



***The Case for Downtown Revitalization  
Wichita, Kansas  
March 2009***



## ***The Case for Downtown Revitalization A Letter from Mayor Carl Brewer***

In Wichita, we are at a crossroads. In the past few years, we have successfully gained momentum after years of planning and investing in our downtown. At the same time, lessons learned from downtown revitalization efforts in other communities tell us we still have a long way to go.

Our story is not unique, but indicates we are on the right track. Over the years, leaders in our community produced a series of planning documents focused on downtown that laid a blueprint for significant projects – some that are completed and others that are continuing to progress. Those plans and their results are reviewed in this document, recognizing that they are the foundation for where we are today.

Our story is one of success as well. During the past 10 years in downtown Wichita, private investment of \$411 million has outpaced the public investment of \$394 million. This will be surprising to some. Others will realize that successful public investments provide the catalyst for private investment, all of which leads to increased property values and additional revenues – which benefit all Wichitans.

Today we must decide whether we build on this momentum and move forward with downtown revitalization or retreat, losing the results we have created. We are at a defining moment where we have the opportunity to clearly define ourselves as a progressive and world-class American city keeping jobs and people here. We have an opportunity to leverage our assets into greatness.

The case studies included in this report – from Chattanooga, Louisville and Raleigh – along with information from our neighbors Kansas City and Oklahoma City – tell us that for downtown revitalization efforts to be successful, cities must consider how to create critical mass – large mixed-use projects that put feet on the street where people live, work and play. These cities – like many others that are revitalizing their downtowns – provide “walkability” between home, work, shopping and entertainment.

But none of this is easy. To create this critical mass requires an unparalleled level of community engagement, support and planning. It requires intention, collaboration and commitment.

There are visions to be captured, assets and weaknesses to be identified and strategies to be developed. While other cities make compelling cases for revitalizing downtown, we already know what is to be gained:

- New and retained jobs
- New revenue through increased tourism and increasing property values
- Renewed and sometimes newly-discovered satisfaction with life and pride in our city

This document outlines these results, gives us a snapshot of where we've been and begins a conversation about where we need to go – together, as a community. I look forward to embarking on this journey together.

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## Executive Summary

### ➤ **Downtown revitalization benefits everyone**

- **Other cities that have embarked on focused downtown revitalization are producing benefits (case studies begin on page 10; outlined data in Appendix A)**

Increased private investment  
Increased property tax revenue  
New and retained jobs  
Increased tourism revenue  
Improved perceptions

### ➤ **Wichita has had success downtown; we have created momentum**

- **Our history of planning and engagement produced results**

Prior plans and engagement have built a foundation and led us to our current momentum

Next steps are crucial: we must move forward to ensure we are a competitive market for jobs and people

- **Public investment has led to increased private investment**

Public investment in the 10-year period 1998 through 2008 was \$394 million and private investment was \$411 million

- **As private investment increases, Wichita taxpayers benefit through increased tax revenue**

Property values in the core downtown area increased to \$545.8 million in 2008, up from \$302.4 million in 1998, meaning additional property tax revenue

### ➤ **Successful downtown revitalization requires:**

- Creating a downtown with people living, working and playing within a walkable distance
- Comprehensive planning that depends on intentional community engagement, support and collaboration
- Patience: true revitalization efforts and implementation strategies are an on-going process
- Public investment that supports private investment

