

How Austin's Art Deco Dream Fell Apart

The Seaholm Power Plant Story

—A. Henry Rose | December, 2018

The story of the Seaholm Renovation cannot be understood outside the larger context of Austin's downtown revitalization efforts, nor can the hardline economic realities be ignored.

Civic Ambitions Wax and Wane

By the late 1990s prospects for the redevelopment of Seaholm were palpable. What began over a decade earlier as the vision of a few concerned citizens, notably Sinclair Black, a prominent architect, urbanist and professor at UT Austin, and Ken Altes, an outspoken grassroots advocate in Austin's community, had entered the civic stage of debate. In 1996 the City Council officially slated the defunct power plant for adaptive re-use as an "unique and exceptional cultural facility in downtown Austin" and in 1997 the Seaholm Reuse Planning Committee (SRPC) was established as an official advisory board to the city.¹ Community input was solicited, and hopes were high that the city would soon have a wonderful home for a new or existing cultural institution. It almost seemed inevitable.

The question was not if, or even when, but merely *what* it would become. Kayte Vanscoy captures the energy in 1998, writing in *The Chronicle*:

Sunbeams stream through the clerestory windows, delineating the dust highways that hang in the cavernous quiet. This is Seaholm—a power plant that elicits poetry, a public trust to inspire a growing city. From its advantageous siting on the north bank of Town Lake, Seaholm has long been revered for the classy art deco design which has spurred countless a passersby to envision a less utilitarian future for the building. Dance club? Art museum? Restaurant? Even a city hall? Seaholm has been an empty palette upon which the dreams of Austin's growth have been painted.²

In 2001, San Francisco based ROMA Design Group, who had been instrumental in Austin's Müller development, was hired to propose a master plan for the district which bore the name of the beloved power plant.³ In this document they reinstate the goals of the SRPC as follows: 1) to reuse the power plant, 2) to provide multiple uses within the complex, 3) to preserve its art-deco character, 4) to provide necessary parking, 5) address local and regional transit concerns on the site where two rail lines (potentially) converge, 6) secure pedestrian and bicycle linkages across town lake and Cesar Chavez to downtown, 7) to employ public and private partnerships, and 8) to seek a national historic register listing with accompanying tax incentives.

¹ Seaholm District Master Plan. Published by The City of Austin in consultation with ROMA Design Group, 2001. Austin History Center Archives and online, accessed October 12, 2018. <ftp://ftp.austintexas.gov>

² Vanscoy, Kayte. Light and Power: The Future of Seaholm. *The Austin Chronicle*, Friday May 8, 1998. Accessed October 16, 2018. <https://www.austinchronicle.com/news/1998-05-08/523435/>

³ Uncredited. "Designs on Seaholm." *The Austin Chronicle*, March 2nd, 2001. Accessed October 20th 2018. <https://www.austinchronicle.com/news/2001-03-02/designs-on-seaholm/>

Included in the 2001 Master Plan is an appendix of transcribed meeting minutes between various interested parties (totalling 38, as enumerated). The evidence is telling: every meeting but one is consumed by pragmatic concerns of traffic and access. What to do about the historic third street railroad trestle, for example, takes up a considerable amount of time, and the list goes on: the re-routing of Sandra Muraida way, potential new access across Shoal Creek at second street, whether to extend West Ave from 3rd to Cesar Chavez, whether to re-route Cesar Chavez itself 160' to the north, what to do about semi-truck deliveries, how to take advantage of the Union Pacific Rail line running through the site as a potential location for a regional multi-modal transit hub, how to incorporate busses in the interim, whether and where bike flyovers should connect the Lamar pedestrian bridge (completed in 2000) to and through the site, how to develop the Town Lake waterfront park, how to develop the Shoal Creek bike trail, and last but certainly not least, what to do about parking.⁴

The report itself corroborates the nature of these meetings, wherein only five of nearly fifty pages are dedicated to the Seaholm Plant itself, with the remainder attempting to resolve the complex position of the power plant within the larger context of Austin's rapidly urbanizing downtown fabric. Viewed retrospectively, it is not surprising that these difficulties would prove to be insurmountable in the end to realize the goals of establishing a civic monument—“a world-class something, if done right” in Ken Altes' impassioned words⁵—no matter how many times it was stated and reinstated as a primary objective. High on the list of obstacles were the need to build between 300-500 parking spaces, the imbroglio with Lumberman's Investment Corp. who owned the land immediately to the west of Seaholm (the Sand Beach Reserve Tract) and who was currently sunk in a multi-year legal battle with the city over boundary disputes, and finally the perhaps more nebulous fact that the cost of the renovation of the power plant itself, including adjacent structures, was fatefully ignored at this early stage.

