

303

THE WAREHAM HOTEL: ADAPTIVE USE OF A
MANHATTAN, KANSAS LANDMARK

by

Louis E. Nemeth
B. Arch., Kansas State University, 1983

A MASTER'S REPORT

submitted in partial fulfillment of
the requirements for the degree

MASTER OF REGIONAL AND COMMUNITY PLANNING

Department of Regional and Community Planning

KANSAS STATE UNIVERSITY
Manhattan, Kansas

1986

Approved by:

Ray Bradley Weisenburger
Major Professor

LE
2668
.R4
1986
N45
c. 2

A11202 983768

HOTEL WAREHAM — MANHATTAN, KANSAS



LOCATED ON U. S. 40 AND 24

1A-W139

RY
RIN

To my wife Jo and son Brandon.

TABLE OF CONTENTS

	Page
ACKNOWLEDGEMENTS.....	ii
INTRODUCTION.....	1
CHAPTER	
1. WAREHAM FAMILY BACKGROUND.....	3
2. HISTORICAL DEVELOPMENT OF THE WAREHAM HOTEL.....	8
3. WAREHAM HOTEL RENOVATION.....	13
Introduction.....	13
Tax Incentives for Historic Buildings.....	14
Prior to Renovation.....	16
Feasibility Study.....	17
Renovation.....	20
Post Renovation.....	21
4. CONCLUSION.....	22
APPENDICES	
A. FEASIBILITY STUDY	
Proforma.....	25
Cost Projection/Renovation.....	26
Income Potential.....	27
B. RENT CHART	
Wareham Apartments.....	28
NOTES.....	29
BIBLIOGRAPHY.....	30

ACKNOWLEDGEMENTS

I would like to thank the following people for their help, enthusiasm, and support; Ray Weisenburger, Ruth Wareham, Elfreda Johnson Peterson, Don Wilkinson, Jim McCullough, Ken Ebert, Brenda Spencer, Cheryl Collins, and the Riley County Historical Society.

INTRODUCTION

The Wareham Hotel is typical of many hotels that were constructed in the United States during 1920-1930, particularly, those in midwestern towns similar in size to Manhattan.

The hotels were usually built and financed by local businessmen such as H.P. Wareham. These individuals were not only interested in a profitable business venture, but also in creating a sense of civic pride within the community. These hotels were usually located within a town's major business district and close to a railroad station.

As a result of changes in American lifestyles and the advancement of various modes of transportation, most of these such as the Wareham, lost their appeal and popularity. Hotels once considered grand were becoming abandoned and, in some cases, demolished. Mostly, these properties were sold for a fraction of their value and torn down for various reasons. A recent case is a hotel in Marysville, Kansas, reportedly sold for \$16,000.00.

Other hotels located in towns such as Arkansas City, Eureka, Herrington, Junction City, Pratt, and Pittsburg now stand vacant or are for sale. On the other hand, renovation processes are operating successfully in hotels found in Dodge City, Hays, Abilene, and Garden City.

Currently the city of Manhattan is taking action towards the deteriorating physical and economical conditions of the downtown business district. An indoor shopping mall has been proposed and already approved to help revive and stimulate the downtown area.

Building preservation is also starting to take effect; individual store owners are refurbishing their buildings and store fronts to original condition. Although Manhattan cannot be compared to a larger city like Boston or Philadelphia, it does however represent urban revitalization at a much smaller scale.

This report is a detailed study of the newly renovated Wareham Apartments in Manhattan, Kansas.

CHAPTER 1

WAREHAM FAMILY BACKGROUND

Cities do not merely exist nor do they come into being of their own accord (1); they are a product of the confidence and civic pride of its citizens. Manhattan was fortunate to have had one such citizen—Harry Pratt Wareham. Starting with a small amount of capital, with close application to business affairs and a reputation for honesty and integrity (2), Harry P. Wareham became one of the leading businessmen of Manhattan, Kansas by 1890.

In 1866 Samuel and Sarah Wareham, along with their four-year-old son William, migrated toward Kansas in a covered wagon from Williamsburg, Pennsylvania. Williamsburg exists today and is located fifteen miles east of Altoona, Pennsylvania. The lure of free or cheap land was the reason for the Wareham's migration to the newly developing state of Kansas. Harry Pratt Wareham, their second son, was born at Davenport, Iowa, enroute to Kansas on March 25, 1866.

The Wareham family first staked a claim under the Homestead Act and settled one-half mile north and slightly west of Flush, seven miles northeast of Manhattan, Kansas (3). Samuel Wareham entered into a general store partnership with William Beverly called the Wareham and Beverly General Store. The store was located in a stone building, which still today is used as a home.

The Wareham family did not stay in Flush very long, in 1870 they moved to a stone house in Manhattan located at 411 Vattier Street. This home, previously occupied by William Goodnow, was reported to

be the first building in Manhattan. After a few years at this location, the family moved into a two-story frame building at 206 Poyntz. Samuel Wareham resumed his general merchandise store business with his partner Beverly on the first floor, and lived with his family on the second floor. The business continued until approximately August 18, 1875 when Samuel Wareham died of tuberculosis at the age of thirty-seven.

