

A CASE HISTORY: DOWNTOWN REDEVELOPMENT
IN MANHATTAN, KANSAS

by

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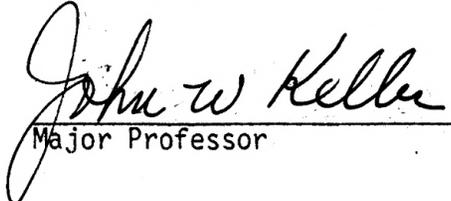

Major Professor

TABLE OF CONTENTS

CHAPTER 1 INTRODUCTION

- Statement of the Problem
- Purpose
- Review of the Literature
- Literature Summary
- Scope and Method
- The Product

CHAPTER 2 SETTING THE STAGE

- Introduction
- Landmark Shopping Center
- The Village Green
- Westloop Shopping Center
- The John's Tract
- The Result

CHAPTER 3 MANHATTAN, KANSAS - THE PLACE AND THE PEOPLE

- Introduction
- The City of Manhattan
- The Groups Involved
- The People Involved

CHAPTER 4 THE PROJECT

- YES
- Getting Organized
- The Project
- The Result

CHAPTER 5 ANALYSIS AND CONCLUSIONS

- Introduction
- The Process
- Choices and Influences
- Impact on City Planning
- Opposition
- Public Information
- The Developer's Perspective
- Other Ideas

TABLE OF PLATES

- PLATE 1 The John's Tract
- PLATE 2 Manhattan's Potential Development Sites
- PLATE 3 Riley County, Kansas
- PLATE 4 Manhattan Employment
- PLATE 5 Major Commercial Centers
- PLATE 6 Retail Space Downtown Manhattan
- PLATE 7 Retail Space Aggieville Area Manhattan
- PLATE 8 Retail Space Westloop Shopping Center
- PLATE 9 Retail Space Walmart/K-Mart
- PLATE 10 Project Components
- PLATE 11 Study Area
- PLATE 12 Southern Arterial
- PLATE 13 Project Area
- PLATE 14 Downtown Redevelopment
Project Transactions
- PLATE 15 The Redevelopment Basic Activities
- PLATE 16 Regional Shopping Mall
- PLATE 17 Conservation Area Rehabilitation
- PLATE 18 West End Office Complex
- PLATE 19 PREPARING THE COMPREHENSIVE COMMUNITY DEVELOPMENT PLAN

CHAPTER 1

INTRODUCTION

Statement of the Problem

Purpose

Review of the Literature

Literature Summary

Scope and Method

The Product

CHAPTER 1

INTRODUCTION

Statement of the Problem

"The vast majority of new shopping centers...are descending on open land outside and between towns. The Danger: Main Street America may die in the process, deserted by its major stores, left with boarded-up storefronts and a few meager retail outlets to service those notorious non-customers: old people, anyone who can't or won't drive a car and join the Great Majority."

(Pierce, 1978)

As cities grow, decline and change, planning decisions are made which impact on the community's character and shape for decades to come. The social values reflected by these decisions should be consistent with the best interest of a particular population. One such value being supported consistently by the planning profession is the maintenance of a strong, central retail core. Development and redevelopment which strengthen and revitalize central business districts are becoming more desirable than those which allow suburban fringe retail development, most often in the form of shopping malls.

In The Language of Cities, Charles Abrams described the central business district (CBD) as being

"the business core of a city with the major concentration of retail, office, and service functions. It is sometimes referred to as 'downtown,' though it may in fact be located uptown or midtown. The CBD is the city's principal magnet, its mainstay and principal taxpayer, generating a quarter or more of its local revenues. The CBD is also its office center, the confluence of diversities, the scene of financial and political action, and the source of a substantial portion of its jobs. It is the place where a man can dine with a lady without being accused of having a rendezvous. The cities with a pulsating CBD are generally the cities that thrive; those without one are headed for desuetude."

(Abrams, p.41)

Generally, this is the most diversified area of a community offering cultural activities, social and recreational opportunities, and commercial, institutional and residential uses. It maintains a unique role in the community in this respect.

The CBD is also unique in its functions within the community's framework. It has three primary functions:

- * providing jobs for local residents;
- * providing an assessment base that supports local government services received by other parts of the city;
- * acting as the focal point for many aspects of life in the general community.

Downtowns perform these specialized functions more than any other location in their regions. There are two main reasons for this.

"First, it usually has the highest total accessibility of any spot in the region (or in the community if it is a suburb), and second, it usually has the largest accumulation of facilities at any one spot for those functions it performs. These two traits also tend to reinforce each other. True, other areas perform all the functions that downtowns do to some degree, but because of these unique traits, downtowns normally perform them to a greater degree."

(Downs, p.28)

In the past 60 years, there have been a number of social and economic trends which have impacted the function on downtowns. Some have been favorable trends: others have been unfavorable.

One of the most obvious and important factors which has had a decentralizing effect on downtowns has been the use of automobiles. This made suburban locations more accessible and urban locations less desirable for activities because of:

- * traffic congestion;
- * inadequate parking;
- * higher density; and
- * removed need for access to public transportation.

Some of the other trends which have had an adverse effect on downtowns are:

- * deterioration of many old in-city neighborhoods;
- * withdrawal of many middle-income households to the suburbs;
- * technical changes in communications that allow lower-level office functions to separate from the parent office; and
- * changes in techniques toward one-story factories and warehouses.

Although with these effects the downtown may still be the largest center or node in the community, it is no longer totally dominant. Rather it has become one of the competing centers. The office-space function has become the dominant function in regional downtowns as most are becoming more specialized.

Conversely, however, there are trends which are having a recentralizing impact that is more favorable to the role of downtowns. Some of these are:

- * energy prices and shortages making long-distance travel from the suburbs less feasible;
- * high cost of new suburban housing;
- * shift to smaller households;
- * increased resistance to further growth in the suburbs;
- * increased interest in historical preservation;
- * sharp increase in domestic tourism.

In developing a strategy for redeveloping a downtown area, the relative importance of each of these trends, both adverse and favorable, should be examined within the context of each community's needs. In addition, Anthony Downs, a Senior Fellow at the Brookings Institution, proposes a six-point program which should be followed in the process. Those six points are:

- * organize some type of downtown-oriented group to take charge of an overall improvement program;
- * discover and emphasize downtown's basic strong points in whatever plans are created;
- * make downtowns lively - turn them into the center of activity, the place "where the action is" through as much of the day as possible;
- * provide certain key ingredients to downtowns needed to keep them competitive with existing, or potential, outlying centers, such as:
 - adequate parking at low cost,
 - building maintenance,
 - constant clean-up activities,
 - good patterns of pedestrian circulation,
 - good patterns for vehicular circulation,
 - personal and property security,
 - joint promotional and advertising efforts run by a professional staff;
- * develop follow-on management and promotional capabilities;
- * be realistic and feasible in what is undertaken.

Purpose

Case histories describing downtown redevelopments are rare. Those few which do exist are not written from a planner's perspective. A case history written from that perspective would be a valuable addition to the references available to other communities. This report will be one such report.

The City of Manhattan, Kansas, through a series of events and decisions, concluded that a redevelopment of its downtown area was necessary. The purpose was twofold. First, the economic viability of the business core in the CBD, which had been declining for fifteen years, needed strengthening. Second, because of lack of maintenance, rehabilitation would be necessary for many of

the old structures in the CBD. Redevelopment was believed necessary to protect the area from further decline and to assure structural improvements. The project came about as a result of a coalition of efforts between local business organizations, local civic and community organizations, Kansas State University resources, and the City of Manhattan.

Although information is available from a number of sources regarding Manhattan's Downtown Redevelopment Project, no single source exists which clearly, concisely and completely reviews and explains the planning process used. This report will provide that source. This will be the case history of Manhattan's Downtown Redevelopment Project from 1971, when the first of several rezoning requests which sparked the City into action was made, to 1982, when a decision will be made regarding the City's application for Urban Development Action Grant funds from the U.S. Department of Housing and Urban Development.

Review of the Literature

A review of the literature available regarding downtown redevelopment efforts reveals writings diverse in purpose, scope, and emphasis. It also reveals what types of studies or approaches are lacking and which would be useful, helpful, or informative. Additional diversity offers perspectives which can be used in making future decisions. The types of studies and other writings now used in relation to downtown redevelopment will be reviewed in this section. The general description and examples of each will be given. After this review is completed, a brief analytical discussion will follow. This will describe the types of information available and that which is lacking in the current literature.

There are five categories of literature presently available which, either directly or indirectly, describe the planning process used in the redevelopment of central business districts. These are:

- * handbooks and manuals;
- * technical reports;
- * issue-specific reports;
- * articles in lay publications; and
- * case histories.

Several handbooks or "how-to-do-it" manuals available describe the planning process which, if followed, should add in creating a viable downtown redevelopment project. One example of such a publication is the Downtown Redevelopment Handbook. This volume is one of a Community Builders Handbook series published by the Urban Land Institute (ULI). It "sets forth the steps both private and public sectors should undertake for the successful revitalization of a new development project in the central business district (CBD)." (ULI, p.1) Another example is the Downtown Improvement Manual written by Emanuel Bech and published by the American Society of Planning Officials (ASPO). The author had two objectives: to gain a state and national perspective on CBD improvement techniques and resources, and to produce a handbook which could be used in planning and implementing CBD improvements. Each of these handbooks provides step-by-step planning procedures, design standards, design and implementation alternatives, financing methods, cost considerations, and factors

which should be considered when determining the appropriateness of a plan to a particular situation.

A second type of literature is technical reporting. This would include governmental reviews of the various federally funded projects. It also includes periodic summaries of redevelopment activities such as Downtown Planning and Development Annual or Downtown Idea Exchange, both by the Downtown Research and Development Center. One book which can be included in this category is Nine Cities: The Anatomy of Downtown Renewal by Leo Adde. This serves as a source of the technical information which is necessary in planning a downtown redevelopment project. All of these resources offer standards and criteria. They analyze factors that determine feasibility, size, location and costs which would be involved in such a project. These are, most generally, physical and design standards and criteria. They review specific projects, but only superficially in a few paragraphs and only from a technical perspective, reviewing, for example, location, size, necessary budget, and sources of funds.

A third type of publication is that which addresses specific issues considered in a revitalization of a city's CBD. These are more specialized than the types of literature discussed previously and they may or may not be written primarily for use by planners or for downtown redevelopment projects. The information in them must be interpreted, modified and adapted to the specific project being planned. Because of the specificity of their nature, they usually address only one aspect of the redevelopment planning process. Central City Malls by Harvey M. Rubenstein is one such book. It addresses the special standards, criteria, and considerations vital to planners and designers for proper development of a specific redevelopment approach.

Another example is American Urban Malls: A Compendium produced jointly by Columbia University Center for Advanced Research in Urban and Environmental Affairs and the Institute of Environmental Action. Although intended to explore innovative planning, design and implementation urban projects, these objectives are third in the sponsors' objectives after 1) increasing public awareness of urban culture and ecology and 2) promoting public participation in decisions regarding the environmental quality of the public domain. It, like Rubenstein's book, is concerned with standards and criteria. Other literary resources in this category would include those which address structural rehabilitation, feasibility study methodology, transportation and circulation guidelines, or cultural facilities planning.

Less formal review of downtown redevelopment projects can be found in literature more likely to be read by the general public. These usually provide a very general, superficial review of the state-of-the-art at the time of their writing. They may touch on the process, problems, or considerations, but not in detail. One example of this type of publication is the article, 'Shopping Mall Tycoons Invade New Territory' which appeared in "The Pierce Column" of the Washington Post on June 19, 1978. In ten column-inches it summarized the dangers of suburban development to CBD's, offering both public and private points of view. Another example is seen in the article, "How to Build a Shopping Mall...And How Not To" in the December, 1980, Kansas City Magazine. In lay language, it reviewed design aspects of several malls and what constituted good and bad design decisions.

Finally, a fifth form used to describe urban redevelopment is the case history. These have most often been written by participant-observers. They have also most often been written by non-planners. They report the important events and decisions in a particular project, describe the persons most important in the project, and analyze and editorialize as to the problems, priorities and appropriateness of several aspects of the process. One such case history is Graham Frasier's Fighting Back. Using his professional skills as a newspaper reporter, he presented a review of an urban renewal project in Treffan Court, Toronto. It was intended "to give a clear picture about how community organizing is done and not done." (Frasier, p. xiv) Another is The Politics of City Revenue by A. Meltsner. Written by an economist, it describes the process and politics of Oakland, California's, city budgetary system. However, the study which is considered a milestone in this style is Robert Dahl's Who Governs. Dahl's study used predominantly indirect observation techniques to answer the question, "In a political system where nearly every adult may vote but where knowledge, wealth, social position, access to officials, and other resources are unequally distributed, who actually governs?" (Dahl, p.1) As a case study, he chose the city of New Haven, Connecticut. It was written by a Yale University professor to test concepts, theories, and methods of behavioral science and politics. A fourth example is the noted Power and Poverty: Theory and Practice by Peter Bachrach and Morton S. Baratz. This study, also using indirect observation techniques, analyzed "how power, authority, and influence were brought to bear in two contrasting periods in shaping and sustaining political beliefs, institutions, and procedures which, in turn, affect the distribution of outcomes among persons and groups in Baltimore." (Bachrach and Baratz, p.103)

Literature Summary

Each of these forms of literary style has its benefits. Each has its weaknesses. Handbooks and manuals are useful in any set of circumstances, but are not useful in answering a specific question in a specific situation. Technical reports are not easily understood by those outside of a given specialization; lay publications are. However, inadequate technical information is gathered from lay articles and cannot be useful to the community planner. Issue-specific literature describes in detail one factor, but does not explain how all specific factors are integrated into one project.

Case histories describe how a community integrated all of the factors and the successes and failures of the attempt, but duplication in another community may not be feasible for any number of reasons. One shortcoming in the library of literature available on the subject, however, is the lack of case histories written from a planning perspective. Planners describe the process in all other categories of literary style, but their perspective regarding an actual project, integrating all of the social, economic and political aspects as a case history, is virtually nonexistent. Because this is the prospective most needed by communities attempting a redevelopment project, the provision of such a volume would be most welcome.

The advantages of this work would be several. First, it would give an actual account of a process which is being entered into more now than in the past.

It would describe how various factors were weighed and integrated in a specific situation. Second, in this case, it would provide the first written source of information regarding the entire redevelopment process in Manhattan, Kansas. Finally, it would provide an education resource which is sorely needed. Works comparing and contrasting academically expressed processes with those which result in reality would serve students, instructors, and practitioners well. This need was expressed and described by H. Hightower in his address to the 1976 AIP National Conference, "The Need for Case Studies in Planning Education."

Scope and Method

This case history of Manhattan's Downtown Redevelopment will be broad in scope chronologically, technically, and analytically. Chronologically, this paper will examine the events of the redevelopment process from 1971 up to 1982. The year 1971 was chosen because, as will be shown, several rezoning requests, beginning at that time, created the atmosphere and momentum which have maintained the redevelopment plan, process, and proponents from then until now.

Technically, the report will first review the rezoning requests and how they sparked action for redevelopment. Second will be an examination of the key actors in the process. These will include citizens groups, City staff members, various governing bodies, and other individuals who, in one way or another, made their influence felt. Third, the actual redevelopment process will be described chronologically. How and why various factors grew or diminished in importance will be examined and strengths and weaknesses of the process will be described.

Analytically, because the process has taken only three years from the completion of the Feasibility Study to the present, it will be possible to examine a variety of factors and perspectives. The span of time has not been so great as to render specific issues so complex to be unwieldy to describe. Nor has it been so long as to fade memories or to see a great deal of change in persons involved. Most of those now working with the project have been with it since it began. Resources are diverse, complete, and accessible without being voluminous. The role of public information, the organization and effects of opposition, and the problems and prizes of a public-private development venture will be described and examined. Interrelationships between community activities and the redevelopment process will be described.

Methodologically, this report will be written from the perspective of a participant observer. Considering the complexity of the issues which will be addressed, this would be a particularly useful approach for examining the planning process and for gaining insight into the significance of events.

The participant worked as a Planning Intern and was an employee in Manhattan's Community Development Department for two years. She worked on the project directly in several technical aspects during that time, between 1979 and 1981.

"In participant observation, the investigator assumes a role within the group or community he or she seeks

to study. It is through his or her participation... that the investigator collects data and gains insight into community structure and process... Furthermore, the participant observer uses a variety of specific techniques to collect data. These include direct observation, interviewing, and the analysis of documents." (Poplin, p.292)

It is an analytic description of a complex organization and:

1. employs concepts, propositions and empirical generalizations of a body of scientific theory as the basic guides in analysis and reporting;
2. employs thorough and systematic collection, classification and reporting of facts; and
3. generates new empirical generalizations (and perhaps concepts and propositions as well) based on these data.

There are three formats which participant observer studies. They are as follows:

- * case histories;
- * analysis of distribution and frequency of events; and
- * review of generally known rules and statutes.

This report will be presented as a case history of the events which collectively created the Downtown Redevelopment Project in Manhattan.

In addition, there are four methods of data collection which can be employed in participant observation. These are:

- * direct observation;
- * indirect observation (minutes, articles, records, files);
- * interviews; and
- * direct participation.

All of these methods will be used to some extent in collecting data for this report. Having worked on several aspects of the project directly, having been in a position for two years which has allowed for direct observation and interviewing, and having access to all indirect observation resources will facilitate the data collection process.

The major drawback of the participant-observer method is the possibility of bias in the reporting. This potential problem will be addressed in several ways in this report. First, the role of the observer in this case, while directly involved with the project in several technical respects, was distant enough to offer close observation without requiring professional or personal commitment. Second, a constant, conscience effort on the part of the observer will be maintained to assure objectivity.

The Product

The data collected and generated will be integrated into a written report. It will be a narrative case history of the Downtown Redevelopment Project in Manhattan, Kansas, written from the Planning perspective of a participant observer.

After a review of the events leading to the start of the process and a brief look at some of the key actors involved in the process, the process and project will be described in detail. Finally, an analysis of various aspects of the project will be presented.

The report is meant to serve several functions. First, it is meant to serve as a source of information regarding Manhattan's Downtown Redevelopment Project. Second, it should serve as a resource for planners in other communities considering a similar project. Finally, it would be a very valuable tool and resource for use in planning education.

CHAPTER 2

SETTING THE STAGE

Introduction

Landmark Shopping Center

The Village Green

Westloop Shopping Center

The John's Tract

The Result

CHAPTER II

SETTING THE STAGE

Introduction

"Looking to the future, Manhattan can at least hold its present share of trade area purchasing power... However,...it is quite possible that Manhattan can increase its 'capture' so that the outlook for Manhattan GAF sales is for growth due to: 1) a bigger Trade Area (due to population and income growth), and 2) a greater 'capture' of the trade area purchasing power total -- a greater share of the total area 'pie.'"

(1968 Land Use Plan, p.45)

The 1968 Oblinger and Smith Economic Base and Population Study/Forecast stated that "by 1985 Manhattan should plan to attract and accommodate up to 200,000 gross square feet of new store space of a 'region serving' or 'shoppers' goods' character (General Merchandise, Apparel, and Furniture -- GAF stores)." The plan continued to say that "most of this potential GAF store space...should be located downtown" and that "such space would likely generate support for other store types." (Ibid, p.41)

In addition, the Neighborhood Analysis of the same Land Use Plan found "that the Central Business District of Manhattan is suffering seriously from blight and deterioration and demands drastic remedial treatment if it is to maintain its position as a regional shopping center..." "It is basically a treatment of the rehabilitation and redevelopment to provide for new parking, new public uses, new commercial areas(s), and to rid the city of the deterioration and dilapidation which is now present." (Ibid, p.56) The City had adopted the Oblinger and Smith studies as official statements of policy. Based on these concepts described in the plans, proposals for regional retail developments which would have been outside of the CBD were discouraged and denied. Nothing, however, was done to implement the plans until 1977. This chapter will describe the situations which led to the eventual birth of the Downtown Redevelopment Project in Manhattan.

Landmark Shopping Center

The first large-scale development proposal after the adoption of the 1968 Land Use Plan was presented informally to Manhattan's Planning Board in January of 1971. A Topeka developer requested that he be allowed to construct a shopping center on the "John's Tract" (See Plate 1), twenty-two acres of agricultural land in the southwest corner of the city. The formal request for rezoning the property from R - Single Family Residential District to PDD - Planned Development District was made at the April meeting and the public hearing was set for the May meeting.