I. Parking: Were Seaholm to become some manner of public assembly hall, ROMA identifies weekday parking requirements of 300 spaces with a weekend overload allotment of an additional 220.⁶ A patchwork of solutions are proposed to achieve these requirements, but it is noteworthy that A) an underground garage is deemed inevitable if open space is to be preserved around Seaholm (itself a competing imperative) and B) that the overload requirement will have to come from an agreement with as yet unknown and unbuilt commercial development on adjacent lots—a recommendation that merely postpones another inevitably fraught negotiation. The cost of one level of underground structured parking, too, is not insignificant, projected at \$5.1m (inflation adjusted in 2018 to \$7m) for only 160 spaces—over \$40,000 per space in today's dollars. “Seaholm's parking problems,” Emily Pyle writes in *The Chronicle*, “have plagued the project from its conception.”⁷

II. The Sand Beach Reserve Tract. This piece of land sits between Cesar Chavez to the S, Lamar Blvd to the W, the Union Pacific rail to the N, and Seaholm to the E. Without delving into unnecessary detail, in 1945 the land was gifted to the city from the state for a nominal price with the stipulation that it be reserved for public use. By the early 2000s, Lumberman's Investment Corporation (LIC) had come into ownership of part of it,

⁴ Seaholm District Master Plan, Appendix A. Published by The City of Austin in consultation with ROMA Design Group, 2001. Austin History Center Archives and online, accessed October 12, 2018. <ftp://ftp.austintexas.gov>

⁵ Lindell, Chuck. “Defunct Power Plant Awaits New Spark of Life.” *Austin American Statesman*, February 16th, 1998.

⁶ Parking space calculations per square footage are complex, but generally fall between one space for every 50-275 square feet for civic and commercial uses; the Power Plant Building alone is over 100,000 square feet.

⁷ Pyle, Emily. “Naked City: Storming Sand Beach.” *The Austin Chronicle*, September 15th, 2000. Accessed October 24th 2018. <https://www.austinchronicle.com/news/2000-09-15/78624/>

although there remained significant discrepancy over the agreed upon southern boundary. For both reasons development on the property had been forestalled for decades, and the conflict was reaching a climax. (Cartoon published in *The Chronicle*.⁸) Eventually the suit was settled out of court, and LIC agreed to build an access road from a rerouted Sandra Muraida way to the west entrance of Seaholm in exchange for the right to build high-rise condominiums on the site.⁹ Years of legal battles were taking their toll, and by 2002 enthusiasm began to wane. Amy Smith writes in *The Chronicle*: “In the current grand scheme of things, the power plant barely rates a mention, and its future incarnation is no closer to being decided than it was a couple of years ago. While the project is still formally called the ‘Seaholm District Master Plan,’ in planning conversations it appears to be steadily morphing into the *Everything-but-Seaholm Plan*.”¹⁰



III. Renovating Seaholm Itself. In the 2001 Master Plan ROMA proposes four budget packages outlining different scenarios, ranging from the most basic requirements to get the project online to the more aspirational, which involve the rerouting major streets, improvements to pedestrian trails such as Shoal Creek, the purchasing of adjacent tracts of land and other infrastructure projects to enable development of nearby properties such as the GreenWater Treatment Plant to the east (later known as “Seaholm East”, where among other things the new library was built¹¹). Estimates for these packages range from \$7m (\$10.5m adjusted) to \$40m (\$57m adjusted), however not one addresses the renovation of the Seaholm complex itself which includes the Plant, the adjacent Fuel-Oil building, the Stacks and the Water Intake Building on the shoreline. With ominous brevity, the final sentence of the 2001 report concludes: “The improvement package also does not include the cost of retrofitting and rehabilitating Seaholm as an attraction, as this cost is assumed to be borne by the future attractions developer.”¹²

