

Seven requirements determine the success of downtown revitalization projects

There is a thirst for both ideas and for assistance in the area of downtown revitalization that is unparalleled in the history of the urban revitalization movement. The reason for this is that the importance of downtown to the entire community is finally being recognized. It has taken a long time, too long in the case of some urban centers, for this interest and recognition to occur. Today, the revitalization or "re-birth" of our central business districts has become the "in" thing, the main focus of the urban and economic development efforts of this country.

Some basic issues, however, must be addressed. There are important elements in the "achievement quotient" for downtown revitalization that are applicable to both large and small cities.

The answer to the question of whether downtowns will survive is an emphatic "Yes." The main issue is how to ensure that public and private leadership will form a partnership in individual communities to make sure that main streets do survive and thrive.

There are a number of elements that must be taken into consideration when turning plans into action. The role of the central business district in America has

changed. From what was once predominantly the retail center of a community, there now are emerging multi-purpose centers of housing, culture, finance, governmental services, business, recreation, and retailing. What is emerging is both stronger and more important than what once was.

Some believe that the energy crisis will have a positive impact on downtowns. This will only be true if the planners recognize how to turn this critical situation facing the country to the advantage of the central business districts. No one should think that the energy crisis and its ramifications, and the cost in the movement of people, will be totally positive assets for downtown. People in the suburbs may well find it more cost-efficient to travel a few miles to a suburban shopping center than to drive a long distance to shop downtown. Public transportation must accommodate this change. Downtowns must be made convenient and accessible to suburban residents.

The positives of downtown must be extolled. Central business districts have become the largest centers of employment and the single largest tax producing areas for most communities. Their financial support of the areas surrounding central business districts must be made apparent. Community leaders and public officials must strive to develop a balance and understanding between neighborhood groups and downtown interests. A city, no matter its size, will only truly be successful and be able to offer the highest quality of life to its residents if there is a strong central business district coupled with aggressive neighborhood development. Those who believe that they can target

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programs to just one of these areas will soon learn that their scale of success will tilt negatively.

The problems and successes of smaller cities are finally being spotlighted. Although large cities such as Denver, San Francisco, Minneapolis, and Houston are in the midst of a boom period, the small cities collectively possess great potential for massive economic stabilization and growth in this country.

New federal and state programs now are being directed to small cities. Officials in cities with populations under 50,000 should learn about these programs and make use of them. The urban development action grant program is one of the best programs conceived in Washington. The rural initiatives, Economic Development Administration, and Farmers Home Administration programs, and the President's conservation guidance directive should be examined.

Under the rural initiatives program, the federal government will direct more attention to strengthening rural communities. All federal departments working in rural areas have increased assistance to rural communities. In addition, a cooperative effort has been established between governmental agencies to combine programs for smaller communities.

One reason for the increased help to small communities is growth related to natural resource exploration. This is especially true in western states. For example, as coal reserves are uncovered, large companies move into small communities. This immediately places a strain on governmental services that is beyond the capacity of state assistance programs.

The Economic Development Administration has proposed a \$1.8-billion aid program, currently under consideration by Congress. The Farmers Home Administration program has become one of the few programs for new housing construction during a period of prohibitive construction and financing costs in the conventional housing market. FmHA offers long-term financing at low interest rates with maximum loan coverage for rural areas. Such a program, when combined with other federal incentives, constitutes a new and major recognition of the importance and economic viability of rural communities. FmHA also appears to operate without the red tape that deters many developers.

The community conservation guidance directive allows a mayor or governor to request an economic review of a proposed suburban commercial development if such a project may have an adverse effect on an adjacent urban center. The directive is an aggressive attempt to recognize that federal and state funds must be coordinated within a community, rather than sprinkling money in what may be considered a "Johnny Appleseed" approach.

Smaller cities are going to be put to the test in the future. Shopping center developers, for the most part, have finished their massive malls surrounding the major metropolitan areas. They are now researching secondary markets with plans for developing large

malls, regionally located, to attract business from several small communities. That action could have a devastating effect on the revitalization efforts of many small cities and their main streets. The President's community conservation guidance directive is a vehicle to counteract that. The billions of dollars of federal and state aid and the considerable private investment in urban areas must be protected.