MANHATTAN
KANSAS

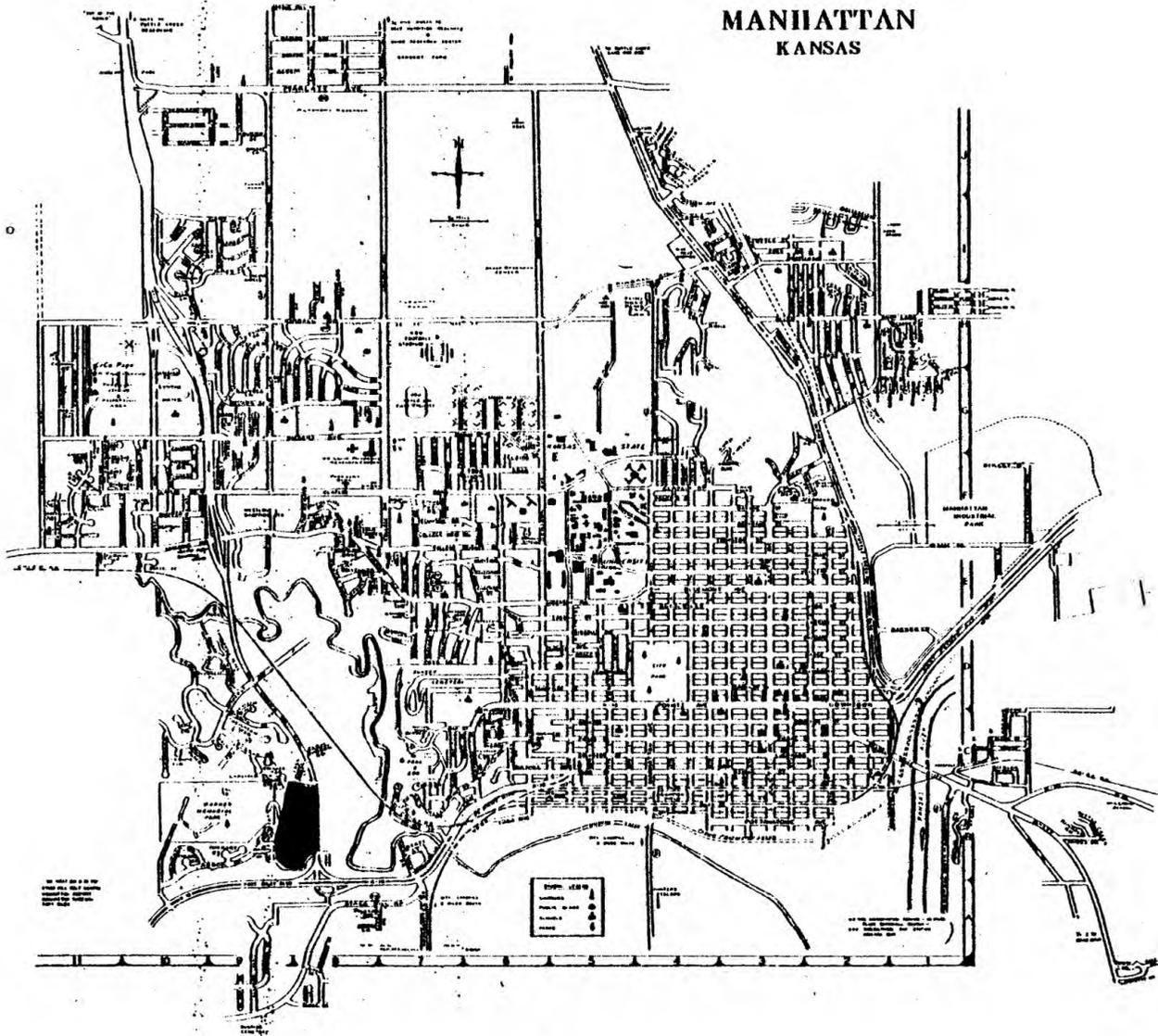


PLATE 1

THE JOHN'S TRACT

At the May public hearing, the project was described in detail. It was to be a shopping center of 228,334 square feet of leasable retail space, including two major department stores, a supermarket, an auto center and service station and numerous small shops.

Those persons speaking in favor of the proposal were: John Haley, The Topeka Developer; B.J. Kingdon, the project architect; and Richard Seaton, a Manhattan attorney representing the developer. Statements made in favor of the proposal were:

- 1) that the development would add 3.5 million dollars to the local tax base;
- 2) that a market study had indicated that there was market potential for the center;
- 3) that potential tenants had agreed with the market study conclusions; and
- 4) that the presentation and project were in compliance with the Zoning Ordinance requirements for PDD's and rezoning requests.

Only one person, Dr. Stigge, a member of the Planning Board, spoke in opposition. His points were:

- 1) that for three years the City had been trying to maintain a strong downtown;
- 2) that the development would create a traffic problem;
- 3) that shopping centers have a different tax structure than the downtown; and
- 4) that not enough time had been given the new Urban Renewal Agency to operate.

A motion to recommend that the City Commission approve the request was passed by a vote of five in favor and two opposed.

When the issue came before the City Commission, however, it was remanded back to the Planning Board. There had been several protest petitions filed with the City Clerk in opposition to the proposal. Several public meetings held to review public opinion had revealed strong opposition. In addition, several documents had been presented at those meetings which had not been made available at the Planning Board meetings. Because the size of the proposed project was approximately half the size of the downtown retail area, the Commission felt that "its large size warrant(ed) careful review of its possible economic impact on the total community." (City Commission minutes, July 6, 1971)

In July, the Planning Board reconsidered the rezoning request. Ray Weisenburger, a professor of Regional and Community Planning at Kansas State University, assumed the role of planning consultant for the Board as the City had no professional planner on staff. He reviewed the City's Land Use Plan and The Economic Studies for General Planning prepared for the City in 1967 by Robert Gladstone and Associates. The results of the Gladstone report were reviewed and reaffirmed in 1971 by Dr. Darwin W. Daicoff of the University of Kansas in his report, "An Economic Evaluation of the Request for Rezoning the 'Johns' Property

to Allow the Construction of the Landmark Mall Regional Shopping Center in Manhattan, Kansas." Briefly, those studies concluded that the construction of a large-scale retail shopping area outside of the downtown would have an extreme and detrimental impact on the City's economy. In the case of downtown businesses, the studies pointed out that it was "one thing to fear competition but quite another to fear disaster." There was good reason to fear such a disaster in this case. For the City as a whole, a mall would indeed mean increased revenues from sales and taxes. However, the benefits derived would have to be weighed in light of the costs which would result from the inevitable decline in sales and tax revenues from a deteriorating CBD. Weisenburger's comments were:

- * the proposed commercial area equalled the entire amount proposed to be added to the downtown area by 1985;
- * the Land Use Plan should not be revised because there had been no major changes in the city or in policy since its adoption;
- * the shopping center was premature;
- * the downtown area would suffer economic losses if it were permitted to be constructed.

On the basis of these facts and his analysis, he recommended denial of the request as it would not be "good planning."

There were several other speakers in opposition to the request. Their concerns were based on increased traffic generation; incompatibility of the development with surrounding property and property values; and detrimental impact on the community's economy.

Based on the information received at that meeting, the Board reversed its previous recommendation and recommended that the City Commission deny this rezoning request by a vote of six in favor and two opposed.

At its July 20, 1971, meeting, the Commission, "to the hearty applause of nearly 80 Landmark opponents in an audience of nearly 100 persons," voted to deny this request with a vote of three in favor of denial and two opposed. (Manhattan Mercury, July 21, 1971) It had not been a simple issue or easy decision for the Commission. According to Commissioner Hanks, "This will be one of the more important decisions that will have a long lasting effect. Your (Landmark's) consultant has done a wonderful job of making it difficult." Commissioner Reitz expressed the majority philosophy by saying, "We need to consider how to develop the east part of Manhattan. Urban renewal might lead to development in the future, that would be more valuable than southwest development at the periphery of town. I don't believe this (Landmark) is in the best interest of the community." The reasons for denial were given as follows:

- * the need for the development was questioned;
- * the development of west Manhattan must be considered;
- * before a decision could be made, it would be necessary for the City to consult with impartial, objective planning consultants; and

- * the request did not represent good planning or serve the best interest and economic welfare of the entire community.

The Village Green

Late in 1972, the same developer requested the same rezoning for the same piece of property as the Landmark Center. The proposed development was similar to the Landmark Center, but addressed some of the concerns expressed during the earlier public hearings. Some of the modifications made were:

- * traffic control would limit the location of curb cuts;
- * better screening for parking and service areas;
- * architectural differences and differences in building materials; and
- * conversion of the service station into a small shopping plaza.

The center was expected to have a trade area of seven or eight counties.

The public hearing to consider this request was held over a three month period from September to November, 1972. Mr. Haley again spoke in favor of the project. He "cited the opposition to the center as based 99% by virtue of fear of competition: Westloop and Downtown businesses have opposed this center." (Planning Board minutes, September 18, 1972) Most of the other proponents were women who said they shopped out of town and would prefer to shop in Manhattan.

Opponents included Dan Meyers, a Manhattan attorney, who said the request was not in compliance with the Land Use Plan. Ray Weisenburger reenforced that statement as well as stressing the recommendations of the Gladstone Report and noting environmental concerns. A petition, signed by 138 persons in opposition to the request, was presented. Eight residents spoke in opposition as did a representative of the Environmental Board. At the end of the hearing on November 13, 1972, a motion to recommend denial of the rezoning failed by a four to four vote. Thus, the Planning Board did not give a majority vote recommendation for either approval or denial of this request. In such a case, Kansas State statute allows that "the Governing Body may take such action as it deems appropriate." (KSA 12-708)

At the December 5th City Commission meeting, John Haley was the only proponent who spoke. Dan Meyers, Ray Weisenburger and four other residents spoke in opposition. Mr. Meyers included in his remarks the statement that the development would not be a neighborhood shopping center, as stated by the developer, but rather would be a regional shopping center. When the Commission asked the predominately opposed audience if the opposition was for all such centers or only this particular project, the indication was overwhelmingly that the latter was the case.

A motion to deny the rezoning request was passed four in favor to zero opposed. One Commissioner abstained saying he felt that there were still too many unanswered questions. Also, he would have preferred a vote of record from the Planning Board.

MANHATTAN
KANSAS

15
→ CBD
→ Boundaries

Westloop (SBL)
1976

John's Tract
1971, 1972, 1978

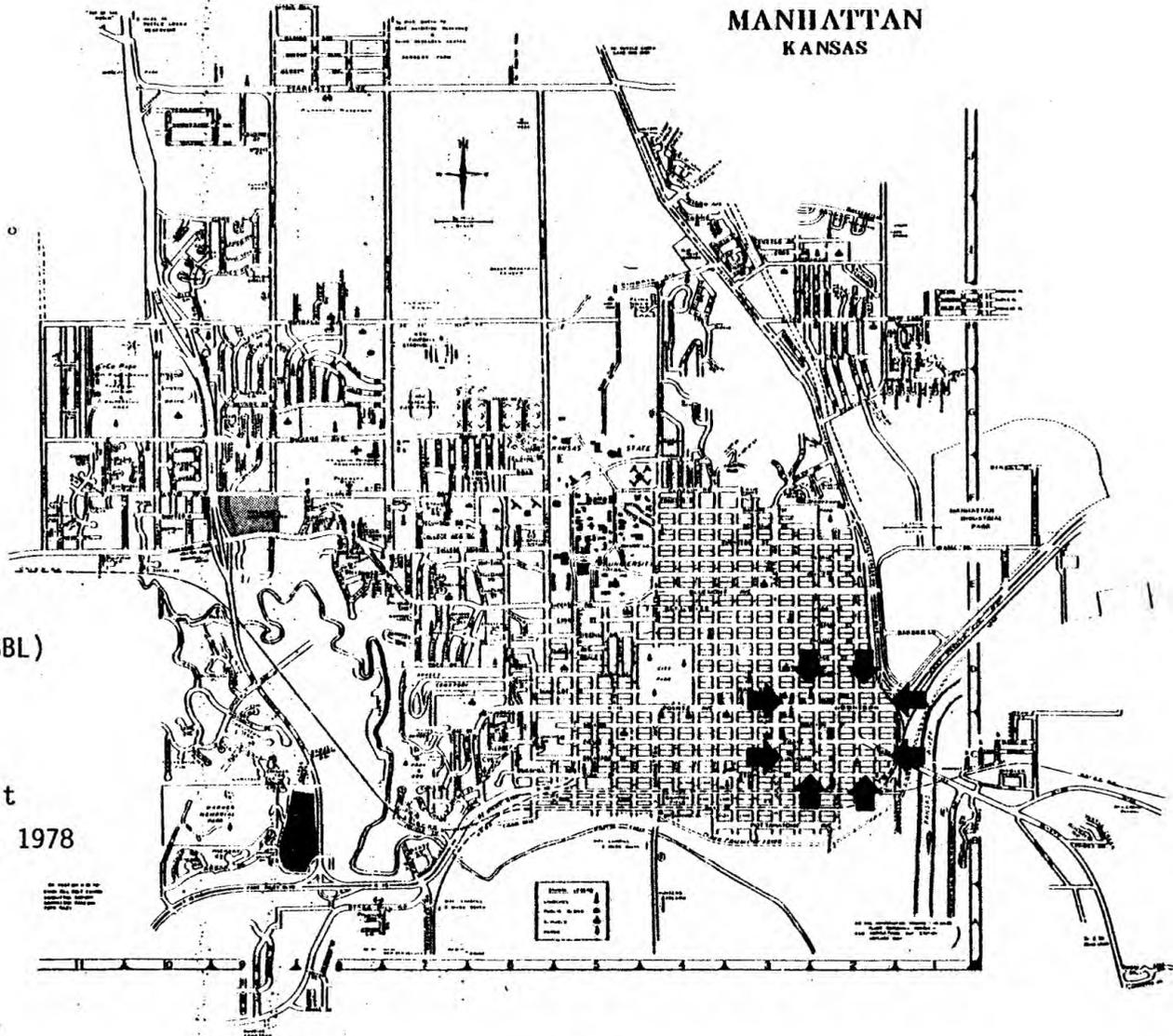


PLATE 2

MANHATTAN'S POTENTIAL DEVELOPMENT SITES

It was not until 1976 that the questions about regional retail development in Manhattan were raised again.

Westloop Shopping Center

In 1976, Security Benefit Life Corporation, an insurance and investment company, made several requests of the City in an attempt to expand development in the Westloop Shopping Center (See Plate 2). SBL wanted to upgrade the facades in the center and to construct additional retail space. It first applied for an amendment to the text of the Zoning Ordinance. The company wanted to construct a 60,000 square foot retail shop in a C-2 Neighborhood Shopping District. According to the 1976 Manhattan Zoning Ordinance, a Neighborhood Shopping District was "designed to permit areas of convenience shopping facilities so located to serve one or more residential neighborhoods" and had a use limitation 25,000 square feet for each separate business establishment. SBL wanted that use limitation deleted. By eliminating this requirement, regional-size department stores would have been allowed in Westloop as well as in other C-2 districts. The Planning Board had recommended to the City Commission that the change be made. The Commission, however, did not approve it and it was returned to the Planning Board for reconsideration for three reasons:

- 1) "this request is not in keeping with the 1969 Oblinger Smith Land Use Plan, either in principle or in particulars, and this does legitimately take into consideration a strong Central Business District;
- 2) the request does not appear to be conducive to orderly growth. Specific concerns are parking and traffic; and
- 3) the need for such a change has not been clearly demonstrated by the petitioners."

(Planning Board Minutes, 1/12/76)

In addition to comments made which were similar to those made in 1971 and 1972 John's Tract request, Bernd Foerster, Dean of Kansas State University's College of Architecture and Design, offered some design considerations which should be included in the decision-making process. "Our downtown area has what others lack - a concentration of pedestrians. The other shopping centers are not pedestrian oriented."

Upon reconsideration, the Planning Board decided to recommend denial of the text change request by a vote of five in favor, three opposed, and 1 abstention.

The public hearing was held before the Planning Board on April 12, 1976. Dick Green, a Manhattan attorney representing SBL, indicated that "the main thrust of the application (was) the upgrading and integration of the entire center, including a building larger than 25,000 square feet." (Planning Board minutes, April 12, 1976) Statements made in favor of the rezoning addressed renovations and the center's appearance, construction of a 60,000 square foot building and one of 2,800 square feet, internal circulation and traffic impacts outside the center. Justification for construction of a 60,000 square foot building under PDD when it was not allowable under C-2 was that "this is not new space; just

concentrated in one place. The economic impact of three times 20,000 square feet is probably not significant." (Planning Board minutes, April 12, 1976)

Statements made in opposition were concerned with decrease in CBD tax base and lower return from outlying business; questions regarding the need for a 60,000 square foot building in that plaza; traffic generation; the probability of a "domino effect" if a major downtown retailer moves to Westloop; the Land Use Plan; the Zoning Ordinance; land development and management; and long and short-term effects of the growth of the entire city. There was also an indication that the recently formed Redevelopment Committee had begun efforts to implement the Land Use Plan.

A motion to recommend approval of the rezoning with two stipulations was made. The stipulations were:

- 1) that the traffic on Anderson, Claflin and Seth Childs be studied and an equitable cost distribution be determined; and
- 2) that no building in the center exceed 25,000 square feet of floor area.

The motion failed to pass by a vote of one in favor, three opposed, and two abstentions. A motion to recommend approval of the request with no stipulations was passed by a vote of four in favor, one opposed, and one abstention.

Before the request was seen by the City Commission, however, SBL had made some changes in the proposed traffic plan to reflect the desires of some tenants. The changes had been significant enough in the opinion of the City Attorney that he recommended the new plan be reviewed by the Planning Board before being reviewed by the City Commission. In other words, because of the changes, it was to be reviewed as if it were a new request.

This was heard again by the Planning Board at its June 14, 1976, meeting. Board member Wilson stepped down during this discussion as he was one of the original incorporators of Westloop and was, at the time, involved in a contract arrangement for purchase of the site with SBL.

The speakers and comments in favor of the rezoning were the same as those at the April hearing.

There were more speakers in opposition at this hearing than at the previous hearing. The issues discussed in opposition were:

- * conflict with the Land Use Plan;
- * the fact that the Design Studio, a Manhattan Architectural firm, had begun a study for the redevelopment of the downtown;
- * findings of the Environmental Board and its recommendation to deny the request;
- * concerns of the senior citizens and others who were dependent on the CBD and lacked mobility to access an outlying location; and
- * traffic circulation.

Comments were more detailed, organized, and succinct than they had been in April. Assertiveness on the part of the opponents was in evidence, also. For example, Mr. Green had said that:

- * the issue was the degree that the community wished to go in subsidizing or protecting the CBD;
- * assisting the CBD to remain strong was agreeable, but it should not be done in a manner that restricts competition by other commercial interests;
- * by denying this rezoning request, the Board was, in effect, restricting competition.

Mr. Crocker countered that "the PDD zoning classification was designed to provide control over the development of a site and that a developer should expect limitations and restrictions when requesting PDD zoning. Further, the Planning Board represents the community and should ask a developer to show or justify that a change will be in the best interest of the community." (Planning Board minutes, June 14, 1976)

In another comment, "Green cited a 1955 Pennsylvania Appellate Court decision which stated that the purpose of zoning 'is not to limit or restrict competition.'" (Ibid) He stressed his feeling that negative attitudes toward the request were based on fear of competition in the market place. Richard Burke, President of Downtown, Incorporated, which is an association of downtown businessmen and whose purpose is to plan and coordinate promotional activities in the business community such as sidewalk sales, "commended SBL on the exterior improvements, but said that the real issue was not traffic or upgrading, but the building of the 60,000 square foot building." (Ibid)

This was the first time that an opponent had directly countered a statement made by a proponent in the entire history of the issue in Manhattan. Until this meeting, all indications are that each side would present its facts, figures and feelings without directly countering the other. It had been up to the Board members and Commissioners to sort out the accuracy and appropriateness of the information given.

The Planning Board Chairman, Bob L. Smith, made three comments:

- 1) the proposed plan was not in conformance with the adopted Land Use Plan;
- 2) the elderly persons in and around the CBD should be considered; and
- 3) the proposed plans were good, but the Board must consider the impact on the entire community.

A motion to recommend denial of the rezoning request failed to carry with a two to two vote. Chairman Smith "invited Green 'to go to the courts and find out if this (denial) is indeed a restraint of trade.'" (Ibid) The request went to the City Commission without a Planning Board recommendation.

The request came before the City Commission on August 3, 1976. The only new piece of information given by the developers was that Sears would consider going

into Westloop, but only if a building plan were provided. The building plan could be provided only after approval of this rezoning request by the Commission.

Only three persons spoke to the issue. Two were in favor: Charles Green, SBL's attorney; and Bob Plymate, an SBL representative. The person who spoke in opposition was Bernd Foerster, Dean of the Kansas State University College of Architecture and Design.

There were several factors taken into account by the Commission. These were that:

- * the Planning Board had not recommended approval;
- * several commissioners wanted more information regarding zoning compliance and plan details;
- * the request was not considered to be in the best interest of Manhattan as a whole;
- * the burden of proof of a need for such a change was the developer's responsibility; and
- * the request was not in compliance with the Land Use Plan nor with the policy to "maintain a strong CBD."

However, the August 4 Manhattan Mercury reported that, "What seemed to clinch the negative vote was a statement from SBL vice-president Bob Plymate that he had contacted Sears headquarters in Dallas, who had indicated interest in relocating the downtown store in Westloop. That statement apparently proved true the fears by downtown businessmen that the Westloop development would lure away one or more of the major chains from the Central Business District."

On motion, the request was denied by a vote of four to one. The reasons for disapproval were given as follows:

- 1) noncompliance with the Land Use Plan;
- 2) the burden of proof of need is on the developer;
- 3) if neighborhood shopping facilities were "permitted to expand and provide the same scope of commercial activities as provided in the Central Business District, this would tend to promote vacancies in the downtown area and increase, in some instances, the blighting process in the downtown area. The following reasons were offered for retaining the downtown area as the most prominent shopping area in the city:
 - * property values are the highest in this area and present a formidable tax base in the community. In short, land values are high, thus the highest and best use of the land is for concentrated retail shopping goods outlet development.
 - * the downtown area contains a considerable investment in public monies as related to streets, sewers, water mains and all the improvements which are presently located in this area. If another regional center is permitted to locate at the outskirts of

present development, the new center must be provided with additional utilities and improvements which would tend to cost more than just permitting a neighborhood shopping center to develop.

- * In or very near the downtown area is a considerable investment in public buildings. Particular attention should be focused to the fact that a new library structure will be constructed near the downtown area in the near future. It has been proven that in order for a public library to effectively operate, it must be near a major retailing center in a community due to the fact that library patrons usually combine library trips with shopping trips. In other words, if the downtown area ceases more and more to exist as a shopping center, the library may be used to a lesser degree than if the downtown area was retained as the major retail shopping center."
(Land Use Plan, p.52)

- 4) rezoning would not be in the best interest of the city; and
- 5) "there has been a failure to present to this body on an issue of this magnitude and importance the necessary materials for me to make a fair and equitable decision and this would be the first time in all the time I have been here that I have known that so little has been presented for us to make a decision on." (Hanks)

The John's Tract

Fourteen months later a similar proposal was brought before the City governing body. This was a request for rezoning the John's Tract from R-1 Single-Family Residential District to PDD. This was the same property that had been subject to similar requests in 1971 and 1972.

The proposal was to build a regional shopping center. The center would include a 96,400 square foot mall, anchored by two major stores, peripheral developments and associated parking. The public hearing was heard by the Planning Board on December 19, 1977.

In his written staff report, Gary Stith, Manhattan's Chief Planner, stressed that there were two major issues to be considered in this proposal.