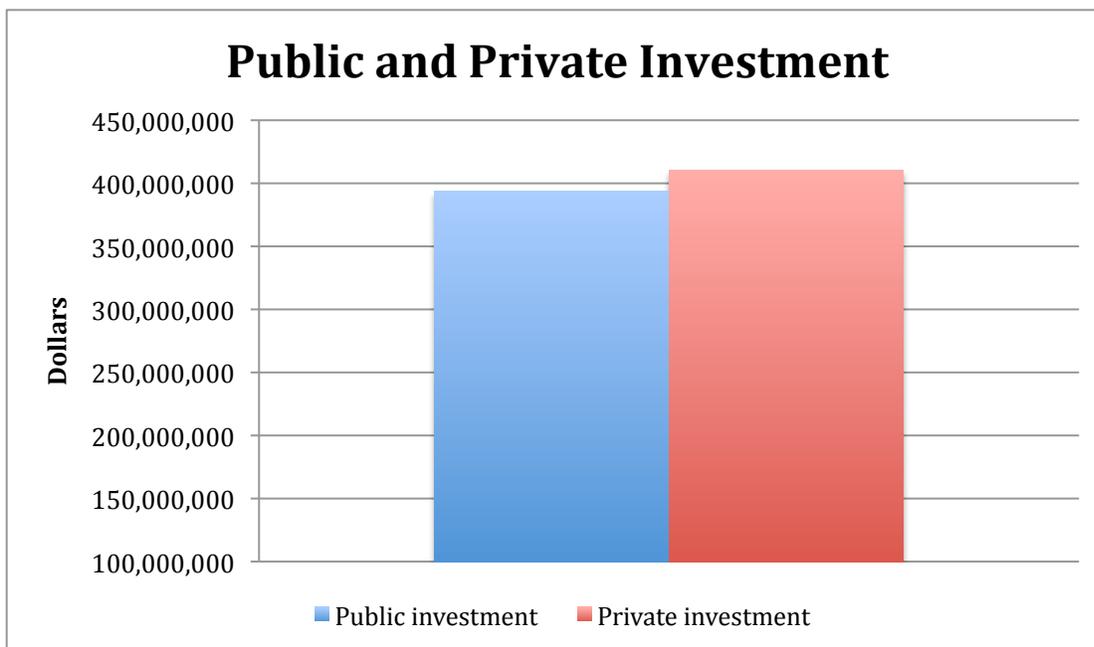
# THE CASE FOR DOWNTOWN REVITALIZATION: WHERE WE ARE NOW

## ***Downtowns on the decline***

When the suburban land rush started in the 1950s, it signaled the disinvestment in American downtowns. Nearly every downtown in the country entered into an era of decline, with the exception of some office construction during the 1980s. But the case for revitalizing downtowns is a strong one, proven to add residents and jobs along with visitors bringing additional money into the area. Experience also shows that the public sector benefits through increased tax revenue. Revitalized downtowns can also be key in attracting young people, a new set of workers upon which competitive cities rely. Wichita's downtown (defined for the purposes of the following data as Kellogg to Central and Washington to McLean) has enjoyed moderate growth in the past 10 years but there is much left to do.

## ***Wichita: Private investment on the upswing***

Successful downtown revitalization strategies are referred to as “private-public partnerships” with the public sector laying the groundwork through investments in infrastructure, entertainment districts and venues, parking and more – all of which opens the door for additional private investment. Eventually the private sector takes the lead and moves far ahead of public investment. Other cities that have already experienced successful downtown turnarounds have shown that for every \$1 of public investment there will be \$10 to \$15 of private investment. Data in Wichita reflects that we are moving in the right direction but that there is much more to do. Our public investment has indeed catalyzed private investment in the core area: in the 10-year period 1998 through 2008 public investment was \$394 million and private sector investment was \$411 million.



Public investment includes City of Wichita CIP, Tax Increment Financing, Façade Improvement Program, HOME Program Investment, Low Income Housing Tax Credits, Historic Tax Credits, CDBG Funds, Public Building Commission Funds, Wichita Downtown Development Corp. grants; Sources for private investment include Sedgwick County property sales data and City of Wichita building permit data / **Source data - see references page**

### ***Wichita: Property values increase, more revenue for taxpayers***

As private investment in the core area increases through renovations that improve commercial buildings, thereby increasing occupancy, and the rehabilitation of older, unused buildings, the community benefits with increased tax revenue. Such revenue increases help stabilize rates throughout the city.

Wichita's data confirms the return on investment for taxpayers as property taxes collected in the defined area continue to increase. Using the ten-year period 1998-2008 discussed in the investment section above, the property value in the core area grew to \$545.8 million in 2008, compared to \$302.4 million in 1998. And since 2001 (first year that collected property tax data is readily available), property tax revenue has increased nearly 30 percent (\$6.3 million in 2001 to an estimated \$8.1 million in 2008)\*.

\*2007-2008 property taxes are estimates based on previous year collections and levels of private investment. Other years are actual amounts collected / **Source data** – see references page.

### ***Wichita supports both urban and suburban growth***

Urban and suburban developments are both important to Wichita's growth and future. Both development types increase tax revenue, provide jobs and stimulate additional growth for the city, county and the entire region.

Because the processes and levels of expense differ, there are different types of public incentives to assist developers in their projects.