William and Harry Wareham were only fourteen and nine years old at the time of their father's death. With odd jobs to support the family, Harry and his brother picked peaches and apples to sell to train passengers at the local Union Pacific Depot. As a teenager, Harry built a simple frame building in which he operated a roller skating rink. It is unknown whether the family lost the general store to debts or if they were just unable to operate the business.

After her husband's death, Mrs. Wareham decided to remain in Manhattan because of the educational opportunities available to her children. Her son Harry entered Kansas State College of Agriculture and Applied Science at Manhattan in 1884. Unfortunately, George T. Fairchild, president of the college, called H.P. (which he came to be called), into his office and told him to choose between school and the undignified profession of operating a roller skating rink. Without the rink, he was unable to support his family so he quit college and settled for only a high school diploma. Soon after building his skating rink, H.P. built an icehouse on the west bank of the old Blue River channel, which turned out to be a very prosperous business.

Although H.P. remained a bachelor, he always treated his brother William's sons, Harry, Everett, Ralph, and Blake, as his own. In 1919, H.P. provided the funds for his oldest nephew Harry to attend the Chicago Art Institute, and financed his brother William's medical expenses.

While William managed the daily business activities, H.P. remained aware of how much money was being spent and where it was going. H.P. passed up the chance to make millions on the stock market and the oil ventures in Kansas because he refused to invest his money outside of Manhattan; he earned all his money in Manhattan and Riley County. The reason for his investment attitude is not known.

He also did not believe in insurance and did not have any of his property or himself covered by insurance. H.P. claimed he was his "own insurance man." Only once did this attitude cost H.P. any money. Shortly after the Wareham Hotel was completed, a cook at the hotel slid on his motorcycle behind the hotel, crashed into a supply shed, and broke his back. The cook sued H.P. and the city of Manhattan for \$50,000. The suite against the city was dropped, and H.P. settled out of court for \$14,000 (4).

Harry P. Wareham never retired from his business activities but when he reached his 60's, he began to slow down. In 1937 he had a severe stroke and was bedridden for the next two years. Following another stroke, H.P. died at the age of seventy-three on July 13, 1939.

The following list is a summation of Harry P. Wareham's business ventures:

Approximately 1890 he operated an implement store where he handled farm equipment, buggies, and carriages.

August 17, 1893, H.P. bought Moore's Opera House and called it the Wareham Opera House.

June 4, 1894, he was granted a franchise for Manhattan's first telephone system. In partnership with Charles Wood.

October 25, 1899, H.P. was granted the franchise to build and operate Manhattan's first sewer system.

H.P. built the Wareham Air Dome, an outdoor theater, on the site of the present Wareham Hotel.

September 23, 1908, H.P. and three partners acquired a city franchise for a light and power company. This was called the Manhattan Ice, Light and Power Company.

In 1911, H.P. built a four-story building (the tallest building in town!) just west of the Wareham Opera House. The ground floor was the swank College Inn Restaurant. The second floor housed enlarged telephone facilities. The top floors were rooms for rent, the forerunner of the hotel.

In 1914, he built a 14-room structure at 1623 Anderson that he later donated to Kansas State University, called the Music Annex.

In 1925, H.P. made plans for a six-story, steel-reinforced building. This became the Wareham Hotel and was completed in 1928.

In 1926, a large building at 417 Humboldt was built, primarily as a garage for hotel patrons and, secondarily as the Wareham Ballroom, one of the finest in this part of the country. This building is now occupied by the Riley County Court House.

In 1928, a structure in the Aggieville business district housing four businesses was constructed (5).

Harry P. Wareham was worth \$500,00 at the time of his death. This is probably a low estimate, however, for inheritance tax purposes.

He also owned \$40,071 in Federal Farm Mortgage bonds, \$133,000 in government bonds, \$20,000 in farmland, 14 vacant lots, the Hull building, the Brewer residence, numerous Aggieville stores, Gimmon's Grocery, a filling station, Virginia Apartments at 822 Poyntz, Peak Corner, the Wareham Hotel and Annex, the Wareham Theater, the Wareham Ballroom and Garage, 114 shares of stock in United Utilities Company, 5 shares of stock in Manhattan Mutual Insurance Company, 30 shares in the First National Bank, \$7,589 in small loans to friends, and numerous personal possessions too insignificant to mention (6).

In his will H.P. gave 100 shares of stock to a Rhetta Highland of Pittsburgh, Pennsylvania to use the interest until her death, at which time the shares would go to Manhattan and be sold. Proceeds were to be used to build a Harry P. Wareham memorial at the Poyntz entrance of the city park. This monument was erected in approximately 1964.

He gave 100 shares to his old friend Charles Wood, of Chanute, Kansas, his partner in the early telephone ventures. H.P. bequeathed Lot 7, Section 18, Township 10 to the Board of Regents of Kansas to be used for the student loan fund at Kansas State College. \$10,000 was designated to be invested and the income used for the perpetual care of the Wareham Mausoleum in Sunset Cemetery. With minor exception the remainder of the estate was eventually bequeathed to H.P.'s four nephews, Harry, Everett, Ralph, and Blake, to "share and share alike" (7).