"The first is to consider the merits of the Land Use issue, i.e., should a regional shopping center be located on this site? This is a policy issue and if the answer is negative, the second issue is a moot question. The second issue involves the Site Design of the proposed preliminary development plan of this PDD."

(Staff Report, December 16, 1977)

The staff reviewed the positive and negative impacts of various aspects of the proposal. Those aspects were economic, physical, environmental and social considerations regarding the specific site design such as internal circulation, grading, landscaping, and signage.

Detailed input was presented from the Environmental Board, a city advisory board to the Commission. At its December 6, 1977, meeting, this item was reviewed. In summary, its findings were that:

- * an alternative drainage system should be developed to reduce run-off: a retention pond was suggested;
- * more complete landscaping plan be developed to quadruple the number of trees and to address signage more specifically;
- * more information on traffic generation be provided: it was suggested that the developer, Gottlieb Corporation, widen Seth Childs Road from two lanes to four lanes and that, in addition, a deceleration lane also be provided to address the concerns over the potential problems of traffic bottlenecks;
- * more information regarding the economic impacts be provided: there was a consensus that the development would "not be good for the community as a whole" because of its effects on:
 - city costs of sprawl development;
 - effects on downtown;
 - effects on the community around the downtown; and
 - effects on housing around the downtown;and
- * more information regarding the effects on increased trade and increased sales be provided.

The developer's engineer addressed several of these issues at that meeting. Adequate drainage was already provided under the highway to address run-off. Because Seth Childs Road was under the jurisdiction of the Kansas Department of Transportation (KDOT), no review of the preliminary plans or study of traffic could begin by KDOT until after a zoning decision had been made.

Discussion at the public hearing before the Planning Board was much the same as that during the SBL request. While it recommended denial of the request, the Board did make it very clear that if no progress were made in the following year or two regarding downtown redevelopment, it would not be possible for the Board to continue such recommendations in the future.

"Wohler stated that he, like most shoppers, would like to see a mall, but he thought that the downtown area appears to want to remain strong. He further stated, though, that if no progress were made, he would have to reconsider his vote in the future."

"Elsea stated that the Redevelopment Committee is making forward progress. However, unless improvement is made, support on Elsea's part cannot continue."

(Planning Board minutes, December 19, 1977)

By the time the City Commission made its decision on March 21, 1978, it had become known publically that Sears and Penneys, the two major downtown stores, would relocate into this mall, should it be approved. Neither store, however, had representatives present at the meetings. This was the case even though the issue was postponed once to allow a Sears representative to be available. There were seventeen speakers in opposition to the request. Their comments focused on four points:

- * the community could not support both the mall and the downtown as major retail cores;
- * efforts toward downtown redevelopment had begun and would be crippled should the rezoning be approved;
- * rezoning the property as requested was not in compliance with the 1968 Land Use Plan. That Plan indicated the site would be most suitable for a neighborhood shopping district, not a regional shopping area; and
- * the poor, elderly, and minorities were most dependent on a viable downtown for services, shopping and maintained property values.

The fact that several similar requests, including the recent SBL request, had been denied was cited as precedent and the reason for such denials was meant to protect the citizen "who picks up the tab." The motion to deny the request for rezoning passed by a vote of four to zero to one.

The Result

The motivation to prepare a downtown redevelopment process and project resulted from these land use decisions. The governing bodies had made it very clear to the City staff and downtown interests that unless substantial progress were made toward such a project within a reasonable amount of time, the inactivity would be interpreted as the infeasibility of preserving the downtown area as the regional shopping area and other policies would be implemented. The following chapters describe the course of action taken.

CHAPTER 3

MANHATTAN, KANSAS - THE PLACE AND THE PEOPLE

Introduction

The City of Manhattan

The Groups Involved

The People Involved

CHAPTER 3

MANHATTAN, KANSAS - THE PLACE AND THE PEOPLE

Introduction

"As they worked together, not always in harmony, these common goals and mutual business affairs drew them closer together in their determination to build a good town."

(Riley County, Kansas, Winifred Slagg)

The redevelopment of downtown Manhattan has still to be implemented. The precise extent and shape that it will take remains to be seen. However, the development of the present plan and package was possible only through a variety of community groups and individuals who, for the most part, volunteered time, effort, and expertise to create a viable, comprehensive and rational course of action, just as city founders had, as described above.

This chapter will describe Manhattan and the groups and persons who actively helped to formulate the Redevelopment Project. The location, physical characteristics and history of the city will be described. The demographic and economic characteristics will also be discussed. The description of the City will be followed by a brief examination of the organizations which played some part in creating the Redevelopment Plan. Their purpose and role will be outlined. Finally, the persons who contributed on an individual basis will be introduced.

The City of Manhattan

Physical Profile

Manhattan, located in northeastern Kansas, is the County Seat of Riley County. (See Plate 3) It is at the junction of the Big Blue River and the Kansas (KAW) River. In general, the area is characterized by low, flat hills of the Flint Hills which run from Nebraska through Kansas into Oklahoma. The area's predominant landscape features, typical to prairie lands, are the tall Bluestem grass and the limestone outcroppings of the Flint Hills. Topographically, Manhattan ranges from 1,000 feet above sea level in the northwestern portion.

Manhattan is within the Humid Continental Climate Zone. The average annual temperature is 55°F and ranges from a January average of 18.5°F to a July average of 93°F. The humid climate coupled with the good agricultural soils created an attractive site for white settlers.

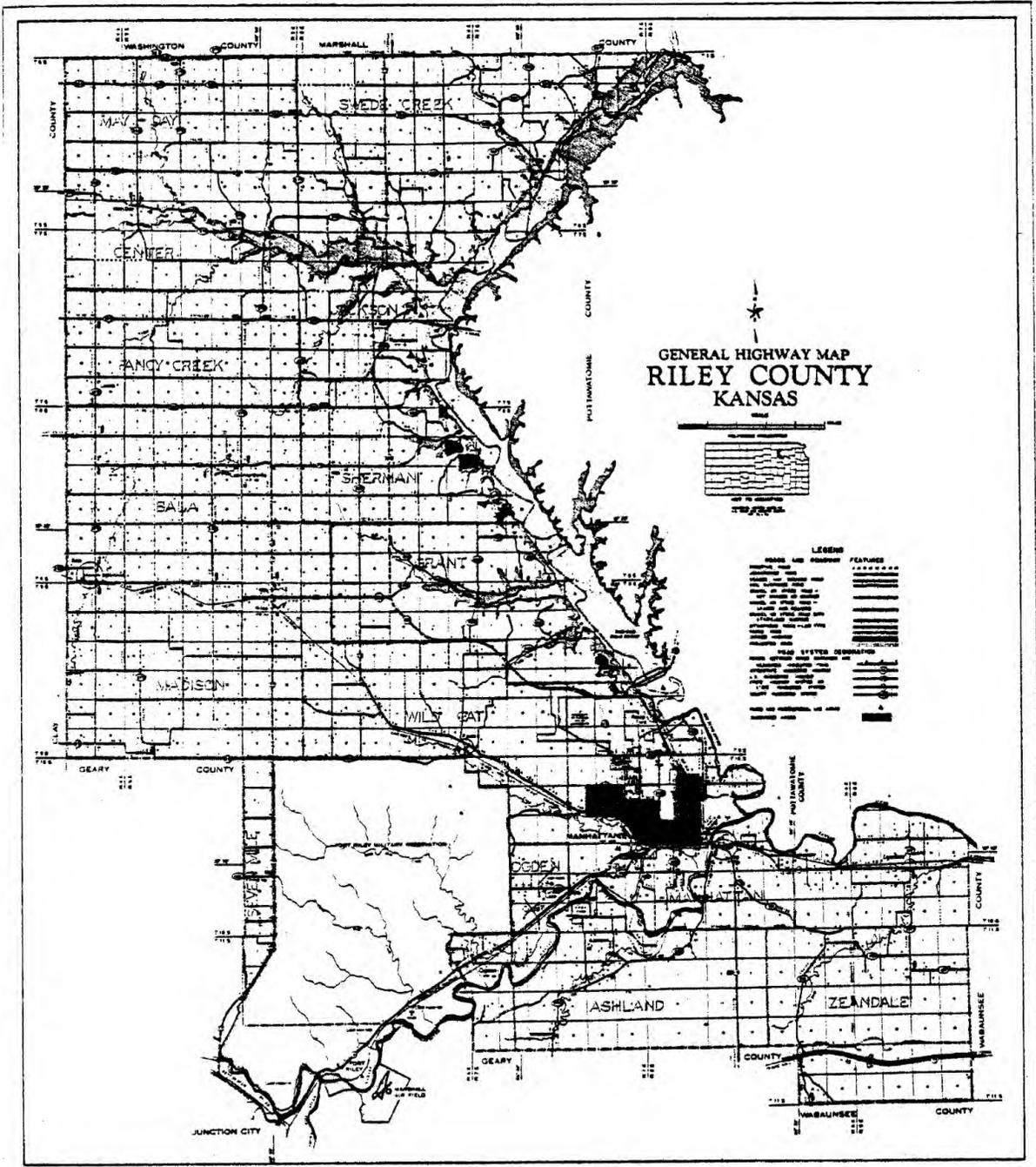


PLATE 3
RILEY COUNTY, KANSAS



City of Manhattan

Historical Profile

Manhattan was settled before the Civil War, as was much of Kansas, not only for the purpose of taking advantage of free available land, but also for the political purpose of influencing the vote on the slavery issue. Anti-slavery organizations in the eastern states were alarmed by the pro-slavery influence of Missouri in the midwest. These organizations provided financial assistance and protection through Indian lands to encourage settlers with "good moral values" to move to Kansas.

In 1855, the New England Emigrant Aid Society brought the first colony to Riley County. These settlers founded the Town of Poleska, located in the southwest part of the present city limits of Manhattan. Later in that same year, two other settlements were established. Canton was located at the mouth of the Blue River by the Canton Company and the Boston Company founded the community of Boston between Polaska and Canton. These three communities merged and the new town was named Boston. In June of 1855, a fourth group of settlers, bound for western Kansas, joined with the Boston community rather than continue their journey west. To comply with a condition of their New York investors, the name of the settlement was changed to Manhattan. The political incorporation was completed in 1857.

The influences left by these original settlers is still in evidence today, both socially and physically. Socially, the effects of settlement are apparent in the conservative, religious, temperate attitude and values of the population.

Physically, the effects are more obvious. For example, it was the original settlers who, when organizing their new town, decided to arrange the streets in a gridiron pattern. Another example was the decision to have side streets 60 feet across in most instances and 100 feet across for every seventh street or avenue. These patterns remain today and effected several aspects of the downtown redevelopment process.

Demographic Profile

The City of Manhattan has, since 1950, experienced an increase in population. The rate of increase was approximately 20 percent per decade. The market area, which is considered to include Riley County and eleven neighboring counties, has also increased in population since 1950. The rate of growth in the market area was between 2 and 2.5 percent until 1970 after which the growth was estimated to be at a rate of 5.6 percent. (See Plate 4)

The most heavily populated county within the market area is Riley County with an estimated 1977 population of 64,512. Of that number, 27,575, or 43 percent, live in Manhattan. In addition, approximately 8,433, or 12.5 percent, of the County's residents are military personnel associated with Fort Riley Army Base in adjacent Geary County and another 21 percent, or 5,786 persons, are students at Kansas State University and who live in the City.

A variety of methods have been used in the past to estimate the population of Manhattan and its market area. All indicate a net increase in both. However, the most reliable assumes growth will continue at a decreasing rate. (Manhattan, 1978)

In general, the median age characteristics of Manhattan's market area is increasing. This is probably due to two factors:

- 1) the increased level of immigration of younger people from rural areas to urbanized and semi-urbanized areas; and
- 2) the increased immigration of retirement-aged persons into the State of Kansas.

The City of Manhattan and Riley County, however, have median ages lower than that of the market area and that trend is expected to continue because of the influence of Kansas State University students and Fort Riley personnel on the City's population.

Economic Profile

Because of the influences of Kansas State University and Fort Riley, the fact that Manhattan is the county seat, and the realities of maintaining its own city government, it is no surprise that 56 percent of the persons employed in Manhattan are involved with either Public Administration or Services. (See Plate 4) However, these are nonbasic economic activities.

The outstanding basic activity is retailing. Eighteen percent of the employed population is involved with the retail industry. However, it has been known that, even though retailing commands an important position in the City's and area's economy,

"retail sales per capita...are only slightly more than one-half of the state-wide average. This indicates that a large amount of retail spending by residents... takes place in other counties... These presently lost sales could provide an opportunity for the expansion of retail facilities in Manhattan."

(Yes...Downtown Manhattan, p.IV-9)

It is also believed that the per capita and household incomes of residents within the Manhattan market area will continue to increase as it has in the past. The average per capita income is lower in Riley County than almost all of the other counties in the market area. This is attributed to the effect of students at Kansas State University as well as the military personnel at Fort Riley on the economy. Even though this is the case, the data indicates growth in the income figures for Riley County which is equal to or greater than any of the other counties in the market area. This trend is also expected to continue.

There are five major retailing areas in Manhattan. (See Plate 5) These are:

- * The Central Business District;
- * Aggieville;
- * Westloop Shopping Center;
- * Village Plaza Shopping Center; and
- * Walmart/K-Mart Shopping Centers.

	1950						1960						1970					
	TOTAL		MALE		FEMALE		TOTAL		MALE		FEMALE		TOTAL		MALE		FEMALE	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Agriculture	115	2.0	108	1.8	7	0.1	235	3.0	231	3.0	4	0.1	353	3.0	312	2.8	41	0.4
Mining	14	.02	14	0.2	0	0	20	0.3	20	0.3	0	0	11	0.1	11	0.1	0	0
Construction	412	7.0	402	6.7	10	0.2	563	7.0	555	7.1	8	0.1	629	6.0	624	5.6	5	0.1
Manufacturing	241	4.0	188	3.1	53	0.9	334	4.0	258	3.3	76	1.0	487	4.0	354	3.2	133	1.2
Transportation	307	5.0	237	4.0	70	1.2	289	4.0	242	3.1	47	.6	477	4.0	338	3.0	139	1.2
Wholesale	233	4.0	176	2.9	57	1.0	224	3.0	211	2.7	13	.2	400	4.0	278	2.5	122	1.1
Retail	1043	17.0	822	13.7	521	8.7	1467	19.0	465	12.4	502	6.4	2025	18.0	1211	10.9	814	7.3
Finance	293	5.0	166	2.8	127	2.1	462	6.0	285	3.7	177	2.3	546	5.0	331	3.0	215	1.9
Services	2810	47.0	1506	25.1	1304	21.8	3694	47.0	1949	25.0	1745	22.4	5549	50.0	2849	25.6	270	24.3
Pub. Adm.	526	9.0	368	6.1	158	2.6	510	7.0	355	4.6	155	2.0	644	6.0	441	4.0	203	1.8
	5994	--	3987	66.5	2307	33.5	7798	--	5071	65.0	2727	35.0	11121	--	6749	60.7	4372	39.3

SOURCE: U.S. BUREAU OF CENSUS

PLATE 4
MANHATTAN EMPLOYMENT

MANHATTAN KANSAS

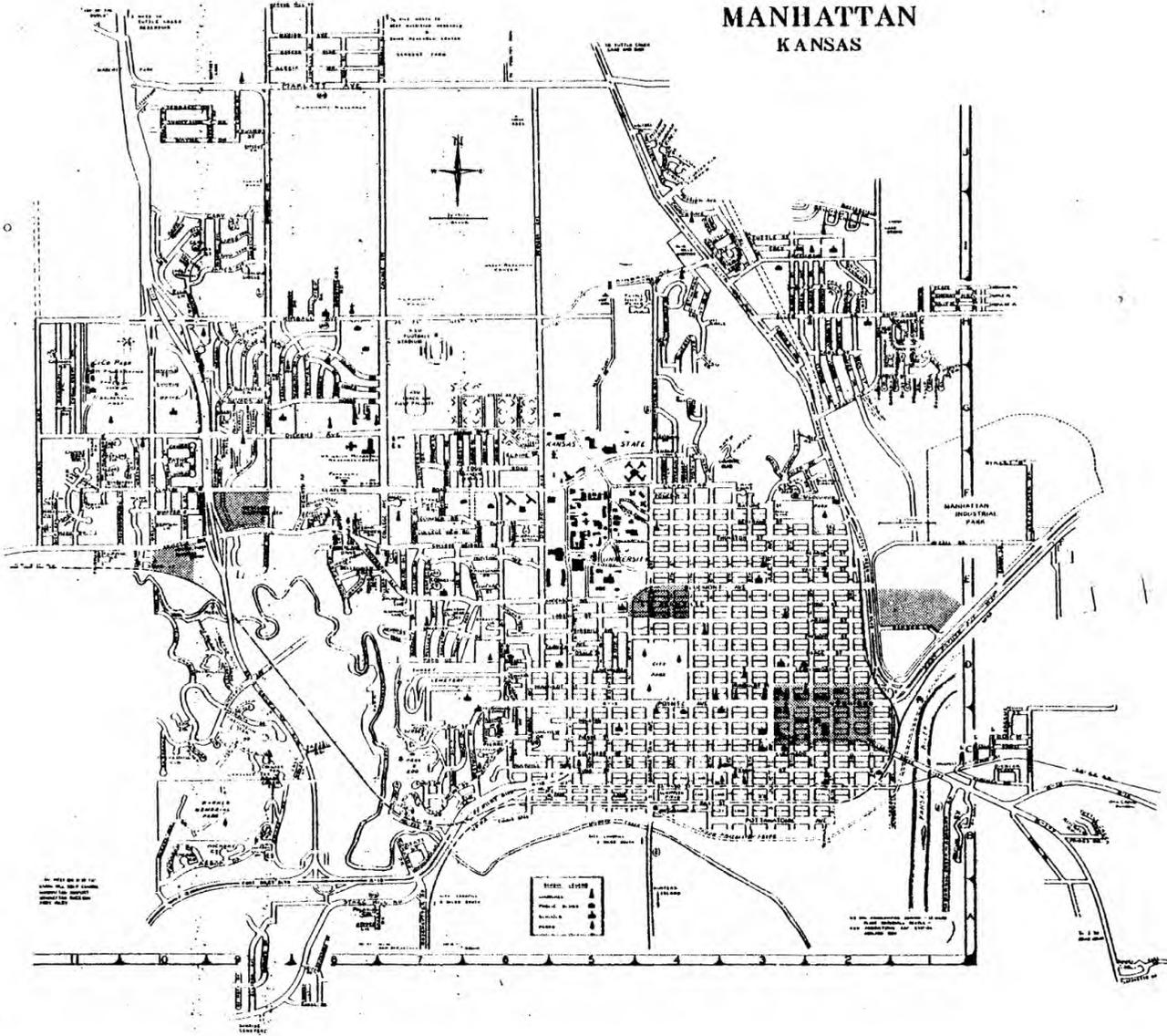


PLATE 5

MAJOR COMMERCIAL CENTERS

In addition, the City of Topeka is believed to supplement the retailing needs of shoppers in the Manhattan market area.

The CBD is zoned C-4 Central Business District. It is the only district in the city so zoned. It provides a total retail space inventory of 208,050 square feet. A summary of that space is given in Plate 6. According to the Feasibility Study completed for the City, "(d)owntown Manhattan is presently not a particularly pleasant place for shoppers," nor does it "adequately fulfill its role as the social and economic center of Manhattan." (Yes, p.IV-4) That same study did, however, note that "the downtown continues to be considered a focal point of the nonuniversity part of the community. It has a diversity of uses...some key facilities and a concentration of retail shopping facilities." (Yes, p.IV-5)

Aggieville is a C-3 General Business District. This is a district designed to provide a relatively broad range of retail shopping facilities. It consists primarily of specialty shops and activities which most directly serve the student population. The activities are predominately clothing stores, gift shops, books and stationery shops, movie theaters and eating and drinking establishments. (See Plate 7)

Westloop Shopping Center, the Walmart/K-Mart Shopping Centers and Village Plaza Shopping Center are all Neighborhood Shopping Centers. They are designed to permit areas of convenience shopping facilities which are located to serve one or more residential neighborhoods. Each of these centers is anchored by a grocery store, and all, with the exception of Westloop, also contain a discount department store. In addition, there are several specialty shops associated with the centers. The data for each of these centers is summarized in Plates 8 and 9.

The Groups Involved

Most citizen input related to the downtown redevelopment process was given as statements from various community organizations. Until late 1981, there was nothing which even resembled organized opposition to the project. Because of this fact and because the opposition organization which did emerge was not in direct opposition to the project and has had no direct effect on the process or project, the organization of those opposed to the project will be discussed in the Chapter 5 Analysis. This section will, however, give an overview of the several most important community organizations which supported the project.

There were several groups of citizens which, since the beginning of the process, supported the downtown redevelopment effort. The Downtown Redevelopment Advisory Board (D.R.A.B.) offered aid and advise on a regular basis. Other groups were vocal in their support at public hearings or offered a nongovernmental source of information regarding various aspects of the project. These were the Older Manhattan Neighborhood Association (OMNA) and the League of Women Voters. Finally, was the source of support in the form of technical assistance and professional expertise which was offered by the College of Architecture and Design at Kansas State University.

<u>Retail Store Category</u>	<u>Square Feet</u>	<u>Total Square Feet</u>
General Merchandise		82,800
Department Stores	56,050	
Other General Merchandise	26,750	
Apparel and Accessory		31,000
Women's Apparel	17,700	
Men's Apparel	2,500	
Family Apparel	1,500	
Shoe Stores	6,150	
Other Apparel	3,150	
Furniture and Home Furnishings		17,500
Hardware Stores		14,600
Miscellaneous Shopping Goods Stores		33,150
Sporting Goods	1,700	
Books and Stationery	9,400	
Camera, Photo Supplies	1,750	
Jewelry	8,800	
Gift Shops	5,500	
Other Miscellaneous Stores	6,000	
Movie Theaters		7,500
Eating and Drinking		6,450
Convenience Goods Stores		14,000
Food	4,500	
Drug	8,700	
Other	800	
Miscellaneous Services		1,000
Total Retail Space Inventory		208,050

*For purposes of this table, the boundaries of downtown Manhattan's retail area were Humboldt Street on the north, Pierre Street on the south, Fifth Street on the west, and Second Street on the east.