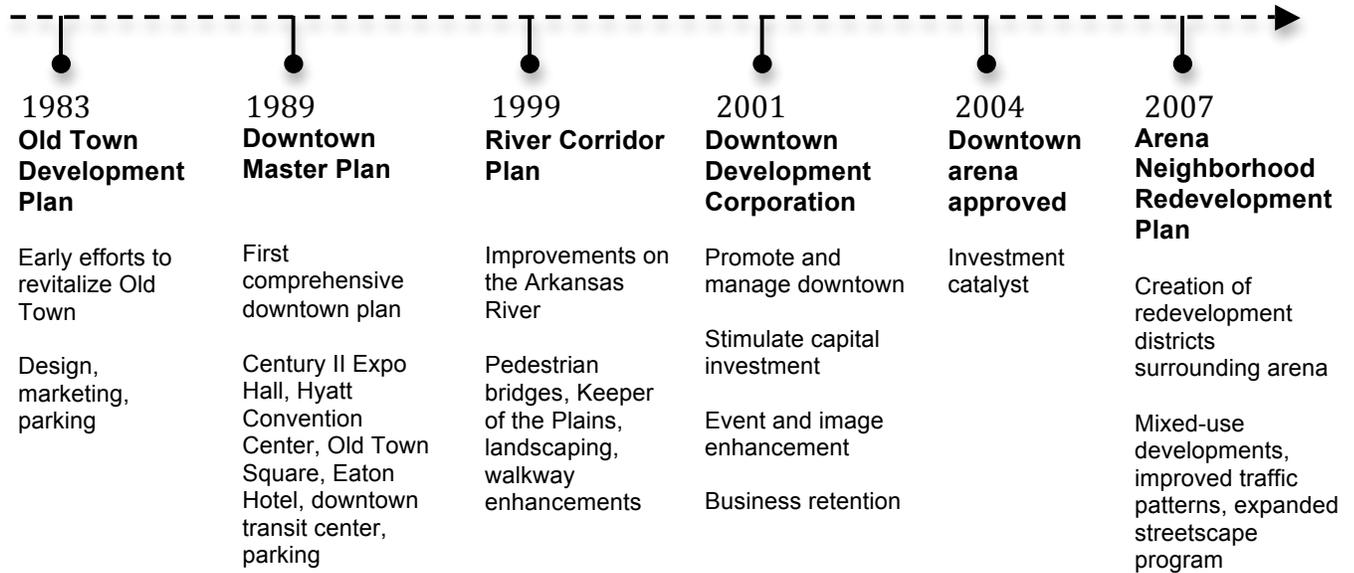
Wichita has focused on the use of Tax Increment Financing districts, special assessment financing, historic tax credits and other incentives to assist in improving the downtown infrastructure in preparation for private development, remove blight and upgrade the exteriors of older and oftentimes historic buildings. Downtown development often involves complex existing issues.

Wichita also provides support and incentives to suburban growth and development through special assessment financing available to support infrastructure costs associated with both commercial and residential development. Estimates show that about 50 percent of Wichita's total general obligation debt supports special assessment financing for private development outside of the core area.

The use of all tools allows for increased growth and development in both the urban and suburban areas of the city, thereby increasing the tax base, providing jobs and stimulating additional economic opportunity.

### ***Wichita: Progress and planning***

As with other cities across the country, Wichita has a history of progress in planning, defining and implementing change in a downtown that has experienced decline. The city has addressed issues through various initiatives that have stimulated core economic growth. Not every step has been realized, but the overall effect has contributed to where Wichita is today. Some of the initiatives that have helped to reach this point include:



**The 1983 Old Town Development Plan** assisted in early efforts to revitalize Old Town, where old warehouses were abandoned and boarded up and the area had a 70 percent vacancy rate. This plan addressed urban design, opportunity sites, marketing, parking and funding.

**The 1989 Development Plan for Downtown by RTKL Associates** was the first comprehensive downtown plan. Projects that emanated from the RTKL plan included building Century II Expo Hall, Hyatt Regency Convention Hotel, the downtown Transit Center, Exploration Place and Ice Sports Wichita. Lawrence-Dumont Stadium, Old Town Square, the Orpheum Theater and the Eaton Hotel also benefited from enhancements recommended by the plan. Main Street became a two-way thoroughfare, McLean Boulevard was relocated and parking garages were built in Old Town. The first leg of east bank improvements on the Arkansas River was completed and the Douglas and Lewis Street bridges were transformed.

**The 1999 Wichita River Corridor Plan** contained recommendations on major improvement projects along the Arkansas River: pedestrian bridges, riverfront plazas, riverfront promenade enhancements and more. The most successful element to date has been restoration and enhancement of the Keeper of the Plains sculpture through a natural stone elevation, fire drums at the base and connecting pedestrian bridges to the banks of the Big and Little Arkansas rivers. The next phase of the River Corridor plan includes removing the swimming pool at the Broadview Hotel and replacing it with landscaping and walkway enhancements along the east bank.