✓ Even though H.P. Wareham died in 1939, the citizens of this town are still affected by the love and devotion of a man whose life ambition was to make his hometown a prosperous and liveable community.

CHAPTER 2

HISTORICAL DEVELOPMENT OF THE WAREHAM HOTEL

Starting in 1925, H.P. Wareham embarked upon his last large investment and most impressive project: a six-story steel structure which he called the Wareham Hotel. The hotel was Manhattan's first six-story steel structure and until 1960, it remained the largest building in town.

The building was designed by the Boller Brothers, a Kansas City architectural firm that specialized in theater design. By the time the firm was dissolved, in 1931 they had designed or remodeled more than 300 theaters in 24 states (8). Some of the firm's more notable buildings are the Lauders Theater in Springfield, Missouri, and the Missouri Theater in St. Joseph, Missouri. The Boller Brothers were also associate architects on the design of Kansas City's Plaza Theater and on the downtown Midland Theater (9).

Clarence Johnson, who was the mayor of Manhattan from 1925-1928, was also the general contractor for the Wareham Hotel project. The hotel was to be adjacent to the Riley County Court House, also built by Johnson. His responsibilities included serving on building committees for Kansas State University.

The Wareham Hotel was built on the site of the former Wareham Airdome, which was an open-air opera house owned and operated by H.P. Wareham. The site was assembled by purchasing three separate lots at a total cost of \$8,700.

Recalling how the price of real estate in Manhattan has climbed steadily upward, Harry Wareham today recounted how he bought the first lot of the site for \$1,200. He paid \$2,500 for the next lot, and a few years later and when he acquired the third lot of the site it cost him \$5,000 (10).

The hotel has approximately 46,500 square feet of floor area, which includes six floors and the basement, and was originally designed to contain 20 apartments, complete with kitchenettes and 90 guest rooms. Ten apartments were each of the fifth and sixth floors; the guest rooms were located on the second, third, and fourth floors. The first floor was reserved for the hotel lobby, dining rooms, and a coffee shop. H.P. had a penthouse approximately 1085 square feet built for himself, which became the seventh story of the building. A newspaper article from the Kansas City Star describes H.P. Wareham's roof home.

The roof structure sets well back from the edge of the building, with the result that there is "yard" space all around it, after the fashion of less lofty houses six floors below and a little further down Poyntz Avenue, where the business district ends. Heavy terra cotta balusters, from which rise attractive electric light standards, form a fence around the roof yard. The floor plan varies from that of the other bungalows of Manhattan in that it includes an office room, a den and a closet containing an in-a-door bed in the living room. There are seven rooms (11).

In its day, the Wareham Hotel was one of the most modern buildings in northeast Kansas, and probably the only hotel in the state with a penthouse on its roof. Original materials included a steel frame with brick veneer, terra cotta trim, and classical detailing. H.P. Wareham kept a ledger book and small pocket notebooks to keep

track of the construction process. A note in one of H.P.'s memo books stated that it took 286 tons of steel to build the hotel. The balconies, hotel base, and cornice are made of terra cotta, which was a popular building material in the 1930's due to its light weight and its resemblance to carved stone. The interior of the hotel contained solid walnut furniture, solid brass ornaments, sculptured ceilings, and marble imported from Carrarra, Italy.

The men who built the hotel were local Manhattan residents who were paid between \$3.00 and \$12.00 per day depending upon their skills or trade. The construction workers were paid in cash on a weekly basis. H.P. also paid cash for the building materials, which were usually purchased in Manhattan whenever possible. The following figures were taken from one of H.P.'s ledger sheets.

TABLE 1

<u>Costs</u>	<u>Architect</u>	<u>Material</u>	<u>Labor</u>	<u>Contractor</u>	<u>Misc.</u>
1925	2,000.00	11,289.75	805.72	4,503.20	
1926	500.00	45,913.17	16,468.09		144.95
1927	500.00	54,944.46	28,086.91		179.16
1928		82,613.14	32,570.97		
1929		4,269.14	3,324.26		
		<u>14,808.15</u>			
	3,000.00	213,837.80	81,255.95	4,503.20	324.11
Total = 302,921.06					

Source: Ledger Sheet, Circa 1929, Riley County Historical Society, Manhattan, KS.

In 1926, about a year after H.P. started to build the hotel, he started construction on the Wareham Ballroom and Garage, located to the north of the hotel. The hotel was connected to this building by walkways from the second and third floors which spanned the alley below. The Wareham Ballroom and Garage are now offices that serve the Riley County Court House.

The exterior of the Wareham Hotel was completed by January of 1927 and was scheduled to open for business by early summer.

Edward W. Jerow of Dallas, Texas was named as hotel manager in June of 1928. He was also in charge of the coffee shop, dining room and the new garage north of the hotel.