PLATE 6

RETAIL SPACE DOWNTOWN MANHATTAN

<u>Retail Store Category</u>	<u>Square Feet</u>	<u>Total Square Feet</u>
General Merchandise		
Department Stores		
Other General Merchandise		
Apparel and Accessory		14,400
Women's Apparel	8,800	
Men's Apparel	1,700	
Family Apparel	3,000	
Shoe Stores	900	
Furniture and Home Furnishings		6,900
Hardware Stores		
Miscellaneous Shopping Goods Stores		23,000
Sporting Goods	6,400	
Books and Stationery	9,700	
Camera, Photo Supplies		
Jewelry		
Gift Shops	5,850	
Other Miscellaneous Stores	1,050	
Movie Theaters		5,000
Eating and Drinking		25,350
Convenience Goods Stores		1,250
Food		
Drug		
Other	1,250	
Miscellaneous Services		6,250
Total Retail Space Inventory		82,150

PLATE 7

RETAIL SPACE AGGIEVILLE AREA MANHATTAN

<u>Retail Store Category</u>	<u>Square Feet</u>	<u>Total Square Feet</u>
General Merchandise		6,400
Department Stores		
Other General Merchandise	6,400	
Apparel and Accessory		16,600
Women's Apparel		
Men's Apparel		
Family Apparel	16,600	
Shoe Stores		
Other Apparel		
Furniture and Home Furnishings		32,600
Miscellaneous Shopping Goods Stores		4,000
Sporting Goods		
Books and Stationery		
Camera, Photo Supplies	1,200	
Jewelry		
Gift Shops	2,800	
Other Miscellaneous Stores		
Movie Theaters		9,700
Eating and Drinking		14,250
Convenience Goods Stores		27,200
Food	21,600	
Drug	4,400	
Other	1,200	
Miscellaneous Services		24,300
Total Retail Space Inventory		135,050

PLATE 8

RETAIL SPACE WESTLOOP SHOPPING CENTER

<u>Retail Store Category</u>	<u>Square Feet</u>	<u>Total Square Feet</u>
General Merchandise		130,000
Department Stores		
Other General Merchandise	130,000	
Apparel and Accessory		
Women's Apparel		
Men's Apparel		
Family Apparel		
Shoe Stores		
Other Apparel		
Furniture and Home Furnishings		5,000
Hardware Stores	5,000	
Miscellaneous Shopping Goods Stores		
Sporting Goods		
Books and Stationery		
Camera, Photo Supplies		
Jewelry		
Gift Shops		
Other Miscellaneous Stores		
Movie Theaters		
Eating and Drinking		2,500
Convenience Goods Stores		23,700
Food	22,500	
Drug		
Other	2,200	
Miscellaneous Services		
Total Retail Space Inventory		161,200

PLATE 9

RETAIL SPACE WALMART/K-MART

The Downtown Redevelopment Advisory Board was established in November of 1979. This was merely a reorganization of the already existing Downtown Redevelopment Committee (DRC). The DRC had been created by the City Commission. In 1979, after the Commission had selected a developer, it revised the purpose and responsibilities of the group and renamed it. The new responsibilities included:

- * acting in an advisory capacity to the City Commission, City staff and the designated developer by reviewing, commenting and advising on projects and proposals which affected the redevelopment of the CBD; and
- * acting as a mechanism for informing the community of the plans and process of the downtown redevelopment and representing the interests of the entire community.

The DRAB was made up of nine voting members appointed by the Mayor, plus a nonvoting member designated by the Commission to act as a staff consultant and liaison between the Commission and the Board. That person was a staff member who later became the Downtown Redevelopment Coordinator.

Older Manhattan Neighborhood Association was also a constant source of support since the beginning of the redevelopment process. OMNA is an organization "dedicated to the preservation and strengthening of older neighborhoods" in Manhattan. It is a voluntary, nonpartisan community organization. Their interest in the redevelopment projects is based on the thinking that "the older neighborhood which now is most threatened is our own downtown." (Manhattan Mercury, April 13, 1981) OMNA's role was, simply, as an independent, self-appointed public information organization. Between 1977 and 1981, OMNA held five meetings, open to the public to consider various issues related to the project. In addition, the organization would, in its monthly newsletter, describe aspects of the project, comment on the issues and inform the reader of hearing dates and locations. The newsletter was mailed to every household in the City's target area as described in Manhattan's Community Development Block Grant (CDBG) application and any other member. The organization also had representatives speak at most public hearings in favor of various aspects of the project.

Another organization which was in favor of the redevelopment project was the League of Women Voters of Manhattan-Riley County. Their position of support was adopted in 1977. This position was reached after consensus had been reached by its membership. The League is a nonpartisan organization. It is dedicated to the participation in governmental and community of an informed citizenry. To accomplish this goal, the League had available, particularly during elections, information related to all aspects of the project. It wrote letters of support for grant applications made by the City and to the local newspaper. It had representatives speak in favor of various aspects of the project. Like OMNA, it organized a Candidate's Forum during the 1981 City Commission election campaign where all candidates responded to a variety of issues, including the Downtown Redevelopment Project.

Finally, Kansas State University offered several resources which aided the City in developing and implementing various aspects of its plan. Since 1971, faculty in the school's College of Architecture and Design have been consul-

tants and collaborators through many aspects of the project. It was the director of the Department of Regional and Community Planning (RCP), Vernon Deines, who sparked efforts in 1971 for the City to add a full-time planner to its staff. Two other professors in that department, Ray Weisenburger and Claude A. Keithley, were consultants during the 1971-1972 John's Tract rezoning requests. The former served the opponents of the request; the latter served the proponents. Later, in 1981, Professor Keithley along with another RCP professor, Clarence Johnson, were hired by the City as technical consultants to assist in the completion of Manhattan's Urban Development Action Grant application.

In addition to these persons, several others from KSU offered services. Bernd Foerster, Dean of the College of Architecture and Design, became openly involved with the project in 1976 when he would speak at public hearings in opposition to developments which would not be in concert with the community's design or values. Later, in 1979, he became the first chairman of DRAB and expressed his support from that perspective. Other architecture professors, Richard Forsyth and Richard Wagner, were involved in applying for a Design Demonstration Grant from the National Endowment for the Arts which was the focal point of one of the several approaches which made up the redevelopment project.

The People Involved

Although most efforts were offered by various groups, the redevelopment process was also guided and influenced by the work of several individuals. In fact, without the contributions of these people, the project could not have been as comprehensive or complex as the one finally agreed upon. Each of these individuals will be introduced and the role of each described in this section. They are: Gary Stith, Manhattan's Chief Planner and Downtown Redevelopment Coordinator; M. Don Harmon, Manhattan's City Manager; Jud Allen, of Trkla, Pettigrew, Allen, and Payne in Chicago who was the City's financial consultant; and several City Commissioners.

The person most responsible for the progress and integration of the downtown redevelopment process was Gary Stith. Gary came to Manhattan in November of 1976 as the City's second Chief Planner. This was only three months after the City Commission decision regarding the SBL requests for rezoning the "John's" tract. It was primarily due to his efforts that the downtown redevelopment was given direction and momentum.

Gary came to Manhattan after working for 1½ years as a Senior Planner in Wheatland, Wyoming, in a multi-jurisdictional planning agency. Prior to working in Wyoming, he had been a City Planner in Barquisimeto, Venezuela, with the Peace Corps. His background included a broad range of planning tasks with an emphasis in citizen participation. For example, while in Wyoming he established the County Parks and Recreation Board and the Health Services Coordinating Council as well as administering the usual tasks encountered in county planning.

The planning staff which had been serving the City since the early 1970's was apparently not inclined toward self-motivation or innovation. In fact, while

researching this report, no mention of any activities was found regarding the Manhattan planning staff. Professional planning input was, however, offered by the Director of the Regional Planning Council, also located in Manhattan. The City planning function was, apparently, a bureaucratic exercise until Gary came to Manhattan. When the governing bodies insisted progress be made regarding downtown redevelopment, it was because of his insight and through his recommendations that a direction was taken. He knew what process would be required to realistically create a project, what resources the community had to offer, and how to fill the gap between what was available and what was needed.

In December of 1979, his responsibilities were expanded when, in addition to being Chief Planner, Gary became Manhattan's Downtown Redevelopment Coordinator. In that role, he was expected to:

- * coordinate City activities with the developer;
- * represent the City's interest in dealing with the developer;
- * act as staff to the Downtown Redevelopment Advisory Board;
- * coordinate staff efforts under the City Manager's supervision;
- * be responsible for development of the City's Redevelopment Program
 - financing
 - physical design and public improvements
 - management of program;
- * act as liaison with Downtown, Inc.;
- * act as an Ombudsman for downtown;
- * maintain a good working relationship with downtown property owners and merchants.

Gary's efforts, however, would have been impossible to implement unless the City administration was receptive to his ideas and was willing and able to implement them. In May of 1978, Manhattan hired a new City Manager who would be receptive and able to facilitate the procedures necessary. In fact, he had been involved in implementing downtown revitalizations previously in his career.

M. Don Harmon came to Manhattan from Council Bluffs, Iowa, where he had been the City Manager for 10 years. He was described as being "a 27-year veteran of city administration (with) a particular background in downtown redevelopment." (Manhattan Mercury, May 4, 1978) In fact, his involvement in downtown redevelopment had been a major factor in his selection. He had been involved in the process in three of the cities he had worked in: Boulder, Colorado; Joplin, Missouri; and Council Bluffs. More specifically, "(a)mong his major accomplishments at Council Bluffs included construction of a new downtown all-weather shopping mall."

The experience and abilities of Mr. Harmon combined with those of Gary Stith created a partnership which paved the way for the events to come.

The third person whose abilities made development of a reasonable plan possible was Jud Allen. Jud was contracted to serve as the City's financial consultant in 1980. He is one of the principles in the firm of Trkla, Pettigrew,

Allen and Payne in Chicago. He was responsible to a large degree for the brainstorming which led to the development of project components which would meet program needs and which could be realistically financed. For example, it had been as a result of Jud's suggestions that the Southside Development Area was conceived. It was meant to provide a relocation site for many businesses in other parts of the redevelopment area and also to create an area where financing would be locally based in order to balance concerns of local businesses and others who were concerned that too much influence would be granted to "outsiders," such as the Federal government and the major private investor from Ohio, due to the huge investments they would be making.

Finally, mention should be made of several City Commissioners who supported the redevelopment from its beginning and who were able to influence its initiation. Russel Reitz was retired after 36 years with the USDA. He was still locally employed in renovating homes in Manhattan. He had long supported the project. In his 1977 reelection campaign, he indicated that part of the funding "must come from public funds which (he) plan(ned) to support." (Manhattan Mercury, April 1, 1977)

Edward Horne had been the City Attorney from 1972 to 1978. He was aware of the various mechanisms which could be used by the City to "facilitate the redevelopment plan." (Ibid) Gene Klingler is a surgeon. As with Reitz and Horne, Klingler was supportive of the City's use of planning, zoning and other mechanisms to guide the development.

Terry Glasscock was a banker and businessman. He felt that "the redevelopment of the central business district is in the best interests of all Manhattan citizens and (he) strongly support(ed) this effort." (Ibid)

All of these men were on the City Commission through April, 1981. Klingler and Reitz have remained on the Commission to the present. Both Glasscock and Horne chose not to seek reelection. During the 1981 Commission election, each of these persons was involved in what became known in the newspaper as "The Truth Squad." This was a group of private citizens who organized to dispense factual information about the redevelopment process and to answer questions raised by the anti-mall candidates.

Summary

This, then, was the environment in which the redevelopment project was to begin. The City's historical, social, and economic background combined with the efforts of several groups and individuals created the basis from which the community would begin in creating its project. The process which was followed and the project which resulted will be described in the next chapter.

CHAPTER 4

THE PROJECT

YES

Getting Organized

The Project

The Result

CHAPTER 4

THE PROJECT

"We Need A Plan"

-Gary Stith

YES

By 1978 it had become clear to the City Commission and the City staff that steps were needed regarding the conservation of the downtown area. It was evident that the downtown did not effectively meet the commercial needs of the City. Trade was being lost to Topeka, and inadequate facilities, such as poor access and circulation and poor distribution of parking, did not make shopping in the CBD a pleasant experience.

Gary Stith, the Chief Planner for the City, recommended that the Commission hire a consultant to make several determinations. First, was the policy of retaining the CBD as the regional shopping center a viable one? Although the 1969 Land Use Plan had recommended that this be a goal of the City, nothing had been done to implement that policy. Second, the City wanted the consultant to sketch a step-by-step redevelopment plan.

Stith said, "Until we get a plan, the downtown will be floundering until the next shopping center proposal comes along, which may not be too long." (Manhattan Mercury, April 9, 1978) If downtown redevelopment were found to be feasible, it would be necessary to begin urban designs, engineering, programming, and attracting private sector investment. If it were found to be not feasible, it would be necessary to determine a different function for downtown and to serve notice that proposals would be considered for a regional shopping center somewhere else in the City.

On April 11, 1978, the City Commission unanimously approved that \$50,000.00 of Community Development Block Grant funds be earmarked for this plan and authorized the staff to accept proposals. This was two weeks after the decision to turn down the Johns' Tract rezoning request. Mayor Linder said, "I'm convinced that it's now or never for the downtown business district. If the City moves from 1978 to 1979 without any significant action being done on downtown revitalization, 'all will be lost.'" (Manhattan Mercury, April 19, 1978) At a special August 22, 1978, meeting, the Commission selected the Boulder, Colorado, firm, Briscoe, Maphis, Murray and Lamont, to conduct a CBD study as "the first step toward possible redevelopment." (Manhattan Mercury, August 23, 1978) The choice was based on the firm's approach to citizen participation and its experience in economic analysis, design, and implementation.

The consultants held a series of public meetings involving City and County officials as well as members of civic, community and neighborhood organizations. They appealed for public comments and asked that any such comments be sent in care of the City Planning Office. As a result of this input, the major downtown issues were determined to be the:

- * circulation and parking;
- * operation of businesses;
- * image of the downtown; and
- * other miscellaneous concerns.

In addition, through their economic analysis they determined that:

- * the market is in Manhattan and that it was inevitable that a shopping center would locate somewhere in the City;
- * there was a need and a demand for more stores;
- * a cosmetic-type of redevelopment, such as that in Lawrence, Kansas, would not suffice;
- * 10-11 City blocks should be used;
- * some uses or businesses should be relocated;
- * the neighborhoods surrounding the CBD should be protected:
 - "If we are not sensitive, if the community is not sensitive, downtown revitalization can be disastrous for the surrounding neighborhoods."; and
- * one major improvement would be the construction of a southern arterial street -- with or without downtown redevelopment.

Several months later, as their study became more detailed, the consultants recommended that regardless of where the mall would be located or the results of downtown redevelopment, the facilities in the downtown needed to be improved. They also suggested that:

- * a southern arterial street be constructed;
- * several specific uses and businesses be relocated;
- * there be improvements made on the bridge;
- * the parking lots be improved;
- * a hotel/conference center be considered, especially if a shopping center were built;
- * the Wareham Hotel be revitalized;
- * Poyntz Avenue be improved;
- * A visual and functional connection be made between Poyntz and the Kansas River.

Finally, in April, they suggested a specific project which they felt would best meet Manhattan's needs. This was to close off the east end of Poyntz for an indoor mall. They continued that a developer may be hired and prefer a different approach. A mall project would require construction of the southern arterial. They suggested a project which would involve approximately 20 acres, three major department stores, and a total of 500,000 square feet of retail space. Also encouraged was pursuit of a conference center. In addition, several themes were stressed which had been determined as a result of surveys, such as:

- * to retain the character of the local community as much as possible;

- * that the project was "economically feasible, socially highly desirable, physically possible and historically appropriate;
- * to provide pedestrian walkways;
- * that a variety of uses be considered, including entertainment, athletic clubs, recreation or arts center or a farmers' market;
- * that a link be reestablished with the Kansas River; and that historic buildings be rehabilitated.

Also encouraged in the plan was the notion that "the importance of private investments and the needs of the development industry" be recognized and that opportunity be provided for public and private joint development efforts.

Public opinion at this time was favorable. In an April 24 survey conducted by the Manhattan Mercury found that six of eight businesses in the CBD supported the redevelopment concept. Relocation, however, was a concern. In a telephone survey, reported on April 29, the newspaper asked the following question:

"Do you support constructing a shopping mall somewhere within the 100 and 400 blocks of Poyntz in downtown Manhattan?"

The results were that 65% of those responding were in favor of such a project. The dominant concern of the 32% who opposed the idea was costs. On April 27, 1979, editorial stated that there was a public recognition that the benefits of downtown redevelopment would be worth the costs. The Chamber of Commerce announced its support early in May of 1979.

In June, 1979, the consultants completed their written report and plan for Manhattan. It was entitled "Yes! Downtown Manhattan; Manhattan, Kansas, Downtown Redevelopment Plan." It came to be referred to as the Yes Plan.

Getting Organized

Based on the Yes Plan the Governing Body decided to go ahead and plan for a downtown redevelopment which would include rehabilitation of some existing structures and construction of an enclosed shopping mall. The Commission's next effort was three-fold:

- * to choose a developer;
- * to appoint a community advisory group; and
- * to choose a downtown redevelopment coordinator.

The day after the consultants presented their final report to the Commission, four of eight developers were interviewed. The remaining four were interviewed within two weeks. Of those eight, the field was narrowed to four and then to two. Visits were made to projects developed by each of the two finalists. Matt Truell, a reporter for the Manhattan Mercury, went on this trip with the City representatives and wrote in a positive editorial saying, "A facelift for downtown Manhattan...seems to have reached the point of inevitability." (Manhattan Mercury, September 23, 1979)

At their October 2, 1979, meeting, the Commission chose as the redeveloper Forest City Rental Properties Corp. of Cleveland. The choice was unanimous and was made based on:

- * the organization's size;
- * their level of expertise;
- * their strong financial backing; and
- * the fact that their designated architects, RTKL of Baltimore, had a national reputation and had been involved with downtown projects since the 1940's.

The resolution officially establishing their relationship was adopted on October 16, 1979.

Three weeks later, on November 6, 1979, the Commission adopted a resolution to establish a Downtown Redevelopment Advisory Board. The reason for creating the Board was to assure the Commission had "advise and council of a citizen board." DRAB replaced the Downtown Redevelopment Committee which was dissolved.

The third matter was that of hiring or appointing a Redevelopment Coordinator. This was created to be a temporary contract position. From the beginning it was known that this would be a diverse and demanding job. The Coordinator would be at the center of the entire project. He would be responsible for downtown business relations; would establish non-profit development corporations; he would coordinate information to and from such groups as the Chamber of Commerce, civic organizations, development committees, developers, financial institutions and City government.

The position was also to "assist in conducting community outreach programs and "coordinate various services in support of community improvements and downtown development." It was expected that the person hired would be a graduate in economics, social sciences, planning or communications, but a Master's Degree was preferred.

The person chosen for the job was Gary Stith. He had functioned as the Redevelopment Coordinator as part of his position of Chief Planner. It was a role he would maintain through the entire process in addition to his other duties, including his promotion to the position of Community Development Department Director.

These three components were the sources of information and input to the City Commission. DRAB provided public input and community review of the process; staff provided the management team under the Redevelopment Coordinator; and the developer developed and coordinated design, engineering and financial aspects of the project. (See Plate 10)

The Project

December, 1979 & January, 1980

By December, 1979, the organization had been created and the project could be developed. At the first DRAB meeting on December 12, Stith

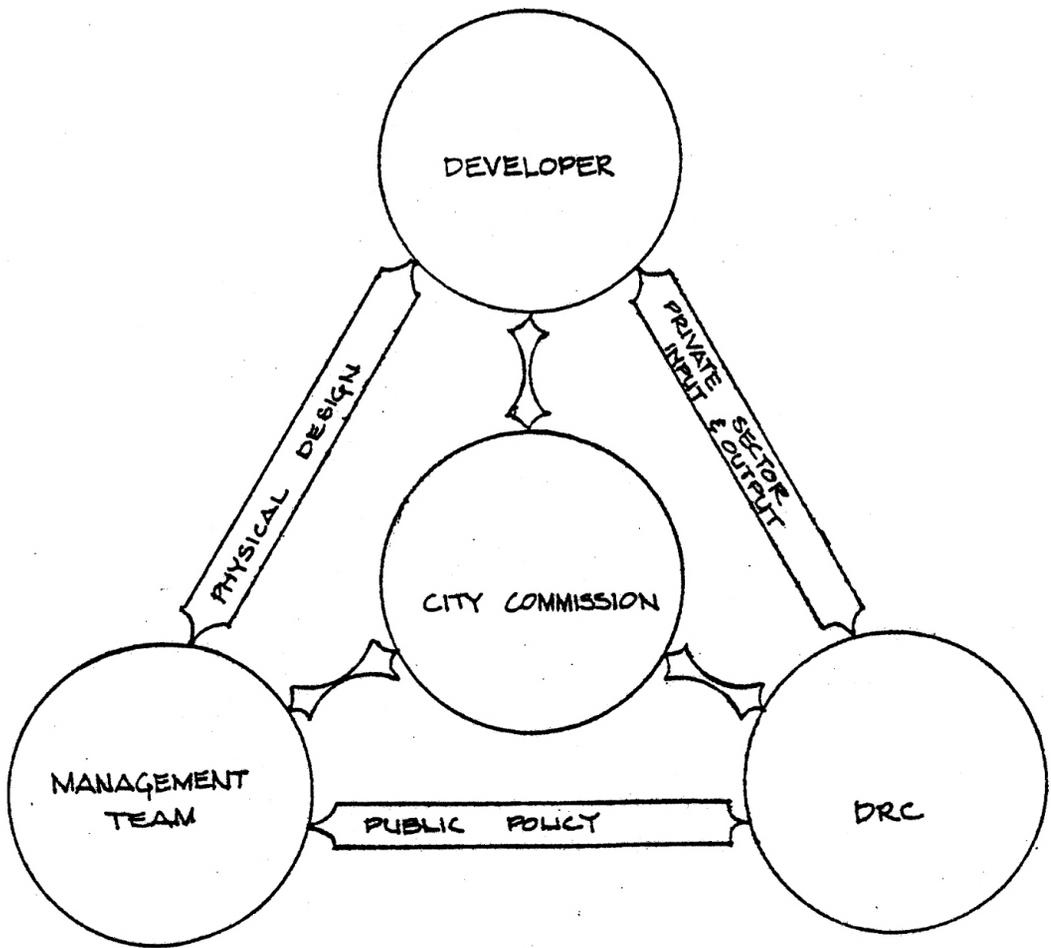


PLATE 10

PROJECT COMPONENTS

"stressed that the downtown redevelopment was for the Central Business District as a whole and would involve the conservation and redevelopment of the entire area, and not just that area directly affected by the mall project. He indicated that the mall was a means to that end of redeveloping the downtown, and was not an end in itself."