Was this wilfully naive on the part of ROMA, an experienced urban design firm? Or was it masterfully subtle—insofar as it anticipated that an analysis of these costs would derail the momentum of the project at this critical stage. In an insightful anecdote *The Chronicle* describes the delicacy of the situation in 2002, which is and has always been a story played out between real people in real time:

If there were a tragic tale emerging from the whole Seaholm affair, it would be the irony of how one man’s ‘harebrained idea’ of turning a power plant into a public facility grew to become a humongous, multi-million dollar undertaking. Ken Altes, who introduced the reuse notion more than a dozen years ago, and carried the torch for many years after that, is no longer a key player in the process—and that’s not by his choice. For whatever

⁸ Pyle, Emily. “Naked City: Storming Sand Beach.” *The Austin Chronicle*, September 15th, 2000. Accessed October 24th 2018. <https://www.austinchronicle.com/news/2000-09-15/78624/>

⁹ Smith, Amy. “Tower of Ill Dispute” *The Austin Chronicle*, September 28th, 2001. Accessed October 18th 2018. <https://www.austinchronicle.com/news/2001-09-28/83162/>

¹⁰ Smith, Amy. “You Call This a Plan?” *The Austin Chronicle*, June 14, 2002. Accessed October 24th 2018. <https://www.austinchronicle.com/news/2002-06-14/94999/>

¹¹ Gregor, Katherine. Seaholm East: What future for Green? *The Austin Chronicle*, January 25th, 2008. Accessed October 24th 2018. <https://www.austinchronicle.com/news/2008-01-25/584389/>

¹² Seaholm District Master Plan. Published by The City of Austin in consultation with ROMA Design Group, 2001. Austin History Center Archives and online, accessed October 12, 2018. <ftp://ftp.austintexas.gov>

reasons—be they political or personal, or both—Altes was eased out of the picture in 1998. Some believe that it was Altes' overwhelming passion for the project that became his own undoing. In the early days, he and his old friend Sinclair Black used to spend hours together plotting Seaholm's future, but as time went on, their relationship grew strained. Today, Black supports the overall plan and Altes is one of its staunchest critics.¹³

For there is no reason to assume that estimates of the costs of renovation were unknown or unknowable, when even *The Chronicle* cautions as early as 2002: "The original idea was to convert the architecturally unique power plant into some sort of public facility, like a science and technology museum, but its exact function is still up in the air. The harsh reality is that it would have to be a big moneymaker in order to sustain itself."¹⁴

Nonetheless, the 2001 Master Plan avoided addressing the issue that proved to be its undoing, which allowed the dream / illusion of a civic monument to continue for a few more years through the initial round of design proposals in 2004-2005 (see below). Indeed it was not until the city was tasked with selecting an actual team of developers and architects that they spoke openly of the situation, and in no uncertain terms. In 2007 Councilmember Bruce McCracken admits: "Due to Capitol View Corridor restrictions, just one major tower can rise on the site. Its revenues must offset the money pit of Seaholm itself. Retrofitting the 136,000 square foot plant – for some still-blurry civic/public/profitable uses—will be incredibly expensive and a money loser for the developer."¹⁵ Time had taken its toll over the eleven years since the Council slated the Plant for re-use; the noble rhetoric was gone, replaced with raw economic truth.

The Long Slide to the Bottom Line

But we get slightly ahead of ourselves. Back to 2004: the City Council fires up the process again, which had not received any direct attention since the Master Plan was compiled in 2001. Initially the council issued a Request for Proposal (RFP) which essentially would solicit bids for the renovation of the Seaholm complex itself.¹⁶ At this point ambitions were still high that Seaholm would become a defining public attraction for the city, with talk not about whether, but about which institution would occupy the structure. Aspirations for a multi-modal transit hub were still on the table, as well.¹⁷

¹³ Smith, Amy. "You Call This a Plan?" *The Austin Chronicle*, June 14, 2002. Accessed October 26th 2018.

<https://www.austinchronicle.com/news/2002-06-14/94999/>

See also below: Smith, Amy. "Naked City: Off the Desk." *The Austin Chronicle*, September 24th, 1999. Accessed October 23rd 2018.