Mr. Jerow has been in the hotel business for 19 years, resigning as general manager of the Lowery Hotel system, a chain of hotels in the south, to take control here. He has been in charge of the operation of eight hotels in Virginia, Kentucky, North Carolina and Florida (12).

The Wareham Hotel was ready for business about August 20, with a formal grand opening scheduled for early September. A grand opening was never held, however, due to H.P.'s poor health.

The Wareham Hotel remained the same as the day it was built. But in 1951, a devastating flood left the first floor under five feet of water. The architectural firm of Boller and Lusk (formerly Boller Brothers) from Kansas City, Missouri were consulted to attend to the problems that were created by the flood.

In the fall of 1954, the architect W.G. Knoeble of St. Louis, Missouri was hired for alterations and additions that consisted primarily of installing new interior partitions and ceilings in the

first floor area and to four guest rooms, bathrooms, closets and corridors.

Throughout the years, the Wareham Hotel served Manhattan as a focal point of hundreds of downtown activities, a meeting place for friends, and for some people, a place to call home. The hotel was also fashionable enough to house or entertain people like the Eisenhowers, Hopalong Cassidy, Gene Autry, Charlton Heston, Roy Rogers and Dale Evans, Lean Horne, Lloyd Bridges, Charles Laughton, and Truman Capote.

CHAPTER 3
WAREHAM HOTEL RENOVATION

Introduction

In January of 1942, H.P. Wareham's four nephews; Ralph, Harry, Blake and Everett took over as managers of the Wareham Hotel. The Boones, who also managed the Gillette Hotel in Manhattan, had leased and managed the Wareham Hotel from 1929 until their lease expired at the end of December 1941. According to speculation, H.P. Wareham did not feel his nephews were mature enough to run the hotel at the time of his failing health, so he leased to the Boones.

The four Wareham brothers, with different personalities, had a difficult time getting along as business partners. They could never agree about anything pertaining to business operations. During the two decades between 1964-80, the brothers' disagreement, along with the arrival of new, modern hotel facilities in Manhattan, led to the decline in business and physical deterioration of the Wareham Hotel.

Three out of the four brothers died in 1980, the last being Harry Wareham. Their remained six heirs of H.P. Wareham to preside over the hotel and other business operations. They were faced with a do-or-die business situation, since the hotel was operating with a negative cash flow.

The Wareham heirs were interested in rejuvenating the hotel, but when they were approached by a local business man with a suggestion to convert the hotel into offices, they were not interested in the least. On July 10, 1982, however, they were presented with a business

proposition from local Manhattan developer James T. McCullough. McCullough presented the Warehams with a feasibility study that was completed by the Design Group of Manhattan, Kansas (see Appendix A, Feasibility Study).

Impressed with McCullough's development package, the Warehams decided in favor of the business, which consisted of the Warehams retaining 50 percent ownership. Jim McCullough acquired 25 percent of the package and a local financial institution invested for a 25 percent share. The details on the financial institution are confidential.

The renovation and rehabilitation of the hotel was to be accomplished by a 25 percent federal investment tax credit, which is not easy to qualify for without a great deal of research and paper work. The renovation of the Wareham Hotel "would not have been deemed feasible without the tax benefits available for the restoration of historic commercial structures" (13), according to Ken Ebert of the Design Group, architect for the project.

Tax Incentives for Historic Buildings

The Tax Reform Act of 1976 was introduced by the federal government to provide tax incentives for income producing historically certified properties.

To encourage rehabilitation of historic buildings, section 2124 of the 1976 act allowed a rapid (60-month) depreciation of renovation expenditures. To discourage demolition of landmarks, section 2124 disallowed for tax purposes (1) deductions of the expenditures incurred in demolishing an historic property and (2) rapid depreciation of the new building replacing the historic structure (14).

On August 13, 1981, President Ronald Reagan signed into law the Economic Recovery Tax Act of 1981. This act is very important to those who are involved in rehabilitating old buildings such as the Wareham Hotel project. Before a project qualifies for any investment tax credits, it first must be recognized by the Secretary of the Interior as a certified rehabilitation of a certified historic structure. The Secretary of the Interior defines a certified historic structure as any building that is:

- (1) listed individually in the National Register of Historic Places (a listing maintained by the Department of the Interior); or,
- (2) located in a registered historic district and certified by the Secretary of the Interior as being of the historic significance to the district (15).

A registered district defined by the Secretary of the Interior is any district that is:

- (1) listed in the National Register of Historic Places; or,
- (2) designated under a state or local statute which has been certified by the Secretary of the Interior as containing criteria which will substantially achieve the purpose of preserving and rehabilitating buildings of significance to the district and which is certified as substantially meeting all of the requirements for the listing of districts in the National Register (16).

The Wareham Hotel qualified as being a part of a historic district that covers much of Manhattan's downtown area. Contrary to popular belief, the Wareham Hotel itself is not listed in the National Register of Historic Places.

Once a building is considered a certified rehabilitation project, the owner or lessee must complete a two-part Historic Preservation Certification Application (OMB-Form No. 1024-0009) to qualify for a 25 percent Investment Tax Credit.