(DRAB Minutes, December 12, 1979)

The first major decision would be the selection of a location for the mall project. Details regarding the redevelopment program, especially those dealing with the rehabilitation area, could not be developed until that decision was made. Once the developer had selected a site and staff had reviewed the selection, DRAB would also review the site options. "Timing on this review (was) very important and until the developer feels that a site option and scheme for the development that is functional is developed, he does not want the alternatives to be reviewed in public." (Ibid)

At the outset, there were several activities which needed to be started in the near future. Others were awaiting court decisions regarding the constitutionality of several funding mechanisms which could be incorporated into the project. These elements were:

- * watching for State legislation being proposed by the City of Wichita of commercial improvement districts to finance maintenance enforcement and promotional activities;
- * trying to find funding for a facade improvement program and cosmetic improvements in the downtown area including a possible local development corporation;
- * awaiting a January State Supreme Court decision regarding the constitutionality of the Tax Increment Financing statutes;
- * working with the developer, who had already submitted five of six schemes for City staff to review and who had already contracted to have a market analysis conducted;
- * hiring a financial consultant, beginning with the sending of a scope of services to various potential consultants; and
- * including the programming of downtown improvements in the Capital Improvements Program.

By the end of January, 1980, progress in several areas could be seen. The legislation proposed by Wichita was available in more detail. It

"would allow for a district to be formed by petition of the property owners within the district with assessments being distributed based on a formula adopted as part of that benefit district. The district can be established for maintenance of landscaping, enforcement of traffic and traffic regulations, special security, public promotional activities, any kind of service which would benefit the properties or the businesses in the downtown area which could operate on an annual basis."

In addition, a possible funding source was found which could be used to upgrade, maintain, and conserve the area of the downtown outside the mall. This was a Design Demonstration Grant through the National Endowment for the Arts.

"Stith suggested that it is important that this area be upgraded and stabilized to allow for it to remain in a competitive status with the new mall and to take advantage of the draw the new mall would provide to the downtown area." (DRAB, January 2, 1980)

There were four program areas which could be funded through this grant should it be received. These were:

- * design workshops for community organizations, downtown groups, downtown property owners;
- * facade improvement study;
- * streetscapes -- street furniture, lighting, signage, landscaping, paving to integrate rehab area with new mall. This use of design to physically integrate the two areas is critical to insure that the downtown works as a unit and the entire area is stabilized and redeveloped; and
- * develop public spaces for cultural activities in the downtown area.

City staff, in coordination with KSU faculty, began preparing an application. Also, the State Supreme Court had upheld the Tax Increment Financing statutes. As a result, City staff was going to begin the process necessary to utilize this mechanism as part of the financial package for the redevelopment.

In 1979, the Kansas State Legislature established "a comprehensive law to authorize cities to redevelop blighted 'central business district areas,' to be financed by private developers and by the issuance of city bonds retired by the property tax increment." Simply put, a tax increment district must be defined, and that district must meet six of ten criteria which the State statute calls "blighted conditions." After approval by taxing bodies, here the City Commission, the County Commission and the U.S.D. 383 Board of Education, the valuation of all property within the district would be frozen. Bonds would then be issued based on an estimate of expected improvements. Once redevelopment is complete, the properties will be reassessed and any increase in the taxes collected because of the increased value will be pledged toward repayment of the bonds which financed the initial investment.

In compliance with the statutory requirements, City staff, directed by Gary Stith, prepared a report "to determine whether structural and environmental conditions in the proposed redevelopment project area in the Manhattan Central Business District warrant its designation as a blighted area under the provisions of the Kansas Tax Increment Redevelopment Law...and the Kansas Urban Renewal Law." (Elig Report, p.1) To be eligible for redevelopment under these requirements, the City Commission must find that

1. the area to be redeveloped is a blighted area; and
2. the conservation development or redevelopment of the project area is necessary to promote the general and economic welfare of the City.

According to the statute, an area is considered blighted if the presence of a majority of the following factors impairs or arrests "the sound development and growth of a municipality or constitutes an economic or social liability or is a menace to the public health, safety, morals, or welfare in its present condition and use:

1. a substantial number of deteriorated or deteriorating structures;
2. predominance of defective or inadequate street layout;
3. unsanitary or unsafe conditions;
4. deterioration of site improvements;
5. diversity of ownership;
6. tax or special assessment delinquency exceeding the fair value of the land;
7. defective or unusual conditions of title;
8. improper subdivision or obsolete platting or land uses;
9. the existence of conditions which endanger life or property by fire and other causes;
10. conditions which create economic obsolescences."

The developer, represented by Mel Roebuck, and RTKL, had continued working on various layouts and designs bringing the total number of schemes reviewed by staff to thirteen. None could, however, be considered final until the Marketing Analysis and a traffic study had been completed.

Procedures also continued on the review of financial consultants.

February & March, 1980

In the next two months several developments further added to the complexity of the process. One of those was the suggestion made by the City Manager that City Hall be converted to provide a recreational center and other kinds of community activities. It would have been necessary to include the project in the downtown effort as the Community Development Block Grant funds had been cut back. It would also require the development of a financial mechanism for developing a City-County office in the downtown area which would consolidate facilities without affecting function.

"Stith reminded the Board of the considerations of Ron Straka in the Downtown Redevelopment Plan indicated that a generator to anchor the west end of the downtown area would be very important to maintain the stability of the retailing area between 3rd Street and 5th Street. Some sort of office development, particularly related to governmental activities, could draw considerable amount of traffic in the downtown area, and would also place more employees in the downtown area, which could support specialty shopping and restaurants in the area of downtown outside the mall." (DRAB, February 13, 1980)

A trip in March to Washington, D.C., included a visit to the Department of Housing and Urban Development. There people who administer the Urban Development Action Grant "'seemed quite interested in our project'" (Manhattan Mercury, March 26, 1980) and encouraged submission of an application.

The public relations and information aspects of the process were considered and initiated at this time. Two items were begun. The possibility of distributing a newsletter was discussed and finally, in May of 1980, the first "Poyntz of Interest" was printed. The City mailed a copy to all property owners and businesses in the downtown area, community organizations, civic leaders, the public library and anyone else who requested being on the mailing list. In addition, the local cable television station had expressed interest in providing 15 minutes twice each week for the discussion of developments in the downtown project. Members of DRAB, the Commission, and staff were encouraged to make themselves available to talk about the redevelopment with service and community organizations.

A lobbying effort was created to support both Wichita's Commercial Improvement District (CID) legislation and a proposed constitutional amendment which would allow for an increased availability of federal monies in Kansas for internal improvements. This second was of particular importance to Manhattan for two reasons. It would allow for more monies to be available for historic preservation and also for the relocation of railroad tracks.

Also, during that time the developer had hired engineering consultants to complete a traffic study. The purpose of the study was to analyze the existing traffic patterns and problems and propose solutions in light of the proposed redevelopment.

April, 1980

As work progressed, additional potential funding sources were discovered. One which was seen as a viable addition to the project was a Visual Arts Grant from the National Endowment for the Arts. A grant application was prepared requesting the maximum amount of Federal dollars, \$50,000.00, to be matched by an equal amount of local resources. The monies would be used to commission a nationally known artist to create a sculpture in the plaza area between the mall and the rehabilitation area.

"The project would be located in the downtown area, focusing on the potentials for an art work in the public plaza which will be developed in the center of the downtown area. The intent is to provide amenities and make the area more attractive and give a sense of focus to the downtown area." (DRAB Minutes, April 16, 1980)

The most dramatic event in April, though, was the public release by Roebuck of some tentative mall designs. In general, there would be three major department stores with other retail shops. It was to be approximately 410,000 square feet and would incorporate some existing buildings.

On April 21, the proposed plans were presented for public consideration. They were explained by the developer and architect at a widely advertised open pub-

lic meeting in the City Auditorium. After a presentation by Stith, there was a period of questions and answers. City officials, the developer, and the architect were all available and responded to the extent possible with the information that was available at that time.

The response to the meeting in the newspaper, in both article and editorial, was positive. The proposal was described as "progress." There were, however, some people at the meeting who were not satisfied with the discussion. One could hear comments such as, "He's not answering the question," among those attending the meeting. Such statements were usually from those who operated businesses within the mall site and wanted answers to specific questions on relocation assistance, just compensation and the certainty of the project. Specifics on each of these issues had not been worked out at that point. In fact, it is not possible to have those answers until the plan is final and approved, which to date has yet to be completed.

May, 1980

In May, two plans were completed by staff and considered by the advisory boards and the City Commission. The Tax Increment Financing Eligibility Report was completed and ready for review. Also, a CBD Land Use Element had been prepared as part of the General Land Use Plan.

The findings of the Tax Increment Financing Eligibility Report were that the 15 block study area (See Plate 11) met the requirements for designation as a "blighted area." Two of the criteria, #6 - tax or special assessment delinquency exceeding the fair value of the land, and #8 - defective or unusual conditions of title, were found to be inappropriate. However, the remaining 8 criteria were met. A summary of each of those indicated that:

- * Substantial number of deteriorated or deteriorating structures: Of the 152 buildings in the study area, 6 (4%) are structurally substandard and 100 (66%) are deteriorated to either a minor or major degree.
- * Predominance of defective or inadequate street layout: In general, the Central Business District circulation system is hindered by poor one-way streets, ineffective intersections, inadequate parking, and poor pedestrian movement.
- * Unsanitary or unsafe conditions: Surveys done in 9 of the 15 blocks show that a total of 119 unsanitary and unsafe conditions exist in the area. Of that total, four blocks (16, 19, 25 & 26) display the greatest number of unsafe and unsanitary conditions (85%).
- * Deterioration of site improvements: All 15 blocks in the study area exhibit some degree of deterioration in site improvements. Four blocks which displayed the greatest problems were the 400 block north of Poyntz and the 100, 200 and 300 blocks of Houston Street.
- * Diversity of ownership: The study area contains 152 structures on 146 parcels, which are under 140 separate ownerships. Such a large diversity of ownerships im-

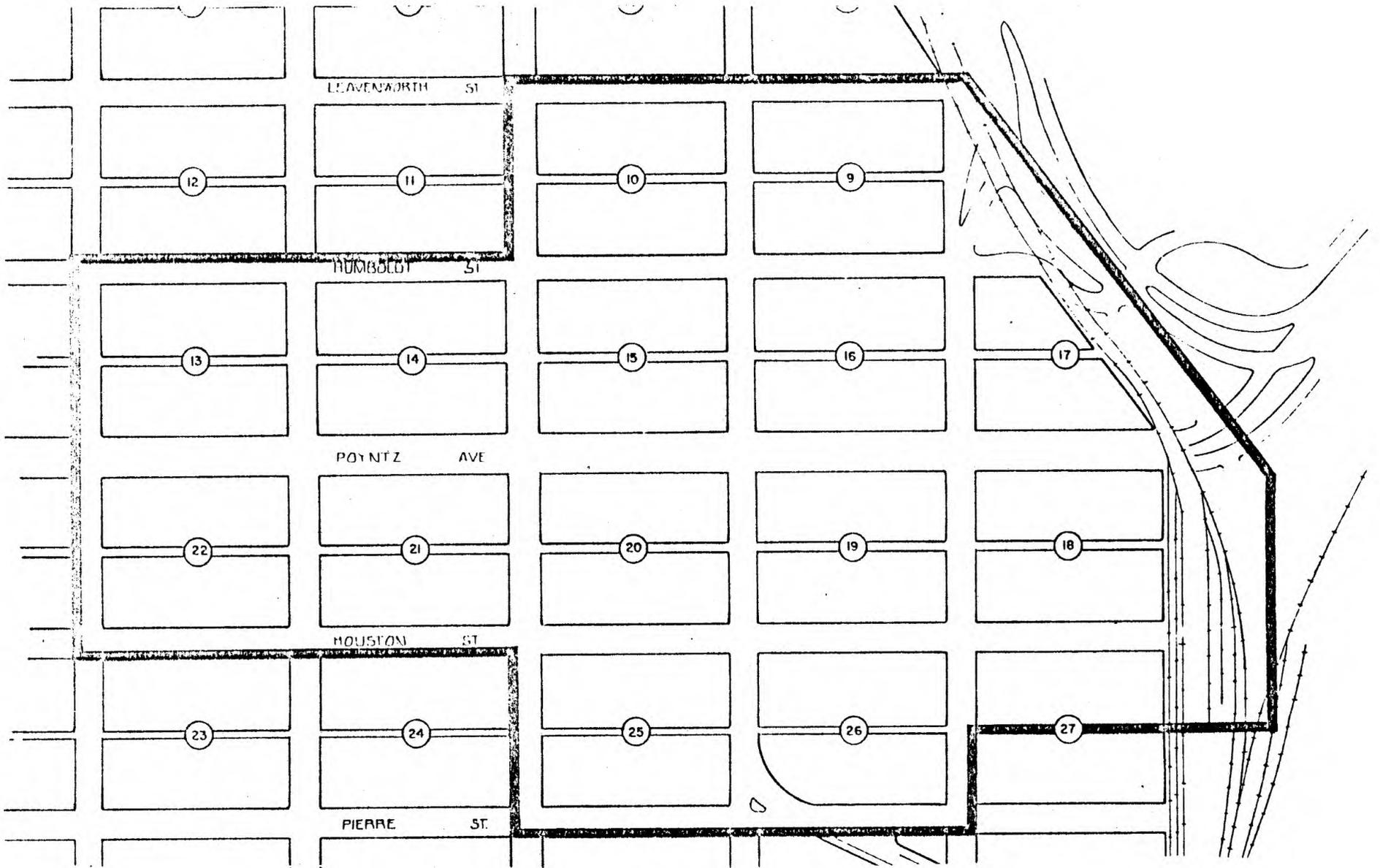


PLATE 11
STUDY AREA

pairs the optimum development of the Central Business District and the City's economic growth.

- * Improper subdivision or obsolete platting or land uses: Of the 15 blocks under study, all but 9 and 13 exhibit conditions of improper subdivision or obsolete platting. Nonconforming and incompatible uses can be found on every block in the study area.
- * Existence of conditions which endanger life or property by fire and other causes: In the nine block area surveyed, all had buildings with designs which would promote the spread of fire, four had buildings with exit violations, and four had buildings with firewall damage.
- * Conditions which create economic obsolescence: The Central Business District is not meeting the needs of the regional market. Existing retailing facilities are inadequate and obsolete. Parking and pedestrian circulation do not meet the shopper's needs. This results in the loss of retail sales, sales tax revenues, jobs, and economic activity to the Manhattan community. Property values in the Central Business District have declined indicating economic obsolescence and a loss of tax base.

In addition, it was necessary to prepare a Redevelopment Plan to qualify for TIF. The Planning Board was to determine that plans conformance to the Comprehensive General Plan of the City. Because the CBD had not been considered in enough detail in any of the elements of the City's Land Use Plan, it was first necessary to prepare the Central Business District Land Use Element.

The CBD Land Use Element was intended to describe the concepts to assure "the integration of social, aesthetic, environmental, economic, and historical factors" and presented objectives for "promoting, preserving or enhancing those concepts, and planning and urban design considerations." Although the document did provide this information, it was not actually an original work. It was a "cut-and-paste" version of the YES Plan completed by Briscoe, Maphis, Murray and Lemont. Aspects which had not been considered significant or applicable by the staff were eliminated and the remainder compiled into a report.

June & July, 1980

In June a meeting was held to discuss a different aspect of the project. Roebuck, Stith, the City Engineer, the City's Director of Services, and the project architect met with the traffic engineers to consider design criteria of the project as they related to the proposed flow of traffic. Four specific factors were highlighted:

- * facades along 3rd Street where the mall development would face the existing downtown area;
- * use orientation and design of the public plaza area at the east end of Poyntz Avenue;
- * design of the east end mall development; and

- * interface of the mall development with the Farmers Cooperative area.

There was discussion at the June DRAB meeting on the need for an office development in the 500 block of Poyntz Avenue. The justification for this type of project was identical to that of converting City Hall into an office/recreational center which had been previously considered. That project had fallen by the wayside since financial resources could not reasonably be allocated to the project. CDBG funding had been cut and including the project as part of the downtown financial package was not viable because extension of the TIF boundaries to include the building was unreasonable. The lot was five blocks west of the area defined as the CBD.

In July, Roebuck announced that the Market Analysis had been completed. Briefly, it had concluded that there was sufficient untapped market potential in Manhattan to support a shopping mall anchored by three major department stores. Two of these should be "national mass merchandise type chain department stores" and the third "a major Kansas or Missouri department store." In addition, the market would support additional specialty store space 180,000 square feet. The results of the Analysis would be used by the developer to attract department stores to the mall project. Also, more design work had been completed which included some changes as a result of the traffic study. Some of the new designs included the phasing in of a fourth department store.

An application for an Urban Development Action Grant was being prepared by City staff. It was expected to be ready for submission in February, 1981, rather than November, 1980, as had been previously hoped. The setback was because of the lack of commitments from department stores. Those commitments are required for completion of the application.

The UDAG funds would be used to reduce the costs to the City and the developer of developing in the CBD and to create a financial situation for the developer which would be at least as attractive as that which would exist on the urban fringe.

"The necessity for an Urban Development Action Grant or similar federal grant assistance is based on a financial gap caused by development of a regional shopping mall in the Central Business District. Development costs would naturally be lower for the developer if construction takes place on a suburban site. Central Business District development will require the public and private participants to incur extra costs in the area of acquisition, relocation of businesses and residents and demolition of structures. Relocation and/or construction of new public facilities such as water mains, storm sewers and streets are costs associated with development at any site, but are more complicated and usually more expensive in a Central Business District project. All of these factors necessitate the receipt of a UDAG to complete the proposed project.

The specific uses and amount of funds requested are detailed in Part II, Section B.7.a. General activities and amounts are as follows:

Acquisition	\$ 6.902 million
Relocation	.691 million
Demolition	.300 million
Union Pacific Railroad Yard Relocation	3.000 million
Administration	.407 million
Contingencies	<u>.200 million</u>
 TOTAL	 \$ 11.500 million

This \$11.5 million is the gap caused by extra costs of Central Business District redevelopment."
(UDAG Application, P.II-91)

August & September, 1980

The rest of the summer was spent in continuing several processes that were already underway. The Eligibility Report for Tax Increment Financing was sent to the County Commission and the School District for their review. In September, the City Commission adopted a resolution of Tax Increment Financing Eligibility.

An office space study and a market study had begun to determine the feasibility of an office development in the 500 block of Poyntz. After receiving recoverable analyses from both, staff prepared an Office Complex Development Brochure to solicit developers "who might wish to invest in an office complex development." The objectives of the development as stated in the brochure were:

1. Office space in this location would bring more employees and shoppers into the downtown area during the day.
2. Creation of more parking space for overflow of commercial activities.
3. Creation of a visual anchor on the west end of the downtown district.

The transportation study was also completed during this time.

DRAB decided that it needed to get more information to the whole community. The newsletter, "Poyntz of Interest," was sent only to downtown businesses and on request. Broadening the base of public information was necessary. Concrete suggestions, however, were not developed.

Also related to public information, staff said it had completed a brochure which would be followed in the event of business and residential displacement in the course of redevelopment.

October & November, 1980

In October, public meetings were held to give information and to receive input on two matters. Two meetings were held regarding the Southern Arterial. This arterial was originally considered to be the best method of improving access

into the CBD in the 1969 Land Use Plan and was part of the City's general neighborhood renewal plan under the Urban Renewal Program. This was to be a four-lane arterial street across the south side of the City along the Rock Island Railroad Right-of-way between Fort Riley Boulevard on the west and the viaduct on the east. (See Plate 12)

The YES Plan had indicated that such an arterial be constructed whether or not the downtown were redeveloped. Eventually, once the process had begun, it became clear that major department stores would consider commitment to the project only if the arterial would become a reality.

The Southern Arterial was incorporated as an aspect of the redevelopment process through its inclusion in the Downtown Redevelopment Plan, the Central Business District Plan and the City's Capital Improvements Program. Its construction would involve the relocation of Union Pacific tracks and the Marshalling Yards.

Location of funds was the major stumbling block. Federal sources were not available. State funds were limited to maintenance and did not include new construction. Local funding would have required, because of Commission promises, a referendum and the likelihood of its passage was uncertain. Manhattanites wanted as much as possible without spending any local revenue. Eventually, the costs of construction of the arterial were included in the UDAG request.

Another meeting considered the relocation assistance which would be available to businesses and residents should the redevelopment force their moving. The meeting was open to the public but specifically for those businesses and property owners which might be relocated as a part of the redevelopment. The purpose of the meeting was to discuss in general the assistance which would be required by federal regulations.

Also during this time, the City hired Warren Butler as a UDAG consultant. Butler, who had his office in Washington, D.C., had been a U.S. Department of Housing and Urban Development official during President Nixon's administration. It was expected that with the election of another Republican President, he would again be an effective inside source of advise and information. More importantly, at the time Butler was employed by approximately 10 cities, including Kansas City, with UDAG projects.

December, 1980 & January, 1981

In December of 1980 it was announced that work would begin on the Downtown Design Project in February, 1982. It was to be funded through the NEA Design Demonstration Grant which had been approved. The project area (See Plate 13) included approximately 10 blocks. Emphasis would be along Poyntz Avenue between Third Street and Juliette Avenue.