<https://www.austinchronicle.com/news/1999-09-24/74015/>

"In other Seaholm developments, not all is well on the power play front. Ken Altes, the man whose unfailing persistence and peskiness helped turn the retired power plant into a point of civic pride, is off the Seaholm Reuse Planning Committee, a sub-group of the city Arts Commission. Details of Altes' departure aren't pretty, but the boiled-down version of his leave-taking had him and committee members at odds over the direction of the group. Altes, who acknowledges he's been accused of loving Seaholm a little too much, still has his Friends of Seaholm to fall back on..."

¹⁴ Smith, Amy. "Sea Changes at Seaholm" *The Austin Chronicle*, June 14, 2002. theaustinchronicle.com, accessed October 20th 2018.

¹⁵ Gregor, Katherine. "Seaholm Powers Ahead, Amid Questions About the 'Public Interest:' Oft Delayed Development Getting Serious at City Council." *The Austin Chronicle*, December 12th, 2007. Accessed October 23rd 2018.

<https://www.austinchronicle.com/daily/news/2007-12-12/571465/>

¹⁶ Smith, Amy. "Naked City: Ready for Rebirth" *The Austin Chronicle*, April 2, 2004. Accessed October 24th 2018.

<https://www.austinchronicle.com/news/2004-04-02/205080/>

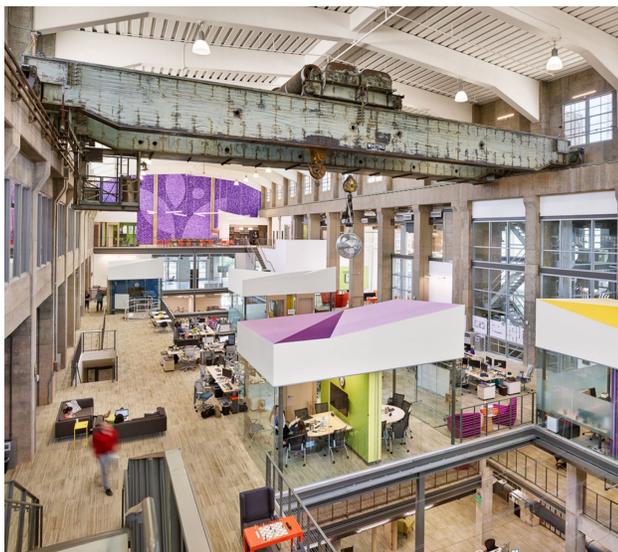
¹⁷ "In addition to a cultural facility, Seaholm – site of Downtown's existing rail hub – would likely also include a transportation center, an idea strongly supported by Dunkerley's colleagues Daryl Slusher (a Capital Metro board member) and Brewster McCracken. "Seaholm is just crying out to be the classic central city rail station," McCracken told the *Chronicle*. "It's necessary to make commuter rail, and

The trend, however, away from these dreams seemed irreversible. For what began as the desire for an RFP in 2004 never materialized. Instead, submissions were finally received a year behind schedule¹⁸ in the much diluted form of an RFQ—or Request for Qualifications, which is a non-actionable document still in the schematic phase of design—more or less what the 2001 Master Plan represented for the surrounding region but focused on the Seaholm Complex itself. In February of 2005 Michael King describes the submission of these ‘blue-sky’ ideas in *The Chronicle*, notably referring to the tenancy of a local non-profit as nothing more than a ‘hope’:

Whither Seaholm? The long-mothballed power plant is targeted for a yet-to-be-determined combination of private redevelopment and public use, and the council heard from four redevelopment teams responding to the city’s Request for Qualifications ... [[N]]one of these blue-sky ideas [[however]] are either as fully worked out or as solid as those proposed a week earlier for nearby Block 21. That’s because the actual shape of any Seaholm plan will be worked out in detail only after the council has selected a team to carry it out. In addition to the private retail and residential uses, the city hopes to incorporate a local “nonprofit” institution – KLRU, the Texas Music Hall of Fame, and the Austin Children’s Museum are all in the discussion.¹⁹

Nonetheless, four finalists were selected from the RFQ, all of which featured one of the above institutions in their proposal. It seems obvious in retrospect, however, that they were included only because the city stipulated this condition—in other words, because it was desired, not because it was possible.²⁰ And due to the nature of an RFQ, at this stage no party was tasked with demonstrating the real financial feasibility of the project.