To qualify for the I.T.C., the Economic Recovery Tax Act of 1981 requires that 75 percent of the historic structures existing external walls remain intact. However, the Tax Reform Act of 1984 requires:

- (1) 50% of the existing walls must remain in place as external walls,
- (2) 75% of the existing external walls must remain in place as internal or external walls, and
- (3) 75% of the internal structural framework must remain in place during the rehabilitation process (17).

After the Wareham Hotel was rehabilitated, it was resubmitted for review to see if the work was in compliance with the Secretary of Interiors specifications as previously described. The Wareham Hotel did qualify for the 25 percent I.T.C., which was greatly needed to ensure the success of the \$1.2 million rehabilitation.

Prior to Renovation

Since the day it was built, the building was maintained as a hotel until it was closed for renovations on December 31, 1983. Rooms at the hotel were for rent by the week or month. The hotel failed to keep a

permanent guest register; for reasons unknown, only registration cards were used. These were filed for a short time and later destroyed. Without a guest register, it is difficult to account for the people who lived there. Manager Don Wilkinson, who has been employed at the Wareham Hotel since 1943, serves as the best available information source. According to Mr. Wilkinson, approximately 24 permanent residents lived in the hotel prior to the renovation. Ten females and fourteen males, three of whom were black, made their home in the hotel, and other temporary residents also stayed for brief periods. Workers on local construction projects often came and went.

Eight of the twenty-four permanent residents stayed during the hotel's renovation (four retired women, three retired men, and one working male). Of the sixteen residents who left, eight could not afford the increase in rent. Others left because of illness or they moved out of town or to live with relatives, or various other reasons.

Rooms rented by the week ranged from \$25-\$35.00, which included one bedroom but no bathroom. Monthly rent was \$100 for one bedroom, no bathroom. For a private bathroom, rent ranged from \$150-\$300. Five units with kitchen facilities rented for \$300/month. Utilities were included in the rent.

Feasibility Study

When considering the adaptive reuse of a building, a preliminary investigation must be conducted to determine the present condition of the building as well as to indicate any alterations needed to comply with future use. The Design Group, local architects and planning

consultants, provided the Warehams with a report on the hotel. The study reported the existing conditions of the building and made recommendations for possible future use.

Before any decisions about future use can be decided upon, a structural analysis of the existing building must be conducted. After reviewing the hotel's structural frame and concrete floor, the architects found these areas to be sound and in good repair. When deciding on a possible future use for the hotel, one must consider the potential loading for that determined use, and what the building was originally designed. For example, a design load for a hotel or apartment would be 40 lb/ft², while an office could start at 80 lb/ft² and increase depending upon the type of offices planned. Any other use would require further investigation of the structural system to determine the building's loading capacity. Since the Wareham Hotel was originally designed for residential use, however, the building would be quite suitable to renovate for apartment units.

The hotel's exterior physical condition was also examined. With the exception of a few areas needing minor attention, the majority of the brick and terra cotta work was in fine condition. It is important to remember that the hotel's exterior physical appearance must comply with the Secretary of Interior's guidelines to qualify for the 25 percent investment tax credits.

The existing building must be inspected to evaluate what needs to be done to ensure the structure is in compliance with building and life safety codes. It is important for historically significant buildings

to maintain their character and still comply with new building codes. Again, the hotel was able to meet new codes without major demolition or rebuilding. Existing corridors, floors, ceilings, wall partitions and fire escapes were required to be of fire-rated construction. This is easily accomplished by applying gypsum board with a specific fire rating to the exposed surfaces.

Manhattan's Fire Inspector required the lower level of the Wareham Hotel to have an automatic sprinkler system installed. The hotel's existing standpipe system passed a testing procedures with the addition of new hose lines. Smoke detectors also were needed in each living unit, including all floor corridors. The existing emergency lighting was usable along with additional lighting to meet current building codes.

The analysis of the hotel's existing electrical system was found to be out of date and totally inadequate for future renovation, which is not surprising considering the hotel's age. The hotel's heating system was composed of two gas-fed steam boilers, which heated the entire building. One boiler was recently replaced and is in fine condition. The other unit, however, needed to be replaced to serve as a back-up boiler. The air conditioning system was totally inefficient and was abandoned for a heat-pump system. The primary plumbing system was found to be usable; however, secondary plumbing required replacement according to the extent of the renovation.

Renovation

On December 31, 1983, the Wareham Hotel and coffee shop closed so construction could begin to refurbish and convert the building into 44 apartment units. The penthouse was also renovated to suit the tenant, who is a professor at Kansas State University. The work progressed from the top floors down, remodeling two floors at a time. The eight remaining residents were relocated to floors of the hotel not under construction.

There are eleven efficiency units; thirty-one, one (1) bedroom units, and two (2) bedroom units. Each requires occupants to sign a one-year lease. All units contain bathrooms, carpet, complete kitchens, and individual heating and cooling systems. The size of the apartments vary from 362 sq. ft. to 798 sq. ft., depending on the type of unit (see Appendix B, Rent Chart). Monthly rents range from \$200-\$435.00; utilities, phone and television cable are not included, but water and trash are included. Trash shoots are located on each floor; and coin-operated laundry facilities on the second, fourth and sixth floors are available to all residents.