**The Wichita Downtown Development Corporation was created by ordinance in 2001** after property owners in the area agreed to create a special financing district to vigorously promote and manage downtown development. The non-profit organization works with the private and public sectors to stimulate new capital investment and interest in the central business district through a private / public board. Guiding activity that includes economic development, event and image enhancement, marketing, business retention and grants, and focus on downtown, the organization has helped bring millions of dollars in public and private investment into the city's center. Under one program – the Tenant Improvement Grant fund – WDDC has provided more than \$282,000 to 54 downtown investors. This program helped leverage \$4.1 million in private investment and created or retained 694 jobs.

**The 2004 public referendum that authorized the collection of funds for a downtown arena** led to the construction of the INTRUST Bank Arena now under construction in the heart of downtown. Scheduled to open in 2010, the arena will provide additional entertainment opportunities for Wichita, draw visitors to the city, catalyze additional investment and assist with redevelopment of the core area.

**The 2007 Arena Neighborhood Redevelopment Plan** calls for the creation of distinct districts surrounding the INTRUST Bank arena, focusing on mixed-use development, improved traffic patterns, an expanded streetscape program and more, all to foster connections between the arena, Old Town, Century II and WaterWalk and the river corridor.

**Other plans and initiatives** that have had significant impact on the downtown area include the 1991 Gilbert and Mosley project, the Delano Neighborhood Revitalization Plan in 2000 and the beginning of WaterWalk in 2004. The Gilbert and Mosley project created a unique financing model to clean up contaminated groundwater that had halted or delayed development in a six-square mile that included Old Town. The Delano Neighborhood Revitalization Plan (while outside the boundaries used for this plan) recommended design guidelines, down-zoning, streetscape enhancements to west Douglas, Seneca Boulevard and University Avenue and the creation of Delano's Urban Village. The plan was successful in improving many aspects of this old and well-established neighborhood directly west of the downtown area. WaterWalk efforts complement the Hyatt Regency Wichita, Century II and the Museum District and are resulting in additional residential and retail development.

**Individual projects** on the horizon include the conversion of the abandoned Exchange and Biting buildings into more than 200 new downtown apartments, a new hotel on Douglas, new facades for several downtown office buildings that will bring marked change to the city skyline, the Carnegie Library renovation, improvements to the historic Broadview Hotel and additional public parking garages. Interest in downtown continues to grow as the arena nears completion and additional investment is expected.

Most of these projects have been funded through a combination of private and public investment.

## Wichita: What's next?

Wichita's strengths are many. It has what many covet in the Arkansas River, a committed business community, engaged private developers, an upcoming arena, beautiful historic buildings and a broader community interested in the importance of downtown. But downtown revitalization efforts require *intention*, a community engaged in not only dreaming but planning, addressing the many issues that will eventually create critical mass.

Ideally, downtown revitalization efforts focus on creating what is called "walkable urbanity." This is defined as a downtown with an easy, short walk to nearly all of life's daily destinations, including home, work, shopping, entertainment, parks. When planned and implemented correctly, walkable urbanity leads to critical mass. That critical mass is a point in redevelopment where *more is better*: more people are on the streets, land and property values increase, more business opportunity is created which means more people and more activity and so on. Once critical mass is reached, it's a process that continues to expand and it becomes nearly unstoppable.

Consumer research supports the demand for walkable urbanism but the most compelling evidence is the price people are willing to pay to live in walkable urban places. Surveys show a 40 percent to 200 percent price premium on a per square foot basis for a walkable urban area as opposed to a competitive nearby drivable suburban area. Additional surveys reflect that between 30 percent and 50 percent of all households in metropolitan areas surveyed want walkable urbanity.

Cities with successful downtown turnarounds have shown that for every \$1 of public investment there will be \$10 to \$15 of private money invested even though downtown development costs (such as constrained sites, underground work, land lease costs, environmental remediation, etc.) are generally higher than suburban development costs. The planning process for urban development requires all the same type of growth planning for suburban development and then some. The necessary pre-conditions for growth – roads, water, sewer, gas, electric and communications line extensions, public safety and more – are all part of urban development. Add to that the need for physical definition of the area to be redeveloped, creating a comprehensive strategy for redevelopment, defining mixed uses, zoning challenges, addressing parking and public safety needs, and downtown revitalization becomes a community engagement process much more extensive than typical suburban development.