Of the four finalists, the conglomerate Seaholm Power LLC²¹ was selected and negotiations began behind closed doors. The rest, as is said, is history. The outcome of



rail-based mass transit, succeed in the Downtown area.” Smith, Amy. “Naked City: Ready for Rebirth” *The Austin Chronicle*, April 2, 2004. Accessed October 24th 2018. <https://www.austinchronicle.com/news/2004-04-02/205080/>

¹⁸ “City Manager Toby Futrell tells us that such an RFP should be ready to go within 60 days.” Smith, Amy. “Naked City: Ready for Rebirth” *The Austin Chronicle*, April 2, 2004. Accessed October 24th 2018. <https://www.austinchronicle.com/news/2004-04-02/205080/>

¹⁹ King, Michael. “Naked City: Beside the Point, Council Ponders Seaholm” *The Austin Chronicle*, April 2, 2004. Accessed October 24th 2018. <https://www.austinchronicle.com/news/2005-02-25/260263/>

²⁰ “Unlike with Block 21, the city sought not specific proposals but issued a “request for qualifications and development concept” for reuse of the old power plant and its environs. As such, the Seaholm criteria are far more suggestive than prescriptive; nothing has yet been decided about whether to sell or lease the property and at what price, and there are no requirements for specific uses like the mandatory retail ground floor at Block 21. However, there are some givens:” Namely the inclusion of the above noted cultural institutions, a multimodal transit hub, as well as a specific provision for the preservation of the plant itself, even at this late stage. Author uncredited. “Four for Seaholm” *The Austin Chronicle*, April 8, 2005. Accessed October 24th 2018. <https://www.austinchronicle.com/news/2005-04-08/265688/>

²¹ Novak, Shonda. “Austin’s Seaholm Project for Sale, Renewing Debate Over its Public Use.” *Austin American Statesman*. September 4th, 2016. Accessed October 17th, 2018.

these negotiations has already been intimated in Mr McKraken's comments above: the city would have to dramatically reduce, and many would say discard, its grand civic ambitions. In the end what emerged as an actionable plan in 2007 is largely what we see built today: a mixture of high-rise luxury condominiums, expensive restaurants and upscale retail (Trader Joe's perhaps notwithstanding), with the Seaholm Power Plant itself converted into private office space. Did the city give away too much? The question will always remain, for as Katherine Gregor notes, private offices and luxury dining hardly amount to the "unique and exceptional cultural facility" that was promised in 1996. Nonetheless, the structure itself was preserved at the great expense of the potential air rights above, even leaving the large open vault of its turbine hall unencumbered by intermediary floor plates and the additional square footage rents they would generate. The photograph right shows how it exists today, as the regional headquarters of Massachusetts-based athenahealth.

The Myth, Re-Made

The story that is told today, on both sides, understandably focuses on the success of preserving the turbine hall and the stacks. As *The Statesman* reports in 2016, Greg Kiloh, the city's project manager for Seaholm, deemed the project a success: "'That was the purpose of the project,' Kiloh said. 'It wasn't to make a lot of money. It was an expensive historical preservation project that used economic development (financing mechanisms) as a means of doing the project.'"²² Similarly, the admittedly suspect "history" as betold on the website of Seaholm Power, LLC, positions Mr Black's initial desires to save the building as the centerpiece of the story, in which Seaholm Power is the savior. Ms Kasper writes: "Black co-founded an organization called Friends of Seaholm in early 1980s with a sole focus: saving Seaholm from demolition. While promoting the group's efforts, the *Austin Chronicle* referred to them as 'quixotic crusaders' – a clear implication of how improbable the pursuit of such an ideal was at the time."²³

What remained of the aging twenty year old aspirations seems to have long drained from the prevailing narrative, or rather, there was little will left to keep it alive, left only in the sad memory of the impassioned few who dreamed of what Seaholm could have been.²⁴ For them, there is perhaps nothing more tragic than to see it become the centerpiece of yet another upscale, gentrified neighborhood of towering glass condominiums and luxurious cocktail bars.²⁵

But economic realities cannot be ignored—and whether this amounts to being too "developer friendly,"²⁶ is probably more of a political issue about the role and scope of government as it relates to private interest than a direct critique of the Seaholm renovation itself. In terms of bringing the Seaholm project online, in the real world and in real time, the evidence is clear. It took nearly two decades to realize, but in the end, not only did

²² Novak, Shonda. "Austin's Seaholm Project for Sale, Renewing Debate Over its Public Use." *Austin American Statesman*. September 4th, 2016. Accessed October 17th, 2018.