Tom Keohan, a KSU student in architecture, was selected as the project manager. Two assistants, a part-time draftsman and he would be responsible for accomplishing the program objectives. Together they would be supervised by Stith, Richard Wagner, Professor of Architecture, KSU, and Richard Forsyth, Professor of Landscape Architecture, Kansas State University.

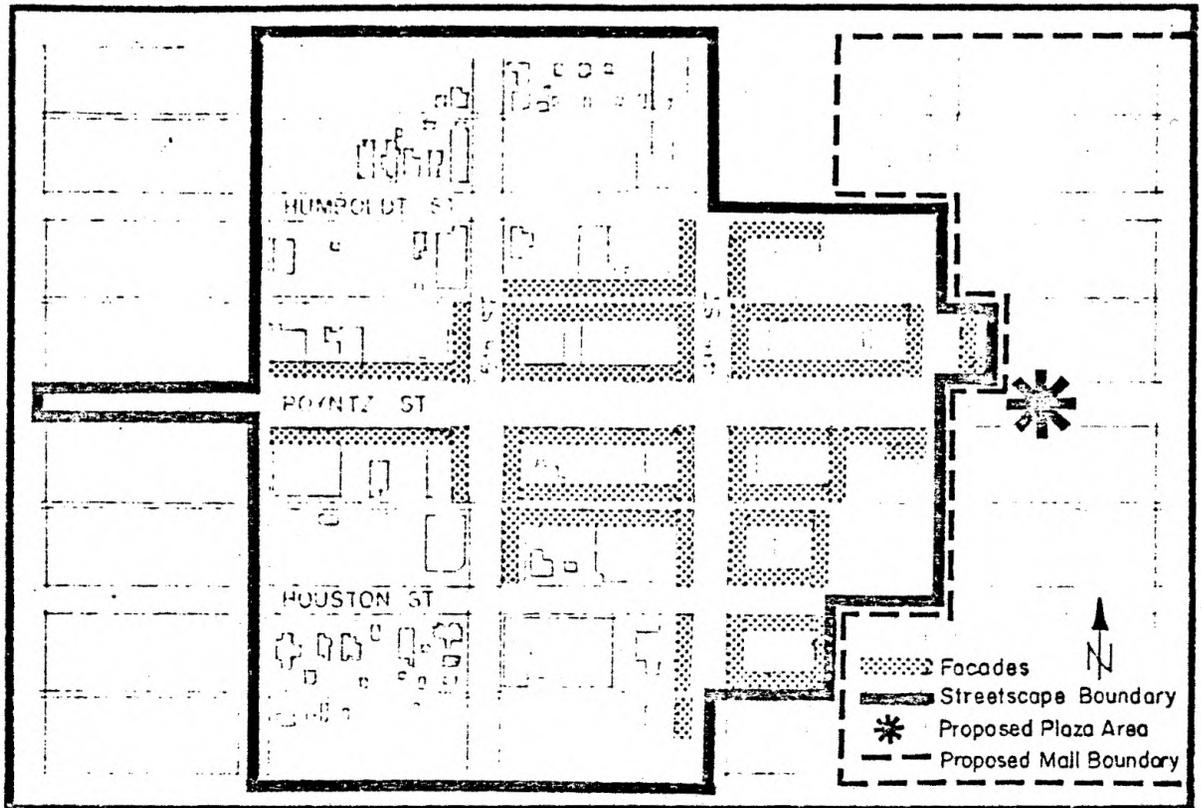


PLATE 13
 PROJECT AREA

The grant was designed to accomplish several objectives and guidelines outlined in Manhattan's Downtown Redevelopment Plan. The three elements to be addressed were:

- * streetscape design;
- * a plan for cultural activities in centers; and
- * a Facade Improvement Study.

There were six program objectives which would be met through these design elements. These were:

- * to promote the understanding of Poyntz Avenue as the "Main Street" for Manhattan;
- * to encourage the revitalization of the buildings along Poyntz Avenue;
- * to develop an environment which invites and encourages both spontaneous and planned cultural and recreational opportunities;
- * to promote the "pedestrianization" of Poyntz Avenue;
- * to conserve, restore and revitalize the historical character of the buildings along Poyntz Avenue;
- and
- * to provide an opportunity for public and private joint development efforts.

Also in December, the Manhattan Arts Council waged a fund raising drive. \$50,000 would be needed to match \$50,000 requested on an NEA Arts in Public Places grant. Although the drive raised more than enough funds, the grant was eventually denied by the NEA. The reason for the denial was that there could be no project unless the mall project became a reality; that is until and unless that aspect of redevelopment was certain.

Spring, 1981

In February, the Southside Redevelopment Plan was adopted as part of the CBD Land Use Element Plan. The purpose of the plan was to provide the necessary guidelines, framework, and opportunity for redevelopment of an area south of the core of the CBD "to accommodate existing desirable land uses and activities, uses that will be relocated from the proposed mall area, and other uses and activities that recognize investment opportunities in the area." (CBD - Southside Redevelopment Plan) The major impetus for the plan was to provide space for relocation of desirable businesses and to take advantage of investment opportunities brought about by better access to be provided by the Southern Arterial.

The objectives of the plan were:

1. To identify those land uses most appropriate for the area and encourage consolidation of compatible activities. Maintenance of and provision for expansion to existing businesses should not be discouraged.
2. To provide zoning incentives which will reduce lim-

- iting requirements while encouraging more efficient use of land and implementation of public improvements.
3. To provide a circulation and accessibility pattern which will allow adequate access and visibility to businesses.
 4. To limit city acquisition and relocation of existing businesses and uses in the area to an absolute minimum.
 5. To provide opportunities and options for private development to "package" redevelopment parcels to accommodate one or more business uses.
 6. To identify the financing mechanisms available to businesses for redevelopment/relocation.
 7. To encourage an architectural character and quality to buildings and amenities to give the overall area the image of continuity and attractiveness.

The Plan's guidelines defined considerations in vehicular circulation, pedestrian circulation, land use patterns, and design aspects. It also recommended potential changes to be made in the text of the Zoning Ordinance which would promote better and more efficient land use and provide incentives for private development and businesses to locate in the area. Some of these suggestions included:

1. reduction in setbacks;
2. increase in percentage of site coverage;
3. expansion of land use activities without conditional use permits;
4. reduction in off-site parking requirements; and
5. decrease in lot size and area limitations.

In addition, the creation of a Redevelopment District Overlay zone was recommended. Such an overlay district would allow for the use of the current zoning and zoning regulations while creating incentives to develop the area in a more efficient manner and which would allow for a higher density pattern conducive to the character, pattern and "texture" of the CBD. The district would make special consideration of:

- * reduced building setbacks;
- * reduction in off-street parking in the case of collective parking and based on the number of businesses and their area;
- * increase in site coverage;
- * additional permitted uses including
 - senior centers, community and/or recreation centers,
 - YMCA, YWCA,
 - churches, chapels, temples, and synagogues; and
- * minimum lot size requirements.

The submission of the application for UDAG monies was postponed until August. The election three months earlier of President Reagan created an atmosphere of uncertainty about the availability of funds, continuation of the program at

the federal level, and the feasibility of the redevelopment project without UDAG funding. At their February meeting, DRAB "agreed that Downtown Redevelopment (was an important project whether or not UDAG funding (could be obtained." (DRAB Minutes, February 18, 1982)

The status of the UDAG funding was a source of anxiety through the early spring of 1981. This is reflected in a series of Manhattan Mercury headlines on three consecutive days:

- 2-17-81: "UDAG Hopes Drooping"
- 2-18-81: "City's Yo-Yo UDAG Hopes Rebound Again"
- 2-19-81: "City Still Unsure; Post Freeze Thawed"

In an effort to regain some semblance of stability in the process, several City representatives traveled to Washington in "an effort to clear up questions about what effect President Reagan's budget cut proposals might have on the City's future plans, especially the downtown redevelopment project." (Manhattan Mercury, February 23, 1981) That trip raised hopes again, but instilled a feeling of urgency. It was decided that a May, 1981, application would be more appropriate than August. One month later, for two reasons, the date was again set in August. First, the developer had not yet obtained the necessary commitments from department stores needed to complete the application. Second, President Reagan had extended the UDAG program for at least one more year, thus reducing, to some degree, the urgency of applying.

Another traumatic series of events occurred that spring. That was the campaign and election of City Commissioners. There were several "anti-downtowners" campaigning for the three seats available. Three of the six primary election victors were staunch opponents of the redevelopment. Their objectives were primarily:

- * that the City should not interfere with the free market system;
- * that the project was bound to produce "hidden costs" which would be paid by the citizens and which were not being disclosed by City officials and staff; and
- * that citizens had the right to vote on the mall in a referendum.

After the primary election, a surprised DRAB concluded that "information about downtown was not reaching a large portion of the citizens." They "spent the bulk of their meeting time discussing possible ways of becoming more active in informing the public about the revitalization project -- primarily about what they said were misconceptions arising during the election." (Manhattan Mercury, March 11, 1981)

A more aggressive approach was taken by members of the Commission. Three Commissioners organized the Concerned Citizens for Manhattan, or, as it was called in the newspaper, the "Truth Squad." The group of citizens prepared literature, wrote letters to the editor, and placed pro-downtown redevelopment ads in the newspaper during the commission campaign. The issue was so heated that the Mercury described the atmosphere on April 5 as:

"a bubbling cauldron of barely contained passions for nearly a month, frothed almost uncontrollably Saturday, amid a fresh round of charges and countercharges leveled only two days prior to the election."

The result of the election was that two of the three seats were won by pro-redevelopment candidates, one an incumbent. The third was won by one of the anti-redevelopment campaigners. Had two of the seats gone to anti-mall candidates, continuation of the project would have been impossible. Several essential future votes, such as approval of funding sources and condemnation of properties, would require support from four of the five Commissioners.

During all of this, other aspects of the process continued. The Downtown Design Project held its first workshop to begin development of guidelines toward a historic district and coordination with a possible commercial rehabilitation loan program to implement the guidelines.

An Office Market Analysis had been contracted for and completed. This study analyzed and confirmed the feasibility of a west-end office complex in downtown. Athena Tacha, the designated artist should the NEA Arts in Public Places grant be approved, visited with City staff and members of the Downtown Design Project to assure a design compatible with her eventual public art. Several of the recommendations made in the CBD - Southside Redevelopment Plan were instituted. Zoning text changes were made and overlay district was created as suggested.

Finally, the possibility of another funding source was being explored. This was the use of tax-exempt bonds which could be used to set up a loan fund to be administered through local banks, a Commercial Rehabilitation Loan Program.

Summer, 1981

In May of 1981, background work and research had been completed to the extent that a Commercial Rehabilitation Loan Program could be set up. In this program,

"Tax exempt bonds (would) be issued by the City and the money...loaned to local financial institutions. These funds are then loaned to property and storeowners for rehabilitation. Loans may also be made to merchants who wish to buy their building in order to rehabilitation."

(DRAB Minutes, May 13, 1981)

The issuance of the loans would be tied to compliance with other aspects of the process.

"Stith noted that persons who wish to qualify for these loans must upgrade their facades within the guidelines established by the Downtown Design Project. Coupled with this is the Historic District, which can provide further incentives for rehabilitation through tax bene-

fits... These two programs will bring about the first visible physical improvements in the area."
(DRAB Minutes, May 13, 1981)

Three types of loans would be available through the program. These were:

- * landlord improvement loans;
- * first mortgage rehabilitation loans; and
- * leasehold improvement loans.

In July, the City Commission passed a Resolution of Intent to issue the bonds. Because of the high interest rates, however, it was April of 1982 before an ordinance authorizing the issuance was passed. Even so "owners (could) proceed...at their own risk and later make use of the loan money when it is available." (DRAB Minutes, July 22, 1981)

Public hearings were held in July for the August submission of the UDAG application. The request was for \$11,500,000 in federal funds to be combined with \$52,556,000 private, local and other funds for a total redevelopment budget of \$64,056,000.

The proposal consisted of six facets or, in the language of the grant, "transactions." (See Plate 14) These were:

1. The development of a 9 block area to include an enclosed regional shopping mall and associated parking facilities east of Third Street, both north and south of Poyntz Avenue.
2. The development of an office building by Steel and Pipe Supply Company and other office space on the west side of Third Street, north of Leavenworth.
3. The development of condominium office facilities on the north side of Poyntz Avenue in the 500 block.
4. The development of service commercial space located on the north and south sides of the 300 block of Colorado Street.
5. The development of office facilities and associated parking on the south side of Poyntz Avenue in the 500 block.
6. The rehabilitation of existing commercial structures with required facade improvements in an area bounded by Third Street, the alley south of Houston Street, Fifth Street, and Humboldt Street.

The developer still had not gotten commitments from the required two department stores. One commitment, from J.C. Penneys, was unofficially assured upon condition that a second store's commitment was attained.

Efforts were strongest in attempting to convince the Sears and Roebuck Company to join as the second store. There were two reasons for this. First, Sears already had a store operating in downtown Manhattan and, according to



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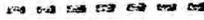

 | Regional Shopping Mall Development
Steel & Pipe Supply Co. Office Building
Courtplace Office Condominium
Southside Service Commercial Development
Poyntz South Office Building
Conservation Area Rehabilitation
Mall Transaction Boundary
Commercial Service Transaction Boundary
Office - Personal Service Transaction Boundary
Conservation Area Transaction Boundary |
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PLATE 14

DOWNTOWN REDEVELOPMENT
PROJECT TRANSACTIONS

the YES Plan, was, along with the Penneys store, one of the major retail attractions to the CBD.

Second, J.C. Penneys' management had given the indication that it preferred to go into the mall with Sears as the second "major." Apparently, in their experience, they felt that the Penneys-Sears combination was the most compatible and desirable. A problem was that after a national reorganization, Manhattan was included in the Sears region based in Chicago. That region was not emphasizing retail expansion and was concentrating on financial investments. The Chicago headquarters had not been scheduled to oversee any retail expansion in their five-year plan.

Also in July, the City announced that its NEA request for an Art in Public Places grant had been denied. However, a letter of intent to apply for a grant in the 1982 round had been submitted to NEA. "Athena Tacha will work with the Design Team to prepare preliminary designs which will be submitted with the next grant application." (DRAB Minutes, July 22, 1981)

An interesting event which also occurred that summer was a rezoning request made by a property owner outside of the City limits. The site had been chosen by the Dial Corporation of Omaha, Nebraska, as a possible location for a shopping mall.

The request was denied for a number of reasons:

- * the site was partially in the flood plain;
- * highway access was not considered adequate;
- * the site's proximity to the airport.

In addition, the City Planning staff, in its staff report to the Planning Board, analyzed the request in accordance with the criteria established by the courts in the Golden case. The result was a recommendation by the Planning Board and a decision by the County Commission that the request be denied.

By August, the Downtown Design Project had completed three storefront designs and was in the process of completing seven others. It also continued work on streetscape designs and on assisting the Historic District Review Board in creating an Historic District in the downtown area.

Fall & Winter, 1981

In September, the Downtown Redevelopment Plan was completed and adopted. This plan was required by State statute to create a Tax Increment Financing District. The goal of the plan was to eliminate the blighted conditions described in the TIF Eligibility Report. The project described to be implemented in order to alleviate those conditions was the same as that described in the UDAG application. It also integrated many of the objectives and design considerations recommended in the YES Plan.

Besides being in compliance with this CBD Land Use Element, the Redevelopment Plan included:

- * a summary of the feasibility study;

- * a description and map of the project area;
- * a relocation assistance plan;
- * a description of proposed buildings and facilities;
and
- * other information deemed necessary.

In addition, the plan described the:

- * general project description;
- * overall program objectives of the Redevelopment Plan;
- * general land use plan;
- * general building requirements and objectives;
- * summary of economic feasibility;
- * relationship to local objectives;
- * redevelopment activities (including relocation assistance plan);
- * procedures for amending the plan; and
- * summary of financial feasibility.

That finished, all of the pieces of the puzzle were as completed as possible. Word was received in October and again in January, 1982, the HUD had "rolled-over" the UDAG request. It considered the project viable but also considered the application incomplete without the department store commitments and retained the application for consideration in the succeeding quarter.

The Commercial Rehabilitation Loan Program had begun even though bonds were to be issued. DRAB was told in December that "a number of storeowners are ready to make improvements and are waiting for the loan money to become available." (DRAB Minutes, December 2, 1981)

The Manhattan Credit Bureau became the first business to complete facade improvements under the redevelopment guidelines. The work was coordinated with the RTKL architect and Athena Tacha.

In December, 1981, the City Commission appropriated funds to continue the Downtown Design Project until the end of 1982. Through a contract with the Chamber of Commerce, the Design Project would provide design assistance, insure design coordination, and provide information about the incentives available for the rehabilitation of older commercial buildings.

Also in December, the Commission held public hearings on establishing a Business Improvement District in the downtown. The purpose of the district would be to provide services which exceed those supplied by the City and would promote or restore the economic vitality of the district and the city. Services which could be provided include beautification, security, maintenance, promotion and special public services, such as restrooms.

Briefly, a committee appointed by the Commission develops preliminary plans for the establishment and operation of the district. If the committee concludes that the district should be created, it submits a report to the Commission defining the district's boundaries, services needed within the area, and cost estimates. After holding a public hearing on the creation of an improvement district. If the Commissioners approve its establishment, they

will appoint an Advisory Board made up of representatives of businesses within the district. Each year the Advisory Board will submit to the Commission a recommended program of services to be provided within the district and a proposed budget to accomplish these objectives.

Based on that proposed budget, the Commission will collect improvement service fees from the businesses in the improvement district. The amount of each business' fee may be based on a variety of factors:

- * building square footage;
- * land area;
- * number of employees.

Once the fees are collected, they will be placed into a special fund to be used to provide services only within the district.

The Result

The result of these several years of effort is a complex interrelationship of public and private ventures. The City's major involvement was in the creation of a trilogy of basic activities. (See Plate 15) These were:

1. a regional shopping mall at the east end of Poyntz;
2. an area of conservation and rehabilitation west of the mall site; and
3. an area at the west end of the redevelopment area for two office building developments.

The enclosed shopping mall and associated parking will involve approximately 31 acres. (See Plate 16) The mall itself would occupy approximately 410,000 square feet, 190,000 of which would be three major department stores. Additional space is available at the east end of the site in the event of a possible second phase expansion which would add a fourth major department store. This addition would bring the total retail space to 500,000 square feet. The impact of this development is expected to encourage the revitalization of other CBD facilities. In addition, completion of this aspect of the plan will meet these objectives:

- * Encourage the development of a retail shopping complex in an enclosed mall in the CBD area with three department stores.
- * Promote the development of public facilities and activities in the CBD area.
- * Emphasize and add to the existing cluster of public and semi-public and government uses in the CBD.
- * Encourage the clustering of mixed use activities to promote multi-purpose trips to the CBD and to strengthen its image as an "action" place.
- * Promote activities in the CBD which will make it a seven-days-a-week, 16-hours-a-day center.
- * Relocate uses from the core of the CBD which are not compatible with pedestrians, local traffic, housing or