Wichita has begun to address the many issues facing cities embarking on downtown revitalization, and has made progress in reigniting the downtown core. Old Town, the Keeper of the Plains improvements, new residential units throughout the core and the arena as a major entertainment venue are all significant strides in bringing together the complexity of walkable urbanism and critical mass. And data reflects that the city is experiencing upward escalation. But it will take more to fulfill the promises of true downtown revitalization. It is an intentioned effort that requires collaboration, expert planning and extensive community engagement.

Its benefits are many: residential growth, increased economic activity, increased tax revenue for the community, new jobs, increased tourism and more.

## **CASE STUDIES**

### ***Chattanooga, Tennessee; Louisville, Kentucky; Raleigh, North Carolina***

Across the country, cities have focused on downtown revitalization for various competitive reasons. As we examine just a few it is important to know and understand the reasons Chattanooga, Louisville and Raleigh are highlighted.

As Wichita treasures the Arkansas River, Chattanooga and Louisville treasure the Tennessee River and the Ohio. In fact, Chattanooga established their community priorities through extensive planning and as a result, decided to create a unique, 24-hour riverfront connecting the community to and along the river. Chattanooga has experienced a myriad of benefits, including a shift to a younger population in their revitalized downtown. In similar fashion, Louisville created a Waterfront Development Corporation to transform their blighted downtown waterfront into an active area that would both improve quality of life and serve as a catalyst for redevelopment in the Louisville Waterfront District.

Raleigh is highlighted because, like Wichita, its downtown is rich with cultural activity. Raleigh has intentionally focused on growing its downtown residential base, which has been significant in transforming its skyline. About 5,000 residents currently live in downtown Raleigh in 3,277 existing residential units in the downtown business improvement district. Another 386 units are under construction and another 658 are planned. Since 2006, services have grown in the downtown core: 118 new businesses have opened and new opportunities have been created. In 2008, there was a net gain of 25 new establishments downtown.

**Chattanooga, Tennessee:** In 1969, the federal government declared that Chattanooga had the dirtiest air in the county. People drove with their headlights on during the day and soot covered clothes after walking to work.

Like other cities, Chattanooga began to experience the initial effects of suburbanization in the 1950s. Deindustrialization hit Chattanooga hard and manufacturing employment began to decline in the 1970s. As manufacturing jobs declined, so did both city and county populations and in the 1980s, Chattanooga's downtown, like others across the U.S., had become a ghost town. At the beginning of the 1990s, Chattanooga had been hard hit.

By the mid 1980s, Chattanooga's leadership realized the city was in trouble and perhaps facing irreversible decline. So began planning, civic engagement, partnerships and smart investments:

- 1982 "Chattanooga in Motion," civic leaders visited other cities
- 1983 "Chattanooga Venture" was a series of public meetings to outline a vision for the city that resulted in Vision 2000
- 1985 Tennessee Riverpark Master Plan affirmed the need for a vibrant downtown
- 1986 The RiverCity Company was created to implement recommendations and was capitalized with \$12 million in donations from eight local foundations and seven local financial institutions

***"Downtown is the one place that distinguishes Chattanooga from all other cities in the world. Downtown is our community living room – where we come when we want to be together to celebrate the things we like best about ourselves and about our community."***  
1993 Downtown Plan

Between 1988 and 1993, Chattanooga began implementing many of the ideas generated through planning and engagement and by the early 1990s revitalization of downtown was underway. Through lengthy community planning and public engagement, focused vision and a strong private-public partnership, Chattanooga reaped multiple benefits. The January 2003 Annual Downtown Report by the Community Research Council quantifies early results by evaluating ten-year activity between 1990 and 2000 (APPENDIX A) which reflect the following benefits: ***the downtown population grows, investment in downtown increases, downtown appraisal values increase, downtown employment rises, the revitalization effort pays off with new and retained jobs, downtown hotels generate disproportionately higher revenues and attitudes have changed.***

