

**Sandwiching in History
Federal Reserve Bank Building
123 W. Third St., LR
August 5, 2011
By: Rachel Silva**



Intro

Hi, my name is Rachel Silva, and I work for the Arkansas Historic Preservation Program. Welcome to the Sandwiching in History tour of the Federal Reserve Bank Building! I'd like to thank eStem for allowing us to tour the building today as well as the director of the eStem High School, Katrina Jones, for helping me prepare for the tour. And I'd like to introduce John Bacon, CEO of eStem Public Charter Schools.

As you can see, school is in session, and two groups of students will switch between lunch and study hall during our tour, and hopefully all will go smoothly.

The Federal Reserve Bank Building was listed on the National Register of Historic Places in 1986 as part of the Charles L. Thompson thematic nomination, which included many buildings designed by the well-known architect. When the building was listed, its annex, originally known as the Gem Building, was not included in the nomination, thus leaving out the eastern half of the bank building. So another nomination was written in 2009 to provide additional documentation and increase the boundary to include the bank's annex.

Federal Reserve System

The Federal Reserve System, or “the Fed,” is the central bank of the United States and serves as a bank for other banks and a bank for the federal government. The Fed was created in 1913 by an act of Congress and consists of a 7-member Board of Governors and 12 Reserve Banks located throughout the U.S. So the country is divided into 12 Federal Reserve Districts, each with a Federal Reserve Bank, and the Reserve Banks each have branches within their districts. Arkansas is included in the 8th Federal Reserve District, which is headquartered in St. Louis. The 8th district also includes portions of Missouri, Mississippi, Kentucky, Tennessee, Indiana, and Illinois. The Federal Reserve Bank of St. Louis has branches in Little Rock, Louisville, and Memphis.

When they were established, Federal Reserve Bank branches had a few main purposes. They held the cash reserves of depository institutions (private banks) and made loans to them. They moved currency and coin into and out of circulation, and collected and processed checks.

The Fed comes to LR...

On September 14, 1918, the Fed’s Board of Governors approved the establishment of a branch of the Federal Reserve Bank of St. Louis in Little Rock. The establishment of the LR Branch was the culmination of a six-month effort by the LR Clearing House Association, which argued that many Arkansas banks, including 8 LR banks, were already members of the Federal Reserve System and a local branch would help Arkansas merchants. Rather than dealing with the bank in St. Louis, Arkansas banks would get better service from the branch in LR.

The LR Branch opened on January 6, 1919, and had its offices on the second floor of the Southern Trust Building at the corner of 2nd and Center streets. The bank had a “fire and burglar proof” vault and its own private elevator leading to the street below so money didn’t have to be carried through the lobby. When it opened the bank had two officers, John M. Davis, Manager, and A. F. Bailey, Cashier, and 17 employees, including 5 women. The bank initially had 42 customers (or member banks).

The Federal Reserve Bank branch was immediately successful. By the end of the first year, the number of employees increased from 17 to 42, and the number of customers (or member banks) increased from 42 to 57. The number of checks processed rose from 750 on opening day to 12,563 on December 31, 1919. The branch continued to grow and soon needed its own building.

3rd & Louisiana

In 1923 the bank purchased a lot at the southeast corner of 3rd & Louisiana streets for the construction of its new building.

Interesting facts about this corner before 1923... On the original city plat (1821), 3rd Street was called Mulberry Street and in 1870 the city council changed it to 3rd Street. Louisiana Street (unchanged from original plat) was named for the Louisiana Purchase, of which present-day Arkansas was a part.

In the late 1890s, there were livery stables on all 4 corners of this intersection (3rd & Louisiana). Beginning as early as 1892, this corner was occupied by the L. Reinman & Co. Mule Stable. Now back to 1923...

The LR architectural firm of Thompson & Harding (Charles L. Thompson and Thomas Harding, Jr.) designed the Classical Revival-style bank building.

1924 Federal Reserve Bank Building

Construction began on January 7, 1924, and was to be finished in 9 months. Historic photographs show the building's construction from the basement to the concrete frame to the limestone wall cladding to the installation of windows, which were done last (after they installed the limestone cladding to create window openings). The building was not completed on time—the formal opening was held on March 16, 1925, when bank officers hosted an open house from 7:30 to 9:00 p.m. Moorehead Wright, Chairman of the Board of Directors, gave a speech touting the building's efficient design and modern features:

“There is no money invested in ornamentation or finery of any sort. The building is plain but of best materials, and built according to government standards. The outstanding feature...is the vault, which in size is designed to meet the needs of this community for many years...”

The bank's business continued to increase, especially during World War II. In 1944 a third floor was proposed for the building to provide more space (it was originally built as a two-story building with a mezzanine level along the south wall, so they referred to the levels as basement, first floor, mezzanine, and second floor). While the bank did not construct another level, in 1949 the mezzanine was extended along the east, west, and part of the north wall to create additional space.

The interior spaces were remodeled in 1949 and again in 1956, and in January 1957 a cafeteria was added on the second floor.