The first floor of the hotel, formerly the lobby and banquet room, was converted into a private club. The original marble floors were retained, and the old registration desk now serves as a bar. The coffee shop was renovated into a restaurant, but that one is closed at the present time. The kitchen was remodeled to comply with current building and fire codes. The basement was remodeled into banquet and meeting rooms that can be leased by the general public.

Post Renovation

The Wareham Apartment renovation was completed in the fall of 1985, and all apartments are now leased. Eight residents who had lived at the hotel prior to the renovation have remained, including a woman who has lived there 40 years. There are four women and three men who are living on fixed incomes. The tenants vary in age and occupation; there are retired couples and singles, military personnel, and K.S.U. graduate students, but no children at the present time. Those residents who remained throughout the renovation project — through the generosity of the owners — were able to lease an apartment for the same amount they had paid prior to the renovation. They had to pay their own monthly utilities, however, previously included in the rent.

CHAPTER 4
CONCLUSION

When I first learned that the Wareham Hotel had recently been renovated into apartments, I assumed the original tenants, unable to pay a rent increase, had been displaced, which is a common occurrence among similar projects. After some research and investigation, however, I found this was not the case. In fact, during construction, these tenants were not even moved from the building.

From the early planning stages to the completion of the renovation project, the original tenants of the hotel were never forgotten. They were included in the decision-making process, accommodated throughout construction, and even considered when it came time to raise the rent. The Wareham Apartment tenants living there now vary in race, age, sex, and occupation.

The owners of the Wareham Apartments are the Warehams, Jim McCullough, and an unidentified Manhattan financial institution.

Jim McCullough had been interested in the Wareham Hotel since his college days at Kansas State University. The Wareham family -- aware of McCullough's interests -- realized that there wasn't a future for the hotel if business continued to dwindle. To revive a long-time family business and a Manhattan landmark, they ventured into business with McCullough, whose partner is Ken Ebert of the Design Group, architects for the project.

Both Jim McCullough and the Warehams were very concerned about the future of the hotel's existing occupants. Jim had researched projects of similar nature that had displaced existing tenants and he did not want this project to follow suit.

With the tenants in mind, the owners decided the moderately priced apartment units were the safest long-term investment. They also felt that higher priced units could not be justified for a town the size of Manhattan, Kansas.

Above all things considered, the main determining factor in the decision to proceed with the project was the 25 percent investment tax credits. According to McCullough, "the project would have been a poor investment without the investment tax credits" (18).

According to the owners, the Wareham Apartments are at a break-even point each month, which means it will be a few years before they show a profit. To produce a faster return on investment, the units would have to be larger with fewer in number. Fewer apartment units would mean the owners would have to level a substantial increase in rent, pricing out of the market, the elderly and the original tenants.

It has been my conclusion that the owners of the Wareham Apartments are unique. They are involved in a project that is financially breaking even and may not make a profit for many years. Possibly because the owners are involved in other businesses and not totally dependent on a single source of income, such as rent from the Wareham, they are able to allow the hotel to slide by breaking even.

Perhaps other people wanting to take on a similar renovation project as a business, would have to be financially secure to complete the project successfully.

On the brighter side, I feel that the Wareham Apartments have been successful for the following reasons.

- (1) Great concern was taken for the tenants that were living at the hotel prior to the renovation.
- (2) Although the rentals are geared toward the elderly, there is a delightful variation in the race, age, sex and occupations of the tenants.
- (3) The building will be proposed this summer for the National Register of Historic Places, an additional benefit, since it is located in a registered historic district which qualifies for the 25 percent investment tax credits.
- (4) The building is a definite physical and economical asset to Manhattan's downtown business district, and a reminder of a man who had a love and devotion for his hometown.

Although the availability of buildings such as the Wareham are abundant and affordable, there seems to be few people willing to pursue renovation projects. This is partly due to a lack of knowledge of what can be done physically and financially with these structures, further research in this area might be advisable.

APPENDIX A
FEASIBILITY STUDY

Proforma

Efficiency or intermediate residential

Remodel 5 floors	675,000
Balance of space	120,000
Arch, engineer	75,000
Financing	50,000
Legal, acct	10,000
Existing cost	200,000
Operate, counting	70,000

1,200,000

Income 232,000

Expense

Utilities	10,000
Taxes	18,000
Management	12,000
Maintenance	10,000
Professional	2,000
Trash, misc	2,000
Depreciation	80,000
Prin. + interest	158,000

292,400

Cash flow 19,600

Tax flow approx. (62,000)

Cost Projection/Renovation

Residential uses

Electrical	3.00 to 4.00 sq. ft.
Mechanical	3.00 to 5.50 sq. ft.
Plumbing	2.50 to 4.00 sq. ft.
Walls, flrs, clgs	4.00 to 8.00 sq. ft.
Cab, appl, doors	4.00 to 6.00 sq. ft.
Stairs, fire, elevator, halls	2.00 to 5.00 sq. ft.
	<hr/>
	18.50 to 32.50 sq. ft.