### ***Planning continues***

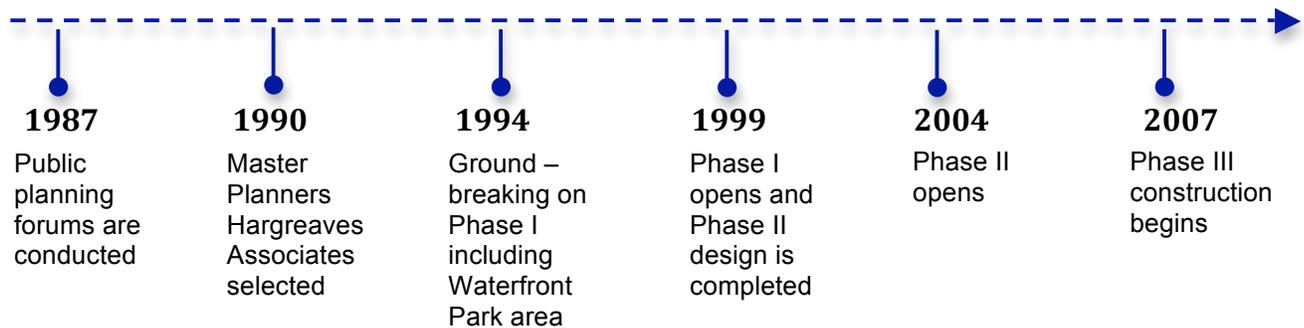
Success has not stopped Chattanooga, but has driven the community forward with continued planning: Downtown Chattanooga Parking Study (2004), the Downtown Chattanooga Economic Development Plan (2007) and the RiverCity Retail Report (2007).

***Through strategic planning, a catalytic development company, appropriate government involvement, philanthropic and private sector investment, downtown Chattanooga has become a "poster child" for how to undertake a winning revitalization process.***



**Louisville, Kentucky:** Over the years, the waterfront area of Louisville became a blighted area filled with abandoned or underutilized land and buildings. Because it was considered one of the most unattractive parts of the city, Louisville city and Jefferson County leaders created the Waterfront Development Corporation in 1986 to oversee redevelopment of the area into a vibrant, active park meant to achieve two objectives: (1) improve the quality of life for residents and (2) be a catalyst for business and residential development.

Beginning in 1987, the community held public forums to determine needs and provide planning and vision for redevelopment. The once heavy industrial area that was somewhat cut off from the city now boasts **more than 6,000 employees, major residential developments and the ripple effect of restaurants, entertainment venues, support retail, and new residential and office space.**



Louisville has completed three consecutive phases of planning, fully implemented two of the phases and launched construction on the third. **Waterfront Park now attracts more than 1.5 million visitors every year** for special events, festivals, concerts and every day use – walkers, joggers, families and those who come to enjoy the river. The Urban Land Institute named the park one of the Top Ten Urban Parks in the country in 2006. **Through 2008, there has been \$1.3 billion in private and public investment.**

Through this 20-year span, the waterfront area has been a major development center with projects such as Louisville Slugger Field and Waterfront Park Place, including a newly developed wharf area, children’s interactive play parks (Adventure Playground, Extreme Park), Louisville Downtown Arena, the great lawn, and the Lincoln Amphitheater. Public infrastructure projects have included widening roads and connecting downtown Louisville to the heart of historic Jeffersonville by renovating the Big Four Bridge which also has pedestrian-bicycle-centered components. Private investment in office buildings, restaurants, retail, apartments and lofts have followed.

**Jerry Abramson, Mayor of Louisville, calls it a “renaissance” that has more people living downtown along with additional entertainment options. Attesting to the additional redevelopment, Gov. Ernie Fletcher said, “The transformation in the last four years is phenomenal.”**

These long-term focused efforts have lured new projects to this growing list of amenities that helped spur residential and commercial development in downtown Louisville. The latest additions to Louisville’s downtown revitalization include a \$252 million arena and the \$465 million Museum Plaza (mixed use development that will include a contemporary art museum, hotel, shops, condominiums, offices and a hotel). Like Chattanooga, Louisville experienced **investment and employment increases along with downtown population growth.** (APPENDIX A)



**Raleigh, North Carolina** is the fastest growing major city on the east coast. Its history of downtown mirrors many others, as it was the hub for retail, housing and entertainment when development beginning in the 1950s to the north and west of the city led people outward. In the 1970s city officials adopted

a plan to convert Fayetteville Street into a pedestrian mall that stretched between the Statehouse and a new civic center. By the late 1990s the pedestrian mall needed a new design and concept. In 2003 the Raleigh City Council approved a “Livable Streets” strategic plan for Downtown Raleigh. It featured five components to be accomplished over five years:

- 1) Funding and building a new convention center and hotel
- 2) Redesigning the original pedestrian mall (Fayetteville Street Renaissance)
- 3) Improving the overall pedestrian environment
- 4) Undertaking regulatory reform to make it easier to develop and do business in Downtown Raleigh
- 5) Expanding downtown management – make the Downtown Raleigh Alliance the organization responsible for bringing all parties to the table to oversee implementation of the vision for downtown

Since 2000 there has been **nearly \$1 billion in private and public investment in downtown** Raleigh with an additional \$2.5 billion planned. The public investment of \$336 million to date in a new convention center, the Fayetteville Street Renaissance project and other streetscape improvements has **leveraged more than \$600 million in new private sector developments** including **new headquarter office towers for two companies, more than 2,600 new condos and residences and other mixed-use infill developments.**

Next steps for the Raleigh plan in 2009 include downtown shuttles, a new plan for signage and other “way-finding” methods for increased visitors, and opening the City Plaza considered the “public living room” for Raleigh, in addition to continued completion of projects already announced. See additional benefits in Raleigh in APPENDIX A.