All of these programs can be combined with private sector initiative and capital to provide the vehicles necessary to achieve success in local communities and on main streets.

Another important factor to consider is the role of the state in central business district revitalization. States possess more power in terms of zoning regulations, highway controls and funding, loan guarantees, and tax abatement programs than do localities.

Most states are the beneficiaries of a sales tax placed on local commerce. These sales taxes represent a major portion of the state's income. In order for the states to continue to receive this form of income, they must recognize that assistance to central business districts is similar to a businessman re-investing in his own business to make it grow. The states have a responsibility to completely assess the role and importance of central business districts and to determine what programmatic and fiscal assistance can be given for their continued growth.

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Several years ago, New York was one of the leaders in establishing state urban renewal programs. This was to supplement the traditional federal urban renewal program for localities. New York state would cover one half the cost of the local share of federal urban renewal projects. In its day, that program made it easier for cities throughout New York to avail themselves of the federal urban renewal program. The New York State Urban Development Corporation was another tool to aid cities created by then Governor Nelson Rockefeller and directed by the highly respected urbanist, Edward J. Logue. More recently, the New York secretary of state has aggressively directed an effort to hold conferences and set up a delivery system for state aid to central business districts.

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With the change in federal urban programs, it seems the states have not, until recently, developed clearcut assistance efforts for central business district revitalization. They must do so.

Last year, Governor Hugh Carey of New York issued a central business district policy program. A specific part of it paralleled a federal directive. That was, as state leases expire in a community, the new lease must be directed to the central business district. In Syracuse, that directive has had a major and positive effect on central business district revitalization efforts. Developers have purchased buildings that have been vacant. They have added commercial space to the first floors, and were able to secure state leases for upper floors that made the projects economically feasible. The result is a new life for many older buildings.

Also in New York, the private sector took the lead in a state central business district revitalization movement. The private sector development organizations in the state banded together to discuss common issues, problems, and ways to solve them. They discussed concerns with the governor's office and showed intentions of working with the state in this regard. A formal organization, the New York State Council for Urban Economic Development, was created and, now, many public sector representatives and organizations are anxious to join.

As a result of that initiative, the council received Economic Development Administration money on two occasions to conduct statewide conferences at which public officials and private leaders of every city in the state convened to discuss the importance of downtowns to the entire state fiscal condition and to outline steps for improving downtown conditions. This movement is occurring across the nation.

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A popular phrase today is “public/private venture.” This might suggest to some that one side has all the expertise and concepts, while the other side has all the money. Frequently, however, within six months the situation may be completely reversed.

The often asked question is, “How can action be brought into downtown?” Cynics sometimes question whether all the energy devoted to downtown revitalization by the public and private sector will really change the course of events.

Cities and their downtowns vary greatly. Some do better than others because of population shifts, economic advantages, or some other outside factor. It also is true that some cities do better than others because they try harder and because their efforts to improve are more effective. In any given city, there can be discerned an “achievement quotient.” This can be defined as how good a city or a city's central business district is compared to how good it could be with the application of the optimum civic effort. Another way of defining the “achievement quotient” is by the degree to which a city and a central business area are improved because of the input of local and state leadership, energy, and intelligence.

There are seven requirements for successful downtown programs. There could be more, or fewer, factors in a city's formula for success, but these factors seem to have been present in those cities in which the downtown effort has had a high “achievement quotient.”

1—*Concern.* There must be widespread concern among the downtown business leaders, the city administration, and the public in general, for what is happening to their downtown. There must be concern about the loss of business, people, property values, and tax revenues. There must be concern about the flight of people and businesses to the suburbs. This concern must result in a consensus that something must be done.

2—*Optimism and Confidence.* The result of the concern must not be despair, or a tendency to give up, but rather should be a determination to do something about the conditions that are adversely affecting the downtown area. There must be faith that this multi-purpose center for the entire region can be improved. There must be a deep, underlying belief that downtown is worth all the effort that may be required to make it great once again.

