To: Members of the State Board of Education & Early Development July 26, 2023

From: Heidi Teshner, Acting Commissioner Agenda Item: 8

#### **◆ ISSUE**

The board is being asked to approve disposal of the Stratton Library with proceeds directed towards the Sheldon Jackson Museum following established protocols and procedures for the sale of property owned by the State of Alaska.

## **♦ BACKGROUND**

- The Stratton Library was built in 1974 down the hill from the Sheldon Jackson Museum in Sitka. The State of Alaska purchased the Stratton for \$2.5 million from the Sheldon Jackson College in 2010 to address pressing facility needs at the Sheldon Jackson Museum, including inadequate storage space for the growing museum collection and a dedicated area for educational programming. Responsibilities of the Sheldon Jackson Museum are outlined under AS 14.57.010(b).
- The Stratton Library has suffered a series of ongoing facility issues since its acquisition 13 years ago. Some of these challenges include:
  - Water intrusion
  - o Structural instability
  - Mold and rot
  - Asbestos
  - o Plumbing and electrical issues
  - Exterior damage
- Facility issues above have substantially reduced both the quality and value of the Stratton Library. The last formal appraisal done in 2019 placed the property value at \$1.5 million.
- There are approximately \$14.5 million in identified maintenance costs for the Stratton Library. Critical needs include: a pre-action fire suppression system, HVAC, plumbing, electrical, security, and hazmat abatement. Additional renovations needed before storage of museum collections include finalizing the building envelope of siding, windows, and wall insulation, renovation of collections storage and workspace on the second floor and connecting corridor and utilities from Sheldon Jackson Museum to the Stratton Library.
- Due to persistent building problems and the high cost of renovation, the Stratton Library has not been adequate for its intended purpose of safeguarding and sharing the historical collections of the Sheldon Jackson Museum. Instead, the Stratton Library is used primarily as a storage unit for surplus museum supplies and gift store merchandise.
- Continued management of the Stratton Library does not make best use of division resources and staff time and does not address the pressing needs of the Sheldon Jackson Museum. Further, costs to rehabilitate the 50-year-old structure to meet modern museum facility standards greatly outweigh the property's current value.

- The Division of Libraries, Archives & Museums recognizes potential in a sale of the Stratton Library to help meet the original intent of its acquisition. Specifically, proceeds from the sale of the Stratton Library would be used to launch design and construction of a re-envisioned space at the Sheldon Jackson Museum to care for, share, and increase access to its prominent collection of historical and cultural materials.
- Supplemental documents along with a presentation on the Stratton Library and the Sheldon Jackson Museum were provided during the State Board of Education & Early Development meeting on June 8, 2023, with a request for how to proceed from the board at the next regular meeting.
- Dr. Amy Phillips-Chan, Director, Division of Libraries, Archives & Museums, will be present to brief the board.

## **♦ OPTIONS**

Disposal or sale of the Stratton.

Renovation.

Continue to manage as is, take no action.

#### **♦ ADMINISTRATION'S RECOMMENDATION**

Support sale of the Stratton Library following established State of Alaska procedures.

# **♦ SUGGESTED MOTION**

I move that the State Board of Education and Early Development authorize and approve the acting commissioner to pursue sale of the Stratton Library, with the Governor's approval, and with the following conditions:

- Proceeds from the sale of the Stratton Library shall be directed towards the Sheldon Jackson Museum; and,
- the Department of Education and Early Development shall retain oversight of the Sheldon Jackson Museum including its facilities, operations, and grounds.