***“The upward trend in Downtown Raleigh’s revitalization has resulted in significant economic, fiscal, civic, and cultural gains for Raleigh.***

***Strong job growth, commercial and residential development, and significant public projects have helped Downtown establish a competitive edge and become a revenue generator for Raleigh.***

***The remarkable growth and improved quality of Downtown between 2003 and 2008 is due in part to successful public-private partnerships, courageous private sector leadership, and a commitment by the City to invest in Downtown’s future through strategic projects intended to leverage private sector investment.”*** Downtown Raleigh Comprehensive Plan, Public Review Draft, December 2008

## ***Competing environments: Our neighbors***

Neighboring cities, Kansas City, Missouri, and Oklahoma City have already launched downtown revitalization efforts and as such, have created increasingly competitive environments for Wichita.

New major attractions in Kansas City include the seven-block Power & Light District that attracts 7.1 million visits annually and created 2,853 full-time jobs, the 18,5000 seat Sprint Center, the College Basketball Hall of Fame, the Midland Theater and the Bartel Hall Convention Center. In nine months, new development attracted over three million guests to the area. So far, there has been \$950 million in new development and more is planned. Continued Phase I development includes adding a downtown supermarket and fitness center; Phase II includes adding a new 4-star hotel and 1,200 additional residential units.

Kansas City, like other cities experiencing success in downtown revitalization efforts, has experienced what some claim to be an “unparalleled transformation” of downtown. Reporting in 2007, Kansas City outlines major changes that occurred in six years of focused work:

- 4,000 new residential units
- 6,500 new residents
- Projected downtown population by 2010: 24,035
- 8,000 new employees
- \$562.1 million in major capital investments in the arts since 2000
- 60 new art galleries
- Over 40 new retail businesses opened in downtown in one year
- 450,000 square feet of retail space under construction at report
- \$4 billion of investment in 2006

After experiencing core decline like other cities across America, Oklahoma City decided to change its downtown ghost town and as a result, invested \$800 million in new economic development projects. A taxpayer approved sales tax generated \$300 million for major metropolitan area projects including the AT&T Bricktown Ballpark, the Bricktown Canal, the Ford Center, the Cox Convention Center, a trolley system, additional development along the Oklahoma River and a new downtown public library. It is significant to note that Oklahoma City voters renewed their sales tax increase several times in order to continue funding their initiatives. (Projects were paid for by the time they were completed; no debt was incurred and there was no burden on taxpayers to service bonds.) A few of Oklahoma City’s results include:

- The \$393 million that citizens voted to spend on Metropolitan Area Projects in 1993 has yielded more than \$3 billion in public and private investment
- The aggregate market value in downtown experienced a 60.2 percent increase 1999-2004 (42.8 percent for the county in the same timeframe)
- The aggregate market value in Bricktown increased 231 percent between 1999 and 2004 (from \$12.2 million to \$40.2 million)
- The total number of housing units downtown increased while the number of vacant units also decreased
- The downtown area experienced increases in number of employees and annual payroll (up 1,600 and \$267,289 respectively) between 1995 and 2003
- 24 new downtown venues for entertainment, recreation and dining (2000-2003)

**APPENDIX A**  
**Chattanooga, Louisville and Raleigh BY THE NUMBERS**

**Chattanooga, Tennessee**

➤ ***Downtown population grows***

Population in the downtown footprint grew by 29%

Population in the downtown footprint grew at a rate of 4 times that of the county and 15 times that of Chattanooga

The downtown area experienced an 8% increase in the total number of housing units

Occupied housing units downtown increased 12%

Owner occupied housing units downtown increased 59%

➤ ***Downtown population is well educated***

The downtown area experienced a 16% decrease in the percentage of the population without a high school diploma; this decrease was twice that of the county

➤ ***Downtown residents are young***

The population in the downtown footprint is shifting toward those 20-44; residents in Hamilton County are getting older

➤ ***Downtown incomes experience increase***

The downtown area experienced increases in households earning higher income

➤ ***Downtown investment increases***

The contract value of permits issued from 1998 to 2002 is 73% higher than the value of permits issued from 1992 to 1997