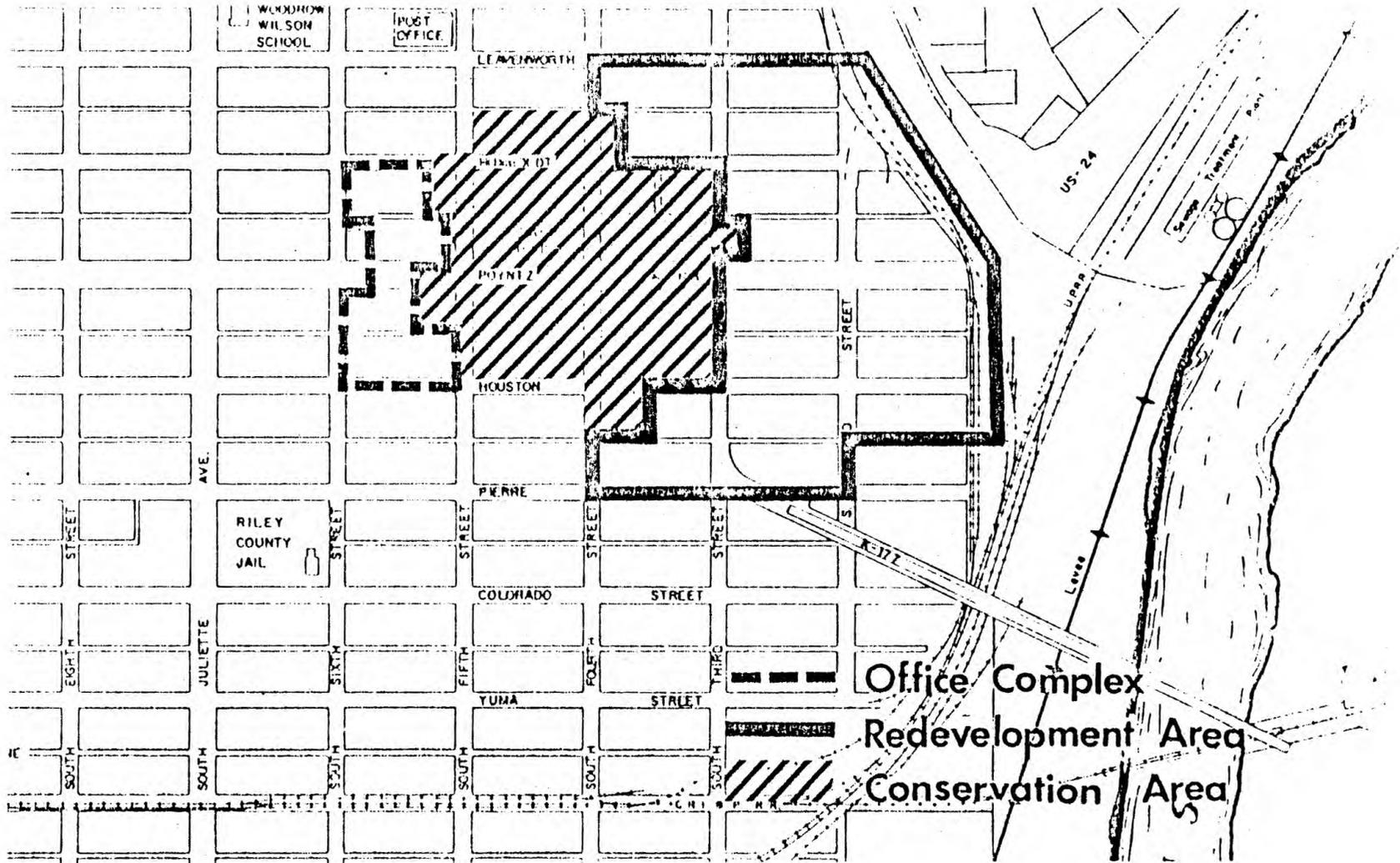
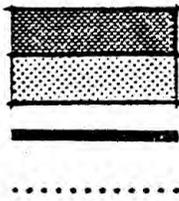
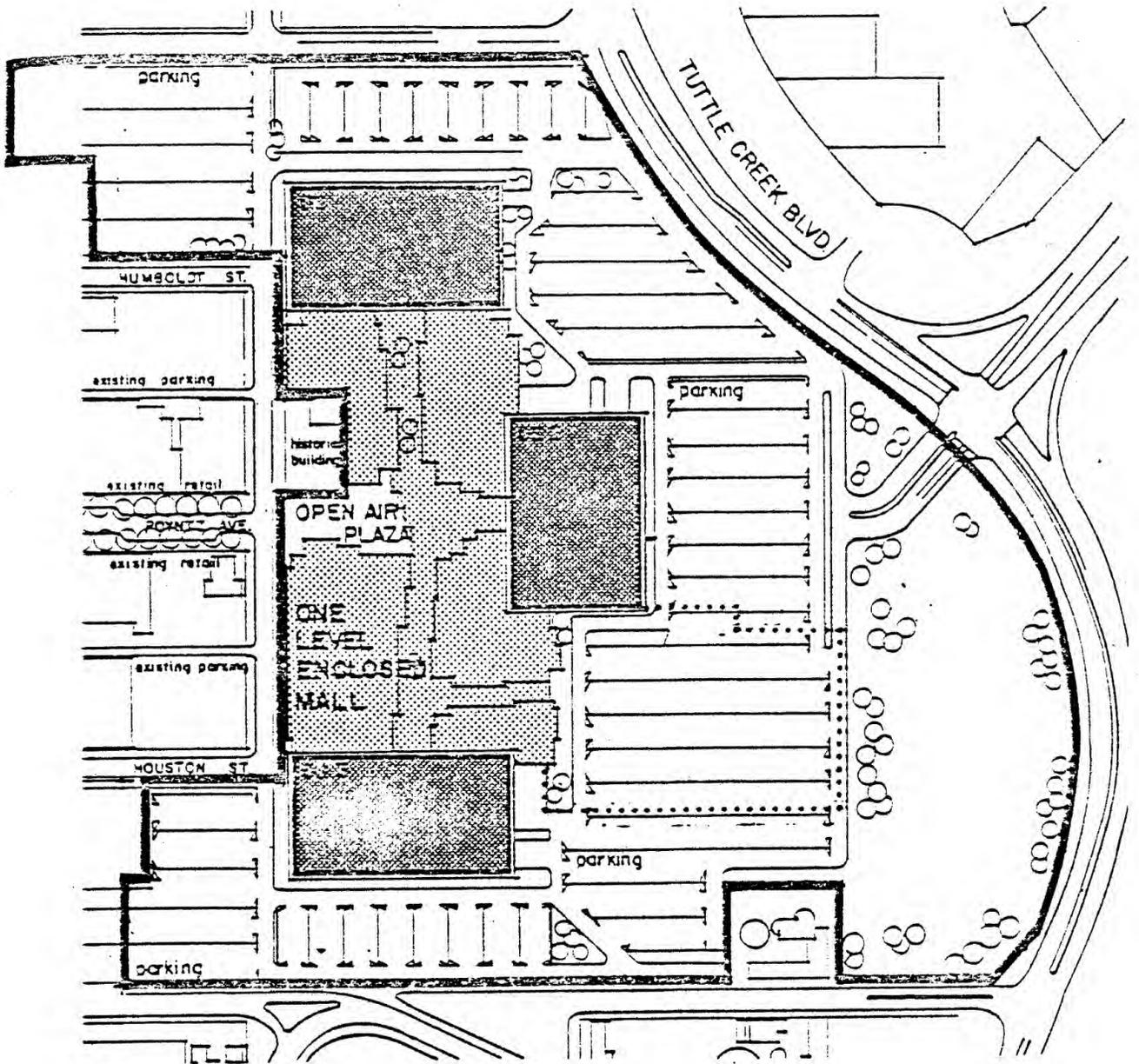


PLATE 15

THE REDEVELOPMENT
BASIC ACTIVITIES



- MAJOR DEPARTMENT STORES
- RETAIL SHOPS
- MALL SITE BOUNDARY
- MALL STORES - PHASE TWO

PLATE 16
 REGIONAL SHOPPING MALL

retail facilities, i.e., warehousing, manufacturing, materials processing, automobile sales and service, generators of truck traffic, etc.

- * Maximize the utilization of the public and private investment already concentrated in the CBD.

The public sector will be involved with this part of the redevelopment through these activities:

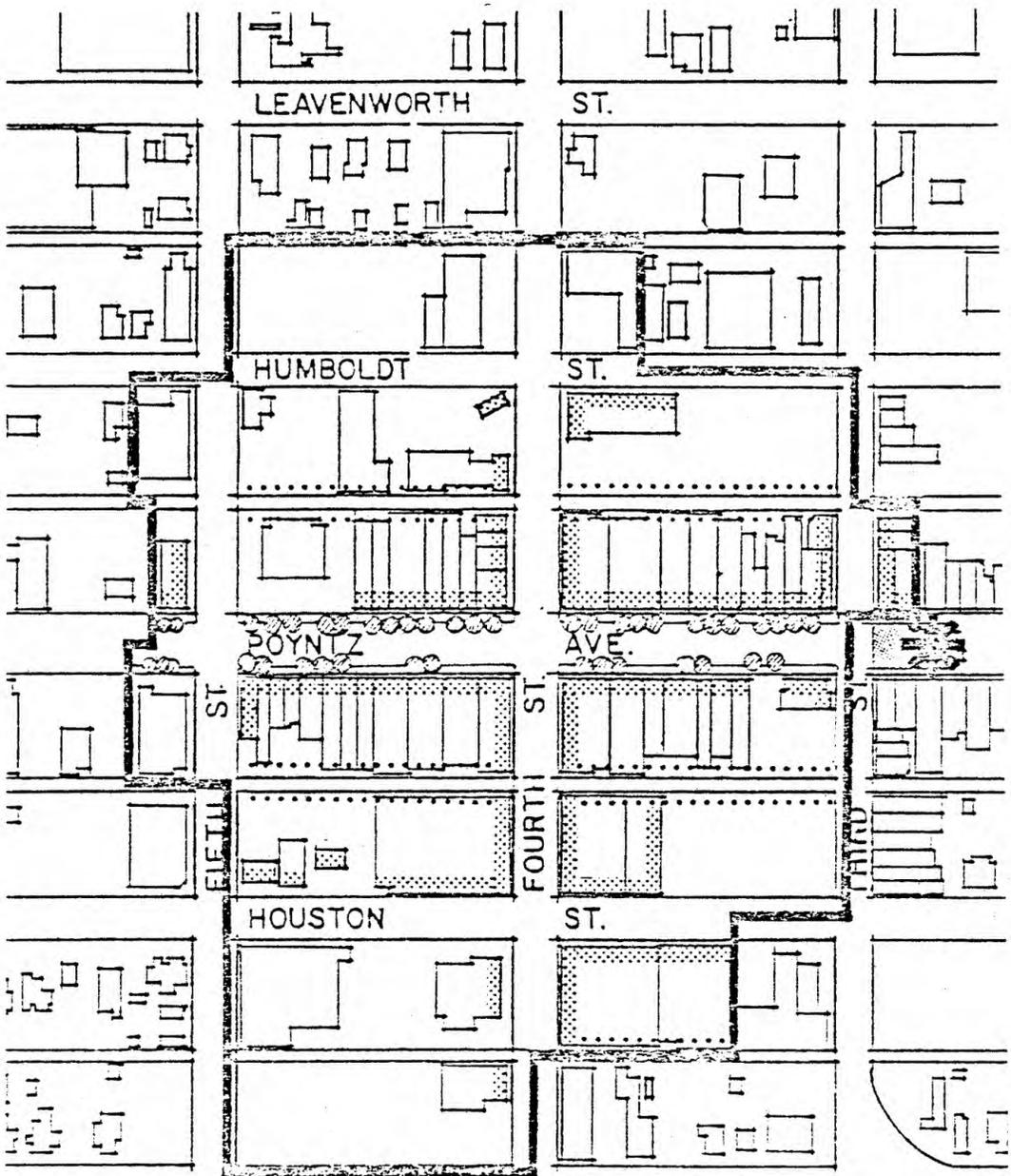
- * site preparation;
- * vacation of all streets and public right-of-ways within the site area;
- * provision of certain off-site improvements needed to accommodate the development (Southern Arterial, drainage improvements, connection of Leavenworth to Tuttle Creek Boulevard for traffic routing, relocation of sewer and water mains);
- * disposition of land for shopping mall construction;
- * lease land for parking facilities to developer;
- * acquisition of buildings, improvements, and land in the shopping mall site;
- * relocation of site occupants;
- * clearance of all existing improvements;
- * relocation of the Union Pacific Marshalling Yards;
- * development of a Southern Arterial;
- * development of a public plaza; and
- * streetscapes and beautification of the four square block area immediately west of the shopping center mall to help integrate the existing retailing area and the shopping mall.

The private sector, in this case the mall developer, will be responsible for the:

- * acquisition of 500,000 square feet of land from the City for the shopping mall site;
- * construction of a single level shopping center containing three major department stores;
- * construction of retail space and common area for the shopping mall;
- * leasing of space to retailers;
- * leasing of land for parking facilities from the City;
- * participation to benefit districts for area improvements; and
- * continue to own, operate, and manage the shopping mall.

The second major aspect of the redevelopment project was the rehabilitation of existing commercial structures in a six square block area in the core of the Central Business District. (See PLATE 17) This activity was included for two major reasons. The development of the regional mall to the east of this area required assurances that:

1. the new development be physically integrated with the existing area of the city; and



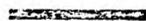
-  CONSERVATION AREA BOUNDARY
-  BUILDING FACADE IMPROVEMENT
-  ALLEY IMPROVEMENT
-  LANDSCAPING
-  PLAZA AREA
-  ENVIRONMENTAL SCULPTURE

PLATE 17
 CONSERVATION AREA REHABILITATION

2. the general environment of the CBD must be enhanced in such a way so as to preserve its unique character.

"Emphasis must be placed on improving the environment that exists between the two significant areas of development. This will not only create an integrated visual order between old and new, but, more importantly, revitalize and make a viable and active CBD shopping area for Manhattan."
(Redevelopment Plan, p.17)

The focus of the activities would be technical design assistance for:

- * streetscape design;
- * facade improvements;
- * cultural plaza design.

Specifically, the City intends to meet these objectives through this aspect of the project:

- * to establish detailed urban design criteria on a block-by-block basis;
- * to direct attention to a program of facade improvements and preservation;
- * to establish a design review process for development in the CBD;
- * to encourage adaptive reuse of buildings that are well located and structurally sound but lack a strong market for their original use;
- * to promote the understanding of Poyntz Avenue as the "main street" for Manhattan;
- * to encourage the revitalization of the buildings along Poyntz Avenue;
- * to develop an environment which invites and encourages both spontaneous and planned cultural and recreational opportunities;
- * to promote the "pedestrianization" of Poyntz Avenue;
- * to conserve, restore and revitalize the historical character of the buildings along Poyntz Avenue;
- * to provide an opportunity for public and private joint development efforts; and
- * to reconfirm, strengthen and encourage new and rehabilitated housing in the residential neighborhoods to the west and north of the CBD.

The public sector will be involved by undertaking the following activities:

- * Establish a commercial rehabilitation loan program through local lending institutions using industrial revenue bonds as a "loan to lenders."
- * Develop design guidelines for required facade improvements through a Design Demonstration Project funded by the National Endowment for the Arts. The

- Design Guidelines will conform to the Secretary of Interior's guidelines for historic preservation.
- * Design and construct streetscape improvements from Third Street to Sixth Street along Poyntz Avenue and intervening side streets.
 - * Develop parking facilities in the west end of the CBD in conjunction with SITE 5.
 - * Establish an historic district to preserve the historic and cultural assets of the Conservation Area and provide tax incentives for historic preservation and rehabilitation of structures.
 - * Use Mortgage Subsidy Bonds to establish a residential rehabilitation loan program in conjunction with the Community Development Rehabilitation Program.

The private sector will be involved by taking advantage of the loan programs and tax incentives, by following the design guidelines, and by "working in concert with the City to improve the quality of the structures in this area." (Redevelopment Plan, p.20)

The third major aspect of the Downtown Redevelopment Project is the West End Office Complex. It is considered an important element for several reasons.

"It will improve the visual aspects of this entrance to the CBD. In addition, it will provide a significant activity center on the west end of the CBD to anchor the area and create a secondary activity center to attract people through the core of the CBD, thus strengthening the conservation area between the two activity centers."

(Redevelopment Plan, p.20)

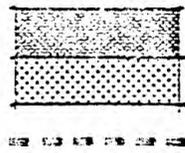
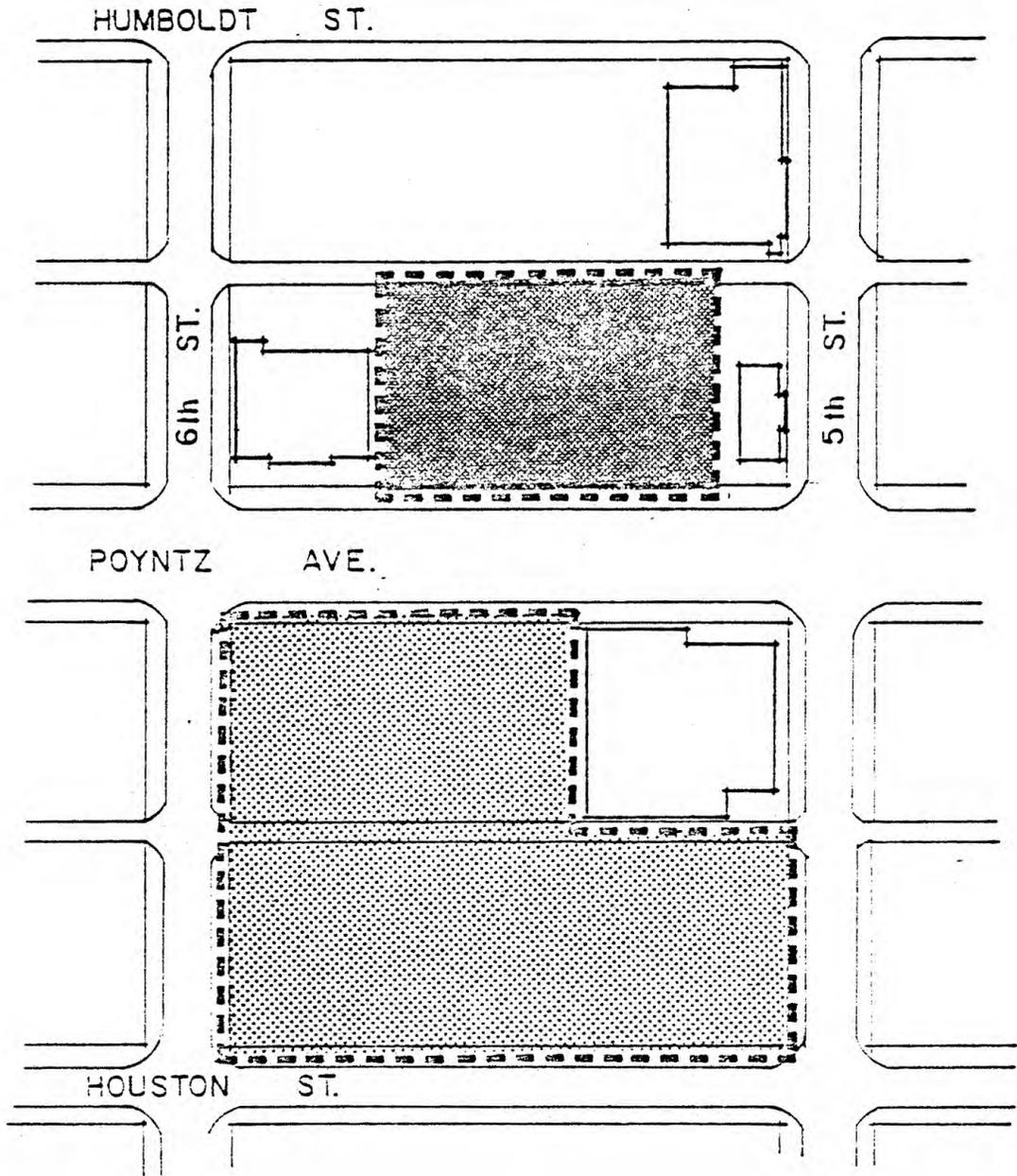
It would be the construction of two office buildings. One will be a 22,000 square foot condominium office development on the north side of Poyntz Avenue. The other would be a 45,000 square foot building which, along with associated parking, will be located on the south side of Poyntz Avenue. (See Plate 18)

By becoming involved with this development, the City will address these objectives:

- * to bring more employees and shoppers into the downtown area during the day;
- * to create more parking space for overflow of commercial activities;
- * to create a visual anchor on the west end of the downtown district.

In order to meet these objectives, the City will take these steps:

- * acquisition of three buildings on 97,500 square feet of land in the 500 block between Poyntz Avenue and Houston Street;
- * relocation of site occupants;



SITE THREE
 SITE FIVE
 SITE BOUNDARY

PLATE 18

WEST END OFFICE COMPLEX

- * clearance of existing improvements;
- * site preparation;
- * disposition of 65,250 square feet of land for office building construction on two sites north and south of Poyntz Avenue;
- * development of parking facilities on the south half of Site 5 through a benefit district.

The private sector's involvement will be reflected in the following ways:

- * acquisition of the land from the City;
- * construction of the buildings;
- * leasing of the space to office uses; and
- * participating in benefit districts for the area improvements.

These are already commitments by private contractors to undertake this part of the project. Their participation, however, is dependent upon the approval of the UDAG application.

In addition to these three major development areas, there are two related private developments. One is the Southside Redevelopment Area. The property is already owned by the City, making the public sector's responsibilities:

- * disposition of the land;
- * providing financial assistance through Industrial Revenue Bonds, if requested.

The private sector's portion will include:

- * acquisition of the property from the City;
- * construction of 50,000 square feet of service commercial space; and
- * leasing of the space to service commercial businesses with emphasis on businesses displaced by the shopping mall.

The other is the construction of the Steel and Pipe Supply Company Office Building. This is to be a 50,000 square foot office building to house one of Manhattan's major industries. The City's activities supporting this project would be:

- * approval of rezoning the site to either Central Business District or Restricted Business District as requested. These are the uses designated for the site in the Land Use Plan;
- * provide, if requested, financial assistance through Industrial Revenue Bonds;
- * provided relocation assistance to the occupant of the existing building through sale of industrial site in the City industrial park if requested.

The private developer will:

- * construct a five story, 50,000 square foot office building to house the home office of Steel and Pipe Supply Company and rental office space;
- * construct a 150 space parking lot;
- * lease 25,000 square feet of office space.

CHAPTER 5

ANALYSIS AND CONCLUSIONS

Introduction

The Process

Choices and Influences

Impact on City Planning

Opposition

Public Information

The Developer's Perspective

Other Ideas

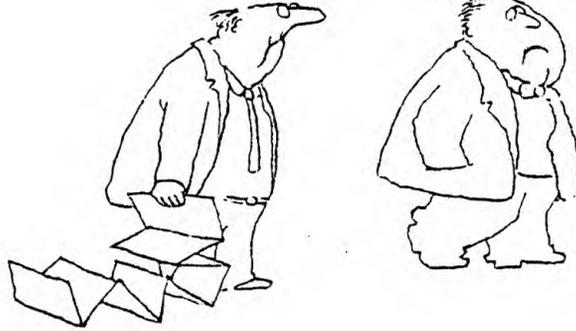
CHAPTER 5

ANALYSIS AND CONCLUSIONS

IT'S AMAZING HOW MANY
CONCLUSIONS YOU CAN
GET FROM THE SAME
FACTS



ALMOST AS IMPRESSIVE
AS THE NUMBER OF FACTS
YOU CAN GET FROM THE SAME
CONCLUSIONS



HEDMAN
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Introduction

In some small ways, the downtown redevelopment in Manhattan has begun. However, the element which will determine the function of the CBD, the shopping mall, is not yet a certainty. The UDAG funding cannot be approved until and unless at least two department stores are officially committed to the project. Therefore, it is not possible to evaluate the results of the decisions and the process yet.

It is possible, though, to examine and review the planning process in an academic way and to analyze the factors which entered into the process. It is also possible to examine several problems and obstacles which have been recognized and dealt with throughout the project.

This chapter will review a variety of factors which impacted on the redevelopment. First, the process itself will be analyzed and compared to several planning procedure guides. Second, some of the choices and influences which directly impacted on the development will be examined. Third, some of the problems which arose will be described and fourth, the impact of this process on the planning process of the entire city will be reviewed. Finally, several conclusions and recommendations will be offered.

The Process

A number of guides can be found which describes the planning process. This report used The Process of Urbanization, a series of six monographs prepared by Kansas State University "to help Kansas communities solve their problems

through comprehensive community planning." The sixth monograph in this series is "The Planning Process" by Ray Weisenburger, Assistant Professor of Architecture and Planning at Kansas State University. Page 16 of that report is a diagram showing the steps of the planning process. (See Plate 19)

In Manhattan, the YES Plan, the Feasibility Study, accomplished steps one and two. The Commission wanted to judge the reasonableness of the goal to preserve the CBD and to be presented with alternatives. The consultants complied by gathering and interpreting information on the existing community. For every plan later prepared, step one was considered completed. Step two was considered completed for the CBD Land Use Element of the Land Use Plan and also for the Redevelopment Plan. The documents were direct decedents of the YES Plan and were the documents with which all other aspects of the project must comply. Because of the specific nature of the Tax Increment Financing Eligibility Report and the Southside Redevelopment Plan, these started with step two and followed each of the remaining steps in order.