Use budget figure of \$21.50 sq. ft.

Office uses

Electrical	4.00 to 6.00 sq. ft.
Mechanical	2.50 to 5.00 sq. ft.
Plumbing	1.00 to 3.00 sq. ft.
Walls, flrs, clgs	3.00 to 8.00 sq. ft.
Cab, doors	3.00 to 6.00 sq. ft.
Stairs, elev	2.00 to 5.00 sq. ft.
	<hr/>
	15.50 to 33.00 sq. ft.

Use budget figure of \$17.50 sq. ft.

Income Potential

Efficiency residential

40 one bedroom @ 300	144,000
20 efficiency @ 225	54,000
Penthouse	6,000
Main floor	18,000
Lower level	10,000
	<u>232,000</u>

Intermediate residential

20 one bedroom @ 350	84,000
20 two bedroom @ 425	102,000
Penthouse	8,000
Main floor	18,000
Lower level	10,000
	<u>222,000</u>

Luxury residential

15 two bedroom @ 600	108,000
10 one bedroom @ 450	54,000
Penthouse	8,000
Main floor	18,000
Lower level	10,000
	<u>198,000</u>

Mixed use

2 floors office 12,000 @ 7	84,000
12 one bedroom @ 350	50,400
12 two bedroom @ 425	61,200
Penthouse	7,000
Main floor	18,000
Lower level	10,000
	<u>230,600</u>

Office use

5 floors	210,000
Penthouse	7,000
Main floor	18,000
Lower level	10,000
	<u>245,000</u>

APPENDIX B

RENT CHART

Wareham Apartments

					Sq. Ft.	Monthly Rate
1	206	Efficiency	No Balcony	E. side	418	210
2	501	Efficiency	Balcony	S.E. corner	416	250
	601					
2	309	Efficiency	No Balcony	E. side	402	210
	409					
2	307	Efficiency	No Balcony	E. side	380	210
	407					
2	308	Efficiency	No Balcony	E. side	362	210
	408					
2	310	Efficiency	No Balcony	E. side	348	200
2	502	1 Bedroom	Balcony	S.W. Corner	661	380
2	504	1 Bedroom	Balcony	W. side	628	360
	604					
2	503	1 Bedroom	Balcony	W. side	615	360
	603					
1	302	1 Bedroom	No Balcony	S.W. corner	611	350
1	402	1 Bedroom	Balcony	S.W. corner	611	360
1	305	1 Bedroom	No Balcony	W. side	609	350
1	405	1 Bedroom	Balcony	W. side	609	360
1	303	1 Bedroom	No Balcony	W. side	591	335
1	409	1 Bedroom	Balcony	W. Side	591	350
1	201	1 Bedroom	No Balcony	S.E. corner	576	325
1	203	1 Bedroom	No Balcony	W. side	557	315
1	204	1 Bedroom	No Balcony	W. side	553	315
1	207	1 Bedroom	No Balcony	E. side	532	225
2	507	1 Bedroom	No Balcony	E. side	513	250
	607					
2	508	1 Bedroom	No Balcony	E. side	492	250
	608					
1	306	1 Bedroom	No Balcony	W. side	485	295
1	406	1 Bedroom	Balcony	W. side	485	315
1	205	1 Bedroom	No Balcony	W. side	476	280
1	301	1 Bedroom	No Balcony	S.E. corner	475	290
1	401	1 Bedroom	Balcony	S.E. corner	475	300
1	202	1 Bedroom	Balcony	W. side	468	285
1	304	1 Bedroom	No Balcony	W. side	463	280
1	404	1 Bedroom	Balcony	W. side	463	290
2	506	1 Bedroom	No Balcony	E. side	450	240
	606			N. end		
1	208	1 Bedroom	No Balcony	E. side	442	225
2	505	2 Bedroom	Balconies	W. side	798	435
	605					

2 Bedroom \$435.00 Washer/Dryer—6th, 4th, 2nd
 1 Bedroom \$360-225.00 Water and Trash—Landlord
 Efficiency \$210-200.00 Gas—Landlord

NOTES

¹Ruth C. Wareham, "The Life and Times of Harry Pratt Wareham," Riley County Historical Museum, Manhattan, Kansas, 1982, p. 35.

²Ibid., p. 34.

³Ibid., p. 3.

⁴Michael N. Biggs, "A Summary Account of the Life of H.P. Wareham (1866-1939)," Riley County Historical Museum, Manhattan, Kansas, n.d., p. 10.

⁵Ibid., pp. 1-2.

⁶Ibid., p. 7.

⁷Ibid., pp. 11-12.

⁸Sherry Piland, "A Kansas City Architect: The Boller Brothers," Historic Kansas City Foundation Gazette, (May/June 1982), n. pag.

⁹Ibid.

¹⁰"Old Time Town Pump Unearthed in Excavating for Manhattan's Skyscraper," Manhattan Daily Nationalist, 23 Nov. 1925, p. 1.

¹¹"Roof Home in Manhattan," Kansas City Star, 23 Jan. 1927, p. 1.