The building permit contract value per square mile for downtown is 86.8 times that of Chattanooga

➤ ***Downtown appraisal values increase***

Downtown appraisal values increased 31% from 1993 to 2002

➤ ***Downtown employment rises***

Between 1992 and 2002, downtown employment increased 38% compared to the citywide increase of 17% and Hamilton County increase of 12%

This raises the number of downtown workers to more than 46,000 – 22% of the metro workforce

*“Residential growth downtown is not simply a demographic accident. It is largely a response to (and now a driver of) the city’s revitalization efforts. More people are deciding to live downtown because of proximity to its and other nearby amenities. A survey of downtown residents found that 76 percent of respondents felt such proximity was a very important or somewhat important reason for moving downtown – more important than proximity to work or school, a desire to live in an urban setting, or to live in a new apartment. Only convenience to activities throughout the area – 84 percent – was cited as a more important reason.”* A Restoring Prosperity Case Study: Chattanooga, Tennessee 2008

➤ ***Examples: The revitalization effort pays off with new and retained jobs***

1997: CIGNA merges with Healthsource and considers leaving Chattanooga with 1,175 jobs at risk. The downtown revitalization plays a key role in Keeping CIGNA in downtown Chattanooga. As of 2006, CIGNA was the region's fifth largest private employer with a workforce of nearly 2,000.

2004: Blue Cross/Blue Shield CEO announces it's building a \$300 million downtown campus

2008: Volkswagen plans to begin construction of its \$1 billion U.S. manufacturing plant in 2011 with a workforce of 2,000. In its announcement, Volkswagen notes that "Like many other cities with an industrial past, changing times once threatened to leave Chattanooga in rust and decline. But unlike some other cities facing the same fate, Chattanooga's leadership and citizens chose to restore, reinvest and reinvent... The people of Chattanooga took responsibility for their city's future and made great things happen."

➤ ***Downtown hotels generate disproportionately higher revenues***

The hotels in downtown account for 34% of the rooms in Hamilton County but collect 43% of the Hamilton County room tax revenue

RevPAR (Revenue per Available Room) for 2002 in downtown was higher than that of the entire county (indicates more activity per downtown hotel and more time occupied per downtown room)

➤ ***Chattanoogans believe in the future of their city (February 2008 survey)***

60% of Chattanooga residents are "very satisfied" with life in the area – up from 49% in 2006

61% stated that they are "not at all likely" to move away from the area in the next three years – up from 48% in 2006

71% believe that things in their neighborhood are going in the right direction

**Louisville, Kentucky**

➤ ***Downtown Waterfront employment rises***

Employment grew from about 400 in 1986 to more than 5,300 in 2007.

➤ ***Downtown Waterfront investment increases***

Investment is \$1.33 billion in private and public investment

➤ ***Downtown Waterfront population grows***

Downtown residents projected to grow to nearly 5,000 people by 2010

## **Raleigh, North Carolina**

### ➤ ***Downtown provides disproportionate amount of tax revenue***

Downtown Raleigh encompasses only about half of one percent (.49%) of the City's land area while providing 7.3% of the City's total property tax base

That same area of 376 acres includes an estimated 20-30% of tax-exempt space for non-profits and government entities.

Downtown projects funded by property taxes have had a 6:1 return on investment by private development

### ➤ ***Downtown investment increases***

More than \$655 million of development occurred in 2008; an additional \$202 million of new projects now under construction; \$1.3 billion more projects are in the planning stages

By 2012, new public and private development projects in the works are projected to infuse approximately \$2.5 billion into downtown

In 2008 downtown realized a net gain of 25 street-level businesses

### ➤ ***Downtown employment is on the rise***

15% of jobs in the City of Raleigh are downtown; about 40,000 employees now work downtown, of which 70% are in the private sector

### ➤ ***Downtown tourism is on the rise***

More than 2.8 million people visited downtown Raleigh in 2008

Downtown Raleigh generates 49 times its county's average amount of food and beverage tax collected per square mile

### ➤ ***Downtown population grows***

More than 5,000 people now live downtown; in 2008 five condominium and townhouse projects added 484 units

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Public and private investment data provided by the City of Wichita and Sedgwick County

Property tax and property value data provided by Sedgwick County Appraiser

General obligation bond data provided by the City of Wichita

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**Or visit:**

[www.wichita.gov](http://www.wichita.gov) and click on "Mayor's Downtown Vision"  
[www.downtownwichita.org](http://www.downtownwichita.org)