Beyond the basic process are several other interesting aspects. For example, although it was required that the CBD Land Use Element be approved before Tax Increment Financing could be instituted, it was prepared at the same time as the TIF Eligibility Report. While each plan was prepared individually according to the accepted procedure, each was prepared as staff was able and available rather than strictly according to chronological need. The Redevelopment Plan was completed after the TIF Report even though it was required before the former could be adopted. In the long run, the order of completing the plans was not important. The order of approval by the Commission was.

Besides reviewing the basic planning process and procedures, an analysis of Manhattan's redevelopment as compared to guidelines for that specific type of project would be useful. Just as with the planning process, there is a variety of sources which offer guidelines for CBD redevelopment projects. The one used in this analysis was prepared by C.A. Keithley, Professor of Regional and Community Planning at Kansas State University. His guidelines were developed as the result of attending a DRDC Conference in November of 1978 on Rebuilding Downtowns.

According to Keithley, eleven necessary ingredients in successfully redeveloping a downtown are:

1. Stop Dreaming: ascertain the realities and educate decision-makers as to costs and benefits of various developmental possibilities. Understand own problems, constraints, market and market potential, and establish realistic goals to which everyone subscribes.
2. Get good community leaders elected, and then retained in office for longer period of time. (It is impossible to accomplish anything in two years.)
3. Develop a strong merchants organization, willing to invest more than time and talk in a commitment to community development.
4. Develop a partnership between the city and the downtown developer. The city must be willing to invest and help the developer over stumbling blocks such as zoning, etc.

STEP ONE

Develop preliminary community goals and objectives

The planning commission determines where they are and where they want to go.

STEP TWO

Complete a community survey

Information is collected on the existing community. The data should cover land capability, natural resources, economic base, population, land use, transportation and circulation, community facilities, recreation facilities, public utilities, housing conditions, neighborhood problems, central business district conditions and visual environment.

STEP THREE

Analyze the survey material

The data collected in Step Two is analyzed by the planner. Forecasts of future conditions are prepared.

STEP FOUR

Refine community goals and objectives

Now that the planning commission has had an opportunity to look at the analysis of the data on the community as it is and is expected to be, the goals and objectives developed in Step One should be adapted for realistic feasibility.

STEP FIVE

Prepare the comprehensive community development plan

Plans for physical development of land, transportation and circulation facilities, recreation facilities, public utilities, central area, and the visual environment are prepared.

STEP SIX

Devise implementation techniques and instruments to carry out the comprehensive community development plan

The planner prepares an official map, a zoning ordinance, subdivision regulations, and the capital improvement program. He also determines which Federal aid programs can be effectively employed.

Establish a continuing planning program.

PLATE 19

PREPARING THE COMPREHENSIVE
COMMUNITY DEVELOPMENT PLAN

5. Obtain professional planning and design assistance to evaluate the alternatives. Focus on assets and capitalize on what exists.
6. Develop community support by actively involving the public/community in the design of the plan. (Designer/Planner as catalyst, i.e. Edmond Bacon Planning Process.)
7. Implement the Plan: This usually requires heavy public spending as an inducement for private investment. (Talk is poor substitute for action.)
8. Develop an image of the city on the move. (It is doubtful that any CBD can turn around its image, regionally, by incrementally renovating individual buildings/storefronts. Something big, with impact, must be done! An image must be developed!)
9. Total orientation of all public decisions to CBD enhancement, i.e. zoning, building permits, housing construction, etc. Rebuild the Periphery of the CBD and make integral with the renovation of downtown.
10. Think of Downtown as a shopping center which needs professional managerial personnel, who acts for all of the CBD and who can promote the CBD as though it were a single unified shopping center. Embodied here is the avoidance of sub-optimization of individual interests.
11. Develop a good access, parking and transportation linkages for auto as well as pedestrian. Parking in the wrong location can destroy the effort. You must get people from their cars to pedestrian spaces without going through department stores. A driver of an automobile is not a shopper until he/she is extracted from his/her car and becomes a pedestrian.

Manhattan was very successful to moderately successful in meeting most of these criteria, but was not very successful in a few.

The city was very successful in understanding its problems. The Commissioners in general were very interested in creating a modern, progressive city with modern, progressive facilities. In 1978, one of the Commissioners was a banker who understood the monetary and marketing aspects of the process. He was well informed both personally and professionally, from an established Manhattan family, and was well liked. His opinions were respected. Another Commissioner had, for a time, been the City Attorney. Another had lived in Manhattan for decades and had served on the Commission longer than any other person in the City's history. They were convinced that the redevelopment was in the best interest of the City and they supported it.

With the exception of the one anti-mall Commissioner who refuses to become educated on the subject, the elected officials are well informed and have a good understanding of the subject. They also represent the broadest base of the public's support. The anti-mall Commissioner had only one campaign contributor outside of her family. That contributor is a Manhattan developer who does not own property in the CBD and will not benefit by the redevelopment nor is he eligible to use the incentive tools developed during the project planning.

The City's success in developing a strong merchants organization was mixed. The members of Downtown, Inc. and the Downtown Redevelopment Committee had solicited City Commission help for downtown redevelopment and had acted as an organized force in defeating outlying mall rezonings. Presently, however, the Downtown, Inc. is not as well organized nor as active as it had been in the past. Even so, individual members are. This may be the result of the rapidity and complexity of the redevelopment process. It may also be that the City's active role, especially that of the staff, has deminished the drive that individual members and the organizations had at one time.

The partnership between the City and the developer is excellent. In fact, the developer has described the relationship as "impeccable." Forest City has included many local design and policy aspects into the site plans which could have been ignored. The City has included in its process tools, such as UDAG and IRB's, which will ease cost constraints and design requirements to reduce burdens imposed by developing in the CBD. There is weekly telephone contact between Roebuck and Stith. It should be added, though, that by the Spring of 1982, several Commissioners had expressed concerns about the length of time required for the development process. Even so, Roebuck could speak frankly and convincingly in calming most fears.

Professional planning and design assistance was easily and readily available because of the resources at Kansas State University. If it could be said that there was a problem in this area, it would be that there was too much free advice from students and faculty in planning and architecture. In addition to this was the assistance from RTKL and the Design Project.

The success of the City in involving the public and community in the design of the plan was moderate. There was a variety of reasons for this. As discussed in Chapter 3, most public input was given at public hearings by community organization leaders. There was no constant, consistent interest of the public in general. The general public rarely offered relevant input. On the other hand, when the April, 1981, open meeting was held to review the mall site plans, several hundred persons attended. Public interest was spratic and simplistic.

The Downtown Design Project did involve a greater level of public input than the project in general. This was attained at the public design workshops which were attended by the public in general and by downtown merchants and property owners. Perhaps the reasons for this higher level of public response were:

- * the more specific nature of that redevelopment component;
- * the fact that the design project had offices in the CBD and were more familiar to the public involved;
- * the faster, more direct impact on the Project had as contrasted to the overall redevelopment process;
- * more effective public information than the process in general.

Implementing the plan and developing "an image of the City on the move" can not begin until financial and administrative commitments are obtained for

the mall. The feeling so far is that the full impact of the plan cannot be realized until the decision regarding the UDAG application is made. Other accomplishments seem less dramatic.

Finally, Manhattan met the last three criteria moderately well. Rezoning in and around the CBD have been made based on the Redevelopment Plan, the Southside Redevelopment Plan, and the redevelopment goals and guidelines in general. The promotion of the CBD as a single entity has begun with the establishment of the BID, but is still in its infancy. Once the funding is secured and the large-scaled aspects of the projects have begun, the access, parking, and transportation linkages will be constructed. The designs developed by the City and by the developer's consultant were coordinated and intend to meet the needs and goals of both the public and private sectors as well as the pedestrian consumer.

Choices and Influences

Many of the decisions which were made were based on and shaped by local values and priorities. Others were dictated by the Federal government, particularly by HUD, in their funding requirements and regulations. Aspects of each of these will be reviewed and examined.

Before completion of the YES Plan, support for the preserving the CBD had been based on a vague perception that displacement of the City's retail core would not be in the best interest of the community. Although not documented, there was a large segment of the population that liked the character of the City with a central downtown district typical of small midwestern communities. It is probably safe to say that there was also a large segment of the community that wanted to have a shopping mall but really did not care whether it was in the CBD or on the urban fringe. The YES Plan put into writing the design concepts and aspects that most people seemed to recognize yet were unable to express. These were:

- * the historical aspects such as the importance of the river, the grid pattern of the downtown streets, the importance of the existence of many trees and of Poyntz as the "Main Street;"
- * the social factors including major issues such as circulation and parking, downtown business operations and the image of the downtown; and
- * the economic context including information on lost sales and the potential for retail expansion.

When developing the project, these aspects were integrated into the designs. There were discussions about the reasonableness of having the mall block Poyntz east of Third Street. It would interrupt the view of the riverbank and trees and destroy part of "Main Street." The use of native materials was encouraged to establish continuity with the areas surrounding the mall site. These were considerations of the City's traffic study, the developer's traffic study, the guidelines for the historic district, and the mall design. When preparing the Southside Redevelopment Plan,

"Members of the Board agreed that as the Design Group study had indicated, the grid system plays an important part in the character of the area, a character which should be maintained through the redevelopment process."
(DRAB Minutes, May 13, 1981)

It should be realized that the design concepts were defined by architects and designers. Their perspectives and priorities are different from those of the lay citizen. For instance, it is doubtful that "the importance of the river" was an idea held by most of the population. It was not visible or accessible from the downtown because of the levee built in the early 1950's for flood control.

Impact on City Planning

The process of planning for the downtown redevelopment had an impact on the planning tools and policies used throughout the City. Three examples of this are:

- * reviewing and updating the Commercial Element of the Land Use Plan;
- * establishing a Growth Guidance Policy; and
- * reviewing specific zoning regulations such as those for the Planned Development District (PDD).

After the rezoning request made by SBL and Landmark in the late 1970's, the City Commission had directed staff to review each of these tools and to improve upon those which existed. Review of the Commercial Element was needed to examine the types and amounts of commercial activities already in the City to determine the best method of commercial expansion. The Growth Guidance Policy was needed to control growth in such a way that the CBD would not become less central. The PDD regulations were made more specific in an attempt to disallow its use as a circumvention of the zoning regulations.

Opposition

The predominant feelings of the public toward the redevelopment were support or indifference. Opposition had come from developers who would not benefit, merchants who would be relocated, and the ever-present cynics who, regardless of the situation, would think the plan had no chance of success. Never had there been any statement or presentation made which was a legitimate or pertinent to the decision-making process. It was heresay, opinion, emotion, or not salient. That is not to say, though, that had reasonable opposition been made during the early debates, the outcome would have remained the same.

The opposition was not an organized effort. The developers spoke only if a particular issue directly impacted on his project, such as with the John's tract rezoning requests. They spoke in support of their own requests, but not in opposition to redeveloping the downtown. The merchant's opposition was emotionally based and was more concerned with relocation and adequate

compensation than with policies and procedures. The cynics expressed their opinions at private parties rather than at public meetings. Everyone seemed to have an opinion; some were critical of the project. However, opposition was not expressed through official or appropriate means.

During the 1981 Commission elections, however, the first organized opposition to the project began. The Westside Homeowner's Association was created and supported the three anti-mall candidates. They espoused three main concerns:

- * that there were "hidden costs to the development that were not being explained to the public;
- * that the government should not interfere with the free market system by making a downtown development as financially feasible as an outlying development; and
- * that the decision to have a downtown development should be made in a referendum election.

The evidence given by the group as support of their statements was not factually sound. Their reports of the uses of funds was inaccurate and misleading. For example, the group stated that no monies were being allocated to the relocation of businesses when in fact part of the UDAG funding would be used for exactly that. If the project will result in hidden costs, it has yet to be discovered by City staff. Even if some unforeseen costs result, it is assumed that it will be more than compensated by increased property and sales tax returns.

The interference of the government in the market system is a common complaint regardless of the magnitude of the project. The government's role in this case was contrasted to a "do nothing" process which was not seen as being in the best interest of the City's environmental, social, and economic wellbeing. Given that alternative, the City was well within its purview in exercising certain powers to develop the project. In fact, it could be said that any other decision would have been neglect on the part of the Commission to protect the public's health, safety, and general welfare.

Regarding the insistence that a decision on the project be made through a referendum, several points should be made. First, there were no issues or elements in the project which would require such a vote. Adoption of all plans, including the 1969 Land Use Plan and the YES Plan which established maintaining the CBD as the regional shopping area, had included public input at public hearings and during public opinion surveys. The same was true of all grant applications.

What is even more pertinent was the underlying reasons for the group's opposition. In complying with HUD's requirement of meeting its locally determined public housing needs, the City had allowed for the construction of a public housing project on the west side of the City. It was this which was the Homeowners Association's real complaint. They objected to what seemed to be HUD's forcing the City to establish a project which they were not convinced was needed. Neither did they feel downtown redevelopment should be gained through what they felt was the degradation of their neighborhood. Downtown redevelopment was a symbol of current government policies. The Homeowner's Association thought opposition to that project was a way to combat the public housing issue.

Public Information

By far the weakest link in Manhattan's attempts was its public information system. The importance of effective communications was recognized early in the process. It was one of the first items considered by DRAB. It was also a major point of concern during the Commission election. Yet it was still the one aspect of the project which never seemed to be effective.

The attempts which were made should not be downplayed. A newsletter, "Poyntz of Interest," was prepared monthly by the City staff and sent to every business and property owner in the CBD. The local cable television station prepared a 15 minute local-interest program, also "Poyntz of Interest," twice weekly which examined to a certain degree specific issues about the project. In addition, Gary Stith was available to schools, clubs, organizations, and community education facilities to speak about any or all aspects on the re-development project.

Unfortunately, all of these efforts were not sufficient. The issues individually were very complex. Combined into a total project, the complexity was increased exponentially. City staff was not able:

- * to reduce the complexity;
- * to write adequately in the vernacular; or
- * to envision the project in terms of what was essential for the public to know.

In addition, only those persons who had cable TV could receive the television show. Consequently, most of the disseminated information was either more than the public needed or wanted to know. Much of what they did need or want to know was not available. The result was confusion, as in the election, and misinterpretation. Staff attitude was also a factor. There was little patience, time, or inclination to solve the problem. "It's their fault if they don't understand. The information is available. All they have to do is ask" was to become the philosophy, especially after an election which instilled a new defensiveness in the staff. The availability of a person trained in this area would have been a valuable resource. To have hired a part-time journalism student or intern would have served the purpose. Someone with the skills, abilities and time to devote to doing an adequate job. A specialist was hired to do the designing, another to answer traffic engineering questions. This aspect, too, should have been afforded the same respect and investment as other aspects of the project which were not among the skills contained in house.

It might be well to note, however, that the local newspaper was no more effective in reporting on the project. There were several reasons for this. First, there was no reporter who covered the issue from its beginning to its completion. The result was the reporting by persons who had no concept of the history or continuity of the matter. This was also a point stressed by the developer. Second, none of the reporters seemed to have an understanding of the process or the role of the government. Issues were reported inaccurately. Some which were vital to the project received less press than issues which took more time at meetings.

The Developer's Perspective

The process motivated by the City had its own goals and methodologies. These were sometimes not exactly the same as the goals and methodologies of the developers. More than once the City was confronted with this difference and was confounded by it each time. Coordinating the two mentalities was as much by chance as by design.

In the City's perception, the timetables were established primarily by grant application deadlines and by the general feeling of need to complete the project as quickly as possible. Federal budget cuts and local politics were the major sources of this feeling of need.

In contrast, the developer's timetable was dictated by the economic environment of both the nation in general and also the department store chains. Further, Roebuck had stated that the normal mall planning may take three to five years to complete and Manhattan's is a more complex project than "normal." The inference is that this project is actually progressing very rapidly. In addition, the style of doing business within the private sector is different from that within the public sector. Within the private sector, there is apparently more nurturing of business relationships over a period of several years. This makes sense, however, when one realizes that no business is legally bound to cooperate with a developer. Within the public sector, methodologies are more quantitative, automatic, bureaucratic, and political.

Further, it should be noted that the regionalism within private industry does not necessarily coincide with that of the public. For example, in the early 70's, when Sears had publically indicated interest in locating in "suburban" Manhattan malls, the City had been part of Sears' Dallas region. That was and is a growing area where retail expansion was possible. Since then, however, Sears has reorganized at the national level and Manhattan is now part of the Chicago region. That region is not encouraging investments in retail expansion but rather in capital investments such as insurance and real estate. This was one of the primary reasons that the developer had difficulty attaining any commitment from Sears regarding Manhattan's redevelopment. Had the City been within a region which was considered to be growing, the chain's mentality would have been different.

At the February 16, 1982, City Commission meeting, Roebuck indicated that what the City perceived to be major problems were not so considered by the developer. The local concerns were the decision to be made on the UDAG application and the perception that the process was not moving as smoothly or quickly as it should. The developer described the major roadblocks as being:

- * "lack of guts" on the part of some people, apparently referring to several members of the Commission;
- * time;
- * national economy;
- * local perceptions, primarily that the process should be a fast, smooth one; and
- * department stores, which were a reflection of the national economy.

Other Ideas

As in most analysis, as many new areas for examination have been exposed as have been reviewed. There are several aspects of Manhattan's downtown redevelopment process which deserve deeper scrutiny than could be given in this report. The purposes of such scrutiny should be the same as those of this paper:

- * to offer other cities advice;
- * to give Manhattan some feedback;
- * to develop a planning education aid.

Several specific ideas for further study are given here. Although there are probably others, these ideas come immediately to mind. Each is complex enough in its own right to serve as the subject of another report. They are:

- * An examination of the potential impacts of alternatives to downtown redevelopment. This should include a detailed explanation of the pro's and con's to and of CBD revitalization, including social, economic, political and land use considerations.
- * An analysis of locational alternatives in Manhattan. This should involve the three sites which had made rezoning requests -- John's tract, Westloop (SBL) and the Dial proposal -- as well as other site possibilities such as the City-owned Industrial Park.
- * A policy analysis which would examine the appropriateness and consistency in the process, the basis of decision making, and conflict of interest.
- * A study of design criteria alternatives with emphasis of the lack of design expertise on staff.
- * An examination of the impact of a poor public information system, especially noting: what problems could have been avoided; alternate methodologies and developments of criteria for the non-communications specialist planner. These would be comparable to the design criteria and planning process models which are so readily available.
- * An examination of the process from the developer's perspective.

Should any of these projects be attempted, it should be with the understanding that this was a real project. Alternatives and options should be usable in reality, not philosophical or utopian.

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A CASE HISTORY: DOWNTOWN REDEVELOPMENT
IN MANHATTAN, KANSAS

by

VALERIE JEAN KAZARIAN

B.S., Cornell University, 1974

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

1982

As cities grow, decline and change, planning decisions are made which impact on the community's character and shape for decades to come. The social values reflected by these decisions should be consistent with those of the citizenry. One such value being supported to an increasing degree is the maintenance of a strong, central retail core. Development and redevelopment which strengthen and revitalize central business districts are becoming more desirable than those which allow suburban fringe retail development, most often in the form of shopping malls.

To encourage these developments, innovative planning techniques have had to be developed. This was necessary to overcome the unique barriers to large-scale CBD developments and also because "it is the responsibility of state and local government to comprehend the problem and create the circumstances... to make downtown the convenient, lively, beautiful, human place it ought to be." (Pierce, 1978)

By 1977, the City of Manhattan, Kansas, had realized that pressures for retail development were forcing a decision to be made on precisely this issue. Should the development be allowed on the edge of the city or should the CBD be redeveloped? After analyzing a feasibility study to "comprehend the problem," the City began a process to "create the circumstances" to preserve its downtown. The purpose was twofold. First, the economic viability of the business core in the central business district had been declining for fifteen years. Second, because of lack of maintenance of many of the old structures in the CBD, rehabilitation would be necessary for many of them. Redevelopment was believed necessary to protect the area from further decline and to assure structural improvements. The project came about as a result of a coalition of efforts between local business organizations, local civic and community organizations, Kansas State University resources and the City of Manhattan.

Although information is available from a number of sources regarding the Downtown Redevelopment Project, no single source exists which clearly, concisely and completely reviews and explains the planning process used. This report will provide that source. This is the case history of Manhattan's Downtown Redevelopment Project from 1971, when several rezoning requests sparked the City into action, to 1982, when a decision will be made regarding the City's application for Urban Development Action Grant funds from the U.S. Department of Housing and Urban Development.

This case history of Manhattan's Downtown Redevelopment will be broad in scope chronologically, technically, and analytically.

Chronologically, this paper examines the events of the redevelopment process from 1971 up to 1982. The year 1971 was chosen because, as will be shown, several rezoning requests beginning at that time created the atmosphere and momentum which have maintained the redevelopment plan, process, and proponents from then until now.

Technically, the report first reviews rezoning requests from 1971 to 1978 and how they sparked action for redevelopment. Second will be an examination of the key actors in the process. These will include citizen's groups, City staff members, various governing bodies, and other individuals who, in one way or

another, made their influence felt. Third, the actual redevelopment process will be described chronologically. How and why various factors grew or diminished in importance will be examined and strengths and weaknesses of the process will be described.

Analytically, because the whole process has taken only three years from its inception to the present, it will be possible to examine a variety of factors and perspectives. The span of time has not been so great as to render specific issues so complex to be unwieldy to describe. Nor has it been so long as to fade memories or to see a great deal of change in persons involved. Most of those now working with the project have been with it since it began. Resources are diverse, complete, and accessible without being voluminous. The role of public information, the organization and effects of opposition, and the problems and prizes of a public-private development venture will be described and examined. Interrelationships between community activities and the redevelopment process will be described.

Methodologically this report will be written from the perspective of a participant observer. Considering the complexity of the issues which will be addressed, this would be a particularly useful approach for examining the planning process and for gaining insight into the significance of events.