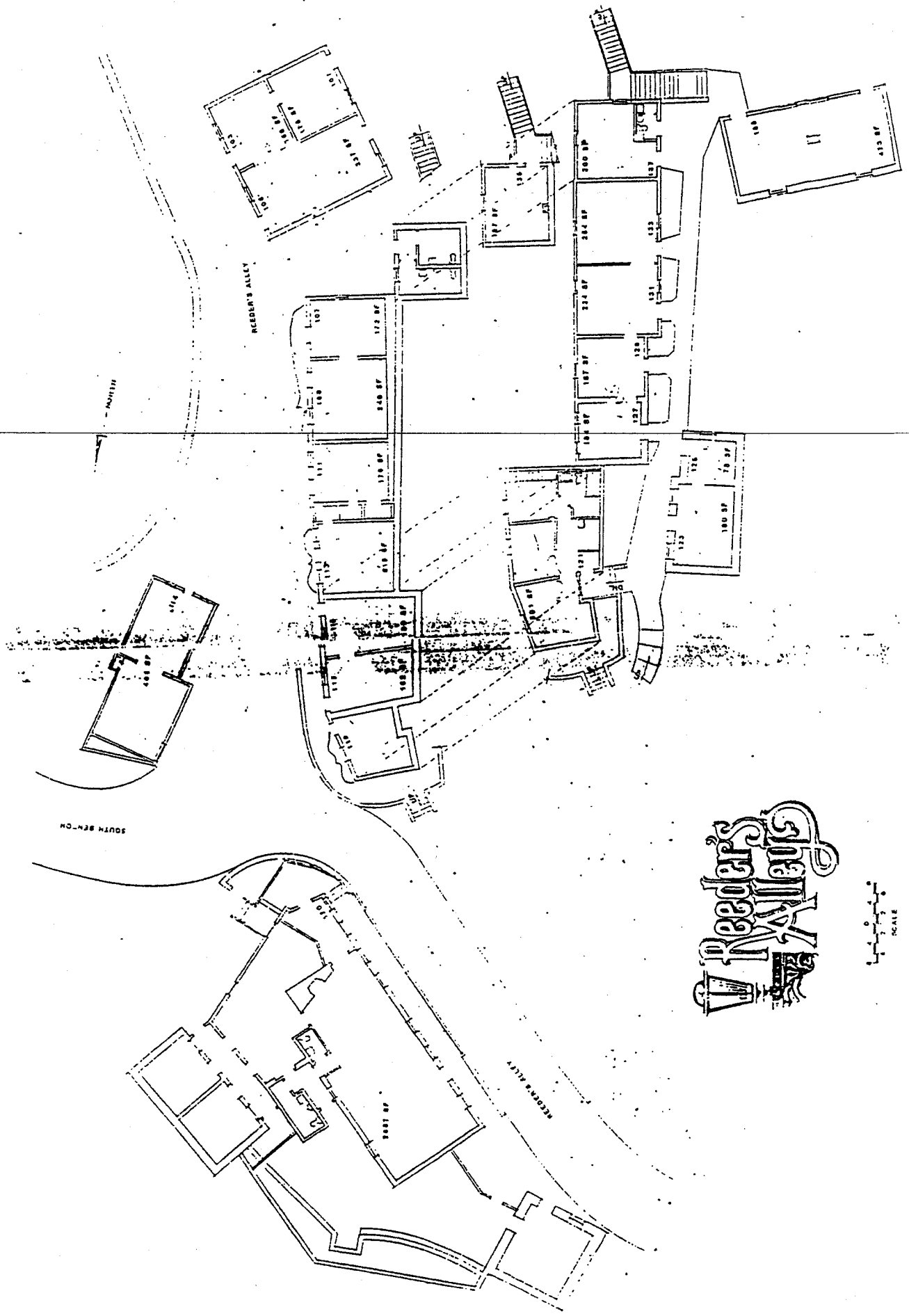
be put into a trust fund that allows interest only to be spent on capital maintenance needs of the buildings. MHC could manage the office-owners association and keep title to common areas. The association could be responsible for snow-removal, trash removal, etc., and pay for these services through monthly maintenance fees collected from the new owners. The new owners of the individual units could be responsible for any capital improvements to their property. Capital improvements could be governed by the covenants included in the titles. MHC could keep at least one office building as their headquarters, and perhaps one room as an interpretive center. NOTE: This option may require the inclusion of a foundation or other non-profit group in this process due to state conditions on the sale of state property and formation of a trust fund.

Another option would be to rent the buildings to a local, state agency or federal government agency, preferably one associated with history. If space was available, offices of the Montana Heritage Commission could be moved to the site. This would save the Commission nearly \$4,000 in rental costs per year.

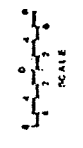
14. Conclusions and recommendations.

Based on the above information, we recommend that the Commission proceed with the acquisition of this property. The site fits the criteria related to history, has a positive cash flow, and is in good condition. Other reasons include the appearance that the Commission is fulfilling the Legislature's mandate to seek other properties, and the economies of scale associated with managing additional properties (i.e., the ability to use the positive cash flow for purposes related to the overall operation of the Commission).

Respectfully submitted
Jeffrey Tiberi
Executive Director
31st August 2001



Reeders
Shanty
Alley



SOUTH BENCH

REEDER'S ALLEY

REEDER'S ALLEY

Attachment A

Reeder's Alley
History of Rental Income
& Expenses

Year	1999	1998	1997	1996
<u>Rental Income</u>	26,345	28,521	26,577	34,373
<u>Expenses</u>				
Advertising	65	271	1,904	1,202
Cleaning and Maintenance	689	535	242	2,504
Insurance	4,397	7,831	4,794	4,204
Legal and Professional	513	1,005	2,251	4,807
Repairs	6,245	5,823	3,518	9,436
Taxes	5,954	5,863	5,839	5,916
Utilities	3,442	2,896	2,893	2,869
Depreciation	7,808	7,835	8,692	10,575
Amortization	-	62	148	148
Telephone	45	118	-	-
Miscellaneous	204	532	196	925
Dues and Subscriptions	410	185	75	275
Postage and Freight	128	65	22	-
Rental of Equipment	-	100	36	1,109
Supplies	532	628	424	869
Total Expenses	30,432	33,749	31,034	44,839
<u>Taxable Income (Loss)</u>	-4,087	-5,228	-4,457	-10,466
<u>Add Back:</u>				
Property Taxes	5,954	5,863	5,839	5,916
Depreciation	7,808	7,835	8,692	10,575
Amortization	-	62	148	148
	13,762	13,760	14,679	16,639
Net Cash Flow	9,675	8,532	10,222	6,173