3—*Leadership.* Among the citizens and public officials who have the confidence that something positive can be done about downtown, there must be one or more individuals with the kind of leadership that inspires and moves people into action. On a state level, the governor is such an individual. In each community there is a banker, store-owner, mayor, or an interested citizen who has the prestige and intelligence that characterize a decision maker.

In most instances, when a city has undergone successful revitalization, such a leader has been responsible. It was Mayor Dick Lee who sparked the renaissance in New Haven; Henry Ford and Mayor Coleman Young in Detroit; Jim Rouse in many places; and Mayor Lee Alexander in Syracuse. European cities

that did an outstanding job of rebuilding after World War II each had heroes who were either urban planners, architects, politicians or businessmen. In American cities, there must be one or more individuals capable of spearheading revitalization efforts. Dedicated leadership can turn a downtown action plan into a reality.

4—*Knowledge.* Effort and leadership will not succeed without a careful analysis of the facts. Based on the facts, a realistic program for action can be developed. The functioning of downtown development is extremely complex. If a downtown action program is going to succeed, it must be based on a very thorough knowledge of such factors as the maximum market that can be reached by downtown retail business and the interrelationship of downtown housing to banks, stores, and offices. The plan must involve meticulous consideration, for instance, of the interaction of pedestrians to cars, and to public transportation. It must address the basic problem of the movement of people and goods into the central business area and within the central business area. The background work, fact collecting, and program formulation for successful downtown action is essential, even in smaller communities. It is no easy task. Therefore, getting the right assistance is critically important. In large cities the size of the job is truly monumental, but it must be done and guess work will not do.

5—*A Plan.* After the detailed work of gathering facts and deciding what needs to be done, a plan for downtown must be prepared. This plan can be merely pedestrian or it can be a masterpiece. A successful plan must be both realistic and exciting. The power of the bold, imaginative, dynamic plan is tremendous. Seventy years ago, the Wacker plan for Chicago captured the imagination of the nation. Visitors from all over the world come to see the Nicollet Street Mall in Minneapolis, and Quincy Market in Boston. The mall and the market were, at first, just plans. They were, however, plans that excited the people of Minneapolis and Boston, respectively. The Embarcadero in San Francisco, Constitution Plaza in Hartford, the Lijnbaan in Rotterdam, were all bold and dynamic, but, at the same time, realistic plans before the projects were developed. The plans were so good that they demanded execution.

6—*A Public Partner.* Any downtown action plan always requires a partnership of local government agencies and almost always requires county, state and federal government involvement. Cities with high achievement quotients use every effective technique in the book. There are more programs now for central business district development than ever before. A successful city learns or gains assistance in "marrying" various programs with plans. Occasionally, public cooperation takes different forms—a supply of funds, the passage of laws, or other kinds of necessary public action. HUD programs have been used extensively and, as stated, EDA and the FmHA have something to offer.

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The old type of downtown urban renewal project may be a thing of the past, but there must be a local government commitment of community development funds and other resources to downtown improvement. Tax increment financing or tax abatement may be needed, or it may be necessary for the city to apply extraordinary street treatments, new parks, or public structures. The city or its agencies must be responsible for a sane real estate tax policy, public transportation, publicly assisted housing, and appropriate zoning. In one form or another, these public actions are necessary in every downtown action program.

7—*The Ability to Make Deals.* Some cities that meet the six requirements described, have fallen down at the last step. This is in the ability to "put it all together." There must be someone present on the scene who can "make the deal." This can be a mayor, the community development director, a local business leader, or the director of a downtown development association. Downtown action programs are really a series of deals—the building and/or restoration of a new store; the construction of a new bank building; the introduction of a new hotel; a facade improvement program. Each of these projects will involve complex and intricate negotiations that can either falter or come to a successful conclusion.

These seven requirements are met in most of the successful downtown revitalization projects. Small cities and large ones can develop an "achievement quotient" for communities. There may be other requirements in particular instances, but these seven are almost invariably necessary for success. If there is one element that is more important than any other it is "faith" or the second requirement, optimism and confidence. Those who have achieved most in the improvement of city centers, of main streets, have been true believers. They have been individuals who love cities and who are deeply dedicated to doing something for cities. Successful revitalization efforts in both large and small cities, towns, and villages can be achieved.