²³ Kaspar, Mary Alice. "Preserving Seaholm's Power: How a sole structure survived all odds, and become an urban oasis for future generations." <http://www.seaholmdevelopment.com/longhistory.html> accessed October 24th, 2018.

²⁴ Novak, Shonda. "Austin's Seaholm Project for Sale, Renewing Debate Over its Public Use." *Austin American Statesman*. September 4th, 2016. Accessed October 17th, 2018.

<https://www.statesman.com/business/20160904/austins-seaholm-project-for-sale-renewing-debate-over-its-public-use>

²⁵ Smith, Amy. "Tower of Ill Dispute" *The Austin Chronicle*, September 28th, 2001. Accessed October 18th 2018. <https://www.austinchronicle.com/news/2001-09-28/83162/>

²⁶ Novak, Shonda. "Austin's Seaholm Project for Sale, Renewing Debate Over its Public Use." *Austin American Statesman*. September 4th, 2016. Accessed October 17th, 2018.

Austin admit that a civic use would be unprofitable, it actually *paid* athenahealth to move into the building.²⁷ Given the well-documented desirability of the building's location and character, one has to wonder whether rents were artificially high in the Seaholm plant, with its open multi-story floor plates and embodied restoration costs. In early 2014 the City Council approved ⁵2 an incentive package of nearly \$700,000, amortized over 10 years, albeit with the stipulation that athenahealth would provide jobs and pay property taxes estimated at \$1.7m over the same span of time. Those however, would be paid by any tenant, so the incentive package represents more than a simple investment, itself testament to the continued need to subsidize the restoration of Seaholm.

There will be, of course, those who object to this interpretation. If the City truly desired a children's museum, a science center, a performance hall or an aquarium, it could have fought harder. But at what cost comes that fight, both opportunity and emotional? The Seaholm Power plant exists today as a landmark restoration of an historic structure,²⁸ secured with a place on the Texas Historical Register in 2007 and the National Register in 2013,²⁹ and is undoubtedly functioning well as the heart of a new neighborhood, however affluent it be. And perhaps it comes as a small consolation, too, that 40% of its tax revenue is earmarked for an affordable housing fund³⁰—despite the fact this does little to ameliorate the physical realities of the gentrified displacement of populations. In the end, whether one views it a success or not, Seaholm *exists*, evidence of the profound difficulties of balancing competing vested interests, and of the true costs of associated with the adaptive re-use of industrial infrastructure. However, Seaholm also serves as a reminder that without visionary dreams of a better future, a worse one is likely to prevail. In this last sense, it is surely no failure at all.



²⁷ King, Michael. "Council: From the Brow of Zeus: City considering economic development agreement with AthenaHealth." *The Austin Chronicle*, January 24th, 2014. Accessed October 20th, 2018.

<https://www.austinchronicle.com/news/2014-01-24/council-from-the-brow-of-zeus/>

²⁸ Witkin, Jim. "From Power Plant to Civic Renewal Centerpiece." *The New York Times*, April 24, 2013. Accessed October 16th, 2018.

<https://www.nytimes.com/2013/04/25/business/energy-environment/growing-supply-of-former-power-plants-offers-sites-for-renovation.html>

²⁹ Kaspar, Mary Alice. "Preserving Seaholm's Power: How a sole structure survived all odds, and become an urban oasis for future generations." <http://www.seaholmdevelopment.com/longhistory.html> accessed October 24th, 2018.

³⁰ Dunbar, Wells. "Beside the Point: Hey, Big Spenders!" *The Austin Chronicle*, February 9th, 2007. Accessed October 20th, 2018.

<https://www.austinchronicle.com/news/2007-02-09/444421/>