Gem Building

But the bank's interior remodelings were only a short-term solution, and in January 1959 the Gem Building next door was purchased to become the bank's annex. The Gem Theatre was built in 1910 on the lot just to the east of the bank building. It was a magnificent 2-story building topped by two oversized finials. However, the theatre burned in December 1928 and was rebuilt in 1929 as the Gem Building. The Art Deco-style Gem Building housed a variety of businesses before becoming the bank's annex, including a café, pool hall, two private clubs, a photographer's studio, workshops for the nearby Gus Blass Co. Department Store decorators, and a kitchen for Schneider Candies.

After its 1959 remodel, the bank annex (Gem Building) featured a parking area and secure entrance for armored cars on its first floor (the center bay on the front façade was for vehicles), old records storage and stock room on the second floor, and general storage and a target range for the guards on the third floor.

Bank Moves

In 1961 the bank announced its plan to demolish the Gem Building and construct a five or six-story annex building in its place. This never happened. But with 67 member banks depositing \$90 million daily and the check collection department processing 190,000 checks a year (in 1960), it became necessary to find more space. So on August 13, 1963, a new site at the southeast corner of Capitol and Spring streets was purchased and ground was broken on a new facility in July 1965. The new bank building was completed on May 11, 1967, and operations began there on May 22, 1967. Currently, the LR Branch of the Federal Reserve Bank is located in the Stephens Building.

After the bank moved out of this building at 3rd & Louisiana, it was used as office space and as a secure storage facility. And then the building was rehabilitated in 2009-2010 using both the federal and state historic rehabilitation tax credits. Southern Bancorp in Arkadelphia owns the building and eStem High Public Charter School leases the property. Restoration architect was John Greer with Witsell Evans Rasco, and restoration contractor was East Harding Construction (Tom Harding of East Harding is the grandson of Thomas Harding, Jr., one of the original architects).

Interior details & Restoration work

- Bulletproof guard tower above entrance
 - Original light fixture in lobby
 - Original marble floor in lobby and by first floor elevator
 - Notice scroll brackets and column capitals with egg and dart molding
 - Originally, there was an armored car entrance on the west side of the bank building facing Louisiana St. where armored cars could back in and unload inside the bank. This opening is now a pair of glass doors.
 - Parking area in old bank annex is now the multi-purpose room/cafeteria
 - Basement has original marble wainscoting and tile floor. You can see the bathrooms and showers used by the guards.
 - Original vault still in basement (made by York Safe & Lock Co., York, PA)
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- Solid walls had been installed around the first floor and mezzanine level office spaces, and these were removed and replaced with glass panels to open it back up and provide more natural light.
 - Drop ceilings were removed to expose egg and dart molding and acanthus leaf scroll brackets (and several of the damaged acanthus leaf brackets were recast to look like the originals).
 - Interior and exterior finishes were redone to match the original colors, including the lobby paint and exterior window trim.
 - Herwig Lighting of Russellville remade the old lamp posts by the front door to match the originals—Herwig made the originals and still had the mold.
 - See pieces of Daniel Boone movie poster found during renovation—were encapsulated in wall between old Gem Theatre and bank building.
 - On the Gem Building, they reinstalled 1-over-1 windows and reopened some window openings in the western bay of the front façade and along the eastern alley side. Also converted the first floor back to interior space instead of a parking garage.

Historically, floor space was used as follows:

Basement—vault

1st floor—lobby and office/counter/customer window space along perimeter

Mezzanine—general files, accounting dept.

2nd floor—check collection dept. & cafeteria added in Jan. 1957

What is eStem?

eStem stands for the Economics of Science, Technology, Engineering, and Math. eStem Public Charter Schools, Inc., is a nonprofit charter school management organization dedicated to improving public education in AR. In December 2007 the AR Board of Education granted the organization a 5-year charter to operate the elementary, middle, and high public charter schools. All 3 schools are open-enrollment, publicly financed schools, meaning any child in Arkansas is eligible to attend. eStem public charter schools are tuition-free.

The state gives charter schools more freedom to implement creative programs, and in return for this freedom, the schools are held accountable for the students' success. eStem students have an extended day of instruction, which goes from 7:30 a.m. to 4:30 p.m., and the students go year-round, having a 5-week summer break and other breaks throughout the year. The students are also tested four times a year to measure academic growth in addition to regular state assessments.

But eStem is a very popular school! The school started in 2008 in the Gazette Building across the street. They were initially K-9 and added a grade each year, so this year, the 2011-2012 school year, is their first year to have K-12. In 2008 the school had 800 students, and this year it has 1,450 students K-12. Grades K-8 are in the Gazette Building, and grades 9-12 are in this building. The school first occupied the bank building last year (2010-2011 school year). Students come from all over central Arkansas—they have kids from LR, NLR, Jacksonville, Pine Bluff, and all over Pulaski County. Parents fill out an application and the names are put into a random lottery. There are currently over 4,000 kids on the waiting list for grades K-10.

2 downsides—no bus system and no gym.

This is a wonderful example of the adaptive reuse of a historic building!!

Thank you. Next month's tour is Sept. 9 at QQ UMC.