¹²"Wareham Hotel Manager Named," Manhattan Mercury and The Manhattan Daily Nationalist, 16 June 1928, p. 1.

¹³Personal interview with Ken Ebert, 24 April 1986.

¹⁴David Listokin, ed., Housing Rehabilitation Economic, Social, and Policy Perspectives, (New Brunswick: Center for Urban Policy Research, 1983), p. 84.

¹⁵U.S. Department of Interior National Park Service, Preservation Tax Incentives for Historic Buildings, (Washington, D.C.: n.p., 1985), p. 2.

¹⁶Ibid.

¹⁷Ibid., p. 3.

¹⁸Personal interview with James McCullough, 5 May 1986.

BIBLIOGRAPHY

- "Adding Two Upper Stories." Manhattan Daily National, 11 Nov. 1925, p. 1.
- Biggs, Michael N. "A Summary Account of the Life of H.P. Wareham (1866-1939)." Riley County Historical Museum, Manhattan, Kansas, n.d.
- Design Group. "Feasibility Study--Adaptive Reuse of the Wareham Hotel." Xerox. n.d.
- Ebert, Ken. Personal interview. 24 Apr. 1986.
- "Employ Hotel Housekeeper." Manhattan Mercury and Manhattan Daily Nationalist, 11 Aug. 1928, p. 1.
- "Equip Wareham Apartments." Manhattan Mercury and Manhattan Daily Nationalist, 11 Aug. 1928, p. 1
- "The Last Days of the Wareham Hotel." Manhattan Mercury, 31 Dec. 1983, pp. E1-E2.
- Listokin, David, ed. Housing Rehabilitation Economic, Social, and Policy Perspectives. New Brunswick: Center for Urban Policy Research, 1983.
- McCullough, James. Personal interview. 5 May 1986.
- "Manhattan Landmark Reopens as Apartment House." Wichita Eagle-Beacon, 13 Jan. 1985, p. 2G.
- "Old Time Town Pump Unearthed in Excavating for Manhattan Skyscraper." Manhattan Daily Nationalist, 23 Nov. 1925, p. 1.
- "Out of the Wareham Hotel's Past, a Story with ...er... Bite." Manhattan Mercury, 15 Mar. 1985, p. A1.
- "Piland, Sherry. "A Kansas City Architect: The Boller Brothers." Historic Kansas City Foundation Gazette, (May/June 1982), n. pag.
- "Roof Home in Manhattan." Kansas City Star, 23 Jan. 1927, p. 1.
- Spencer, Brenda. Personal interview, 14 Apr. 1986.
- U.S. Department of Interior National Park Service. Preservation Tax Incentives for Historic Buildings, Washington, D.C.: n.p., 1985.

"The Wareham Building Most Beautiful Building in Town to be Hotel—
Garage BAck." Manhattan Tribune, 28 Oct. 1926, p. 1.

"Wareham Hotel Coffee Shop to Open Thursday." Manhattan Mercury
and Manhattan Daily Nationalist, 17 Oct. 1928, p. 1.

"Wareham Hotel Manager Named." Manhattan Mercury and Manhattan Daily
Nationalist, 16 June 1928, p. 1.

"Wareham Renovation Retains Original Design." Kansas State Collegian,
25 July 1984, p. 6.

Wareham, Ruth C. "The Life and Times of Harry Pratt Wareham." Riley
County Historical Museum, Manhattan, Kansas, 1982.

THE WAREHAM HOTEL: ADAPTIVE USE OF
A MANHATTAN, KANSAS LANDMARK

by

LOUIS E. NEMETH

B. Arch., Kansas State University, 1983

AN ABSTRACT OF A MASTER'S REPORT

submitted in partial fulfillment of the

requirements for the degree

MASTER OF REGIONAL AND COMMUNITY PLANNING

Department of Regional and Community Planning

KANSAS STATE UNIVERSITY

Manhattan, Kansas

1986

ABSTRACT

Currently, the City of Manhattan is taking action towards the deteriorating physical and economical conditions of the downtown business district. An indoor shopping mall has been proposed and approved to help revive and stimulate the downtown area. Building preservation is also starting to take effect; individual store owners are refurbishing their buildings and store fronts to original condition. Although Manhattan cannot be compared to a larger city like Boston or Philadelphia, it does however represent urban revitalization and gentrification at a much smaller scale.

This report is a detailed study of the newly renovated Wareham Apartments in Manhattan, Kansas.

Chapters 1 and 2 of this report cover historical information about the Wareham family and the Wareham Hotel. Chapter 3 deals with the owners and tenants of the building, the feasibility study, the renovation project, and tax investment credits.

This study concludes in Chapter 4 that the owners of the Wareham Apartments are unique because they are involved in a project that is financially breaking even, which means it will be a few years before they show a profit. This is possible because they are involved in other businesses and not totally dependent on this building as a single source of income. Also, a great concern was taken for the tenants who were living at the hotel prior to the renovation; producing a delightful variation in the race, age, sex, and occupations of the Wareham Apartment tenants.