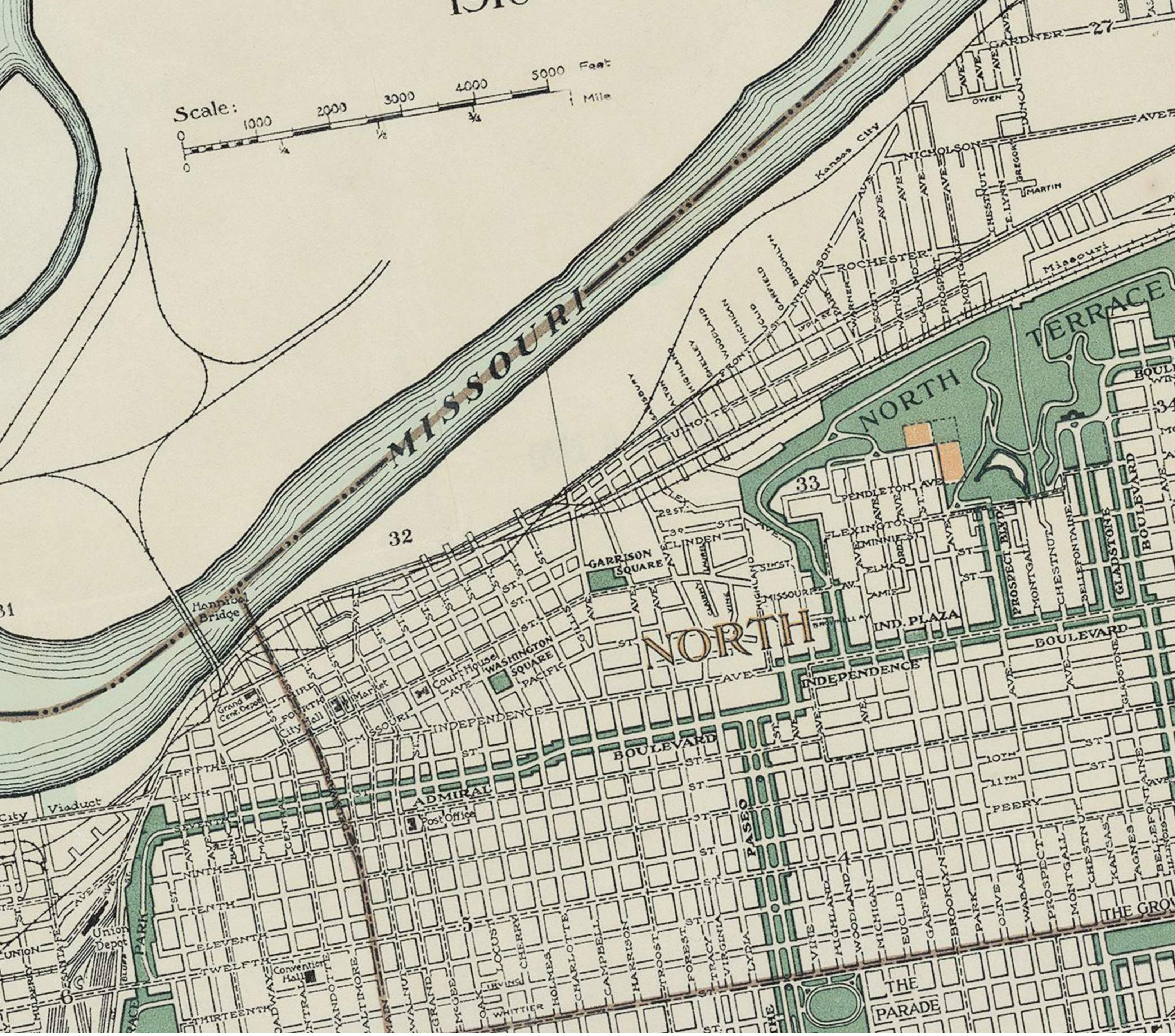

Kansas City: The American Story of Growing into Decline

A case study by Strong Towns

STRONG TOWNS

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A Note from the Editor

Dear Reader,

In 2019 and 2020, Strong Towns partnered with data analytics firm Urban3 for an ongoing research endeavor in Kansas City, Missouri, thanks to funding from the Enid & Crosby Kemper Foundation. We undertook a detailed exploration of the history, development patterns, and tax productivity in the city—uncovering a narrative of decline that has not been fully reckoned with until now.

As Strong Towns President and Founder, Charles Marohn, writes in Chapter 7, "Kansas City [...] has spent nearly three generations destroying its own wealth, depleting its resources and adding unfathomable liabilities in its confusion over the difference between growth and wealth creation."

The essays that follow, written by Charles Marohn and Strong Towns Senior Editor, Daniel Herriges, make use of Urban3's groundbreaking analyses and illustrations to explain Kansas City's risky all-in approach to the suburban development experiment, its misguided investment in urban freeways and parking lots, its harmful history of redlining, and more. These chapters also point to a more financially responsible approach that focuses on local, incremental steps toward change.

We are not telling the story of Kansas City because it is especially unique or unusual. Rather, it is a case study—one that every city can learn from. Nearly every city in America has expanded its infrastructure and service obligations far beyond what it can reasonably afford to maintain. The bills are coming due. It's time to pay attention and change our model of development into one that is not fragile and risky, but strong and resilient.

Rachel Quednau
Program Director, Strong Towns

P.S. You can find more articles and podcasts on Kansas City here:
www.strongtowns.org/kansascity

Kansas City's Fateful Experiment

By **Daniel Herriges**

We are living in the aftermath of an unprecedented experiment in how we build and inhabit cities.

Most people alive in the United States today have only ever known post-World War II development patterns. Most of us have never experienced an era without commuter suburbs outside major cities, or without freeways ringing downtown. We may visit or even live in neighborhoods that were built in the 1920s or the 1890s or even earlier, but postwar suburbia is familiar and normal to all of us. Thus, it's easy to forget just what a titanic and consequential shift occurred in the years that followed the Great Depression and World War II.

Kansas City, Missouri is in many ways a poster child for this shift. A data-driven look at its growth over time and its history of annexing land on its outskirts helps make clear the magnitude of the transformation that this city and so many others underwent. It is a transformation whose painful consequences haunt us today.

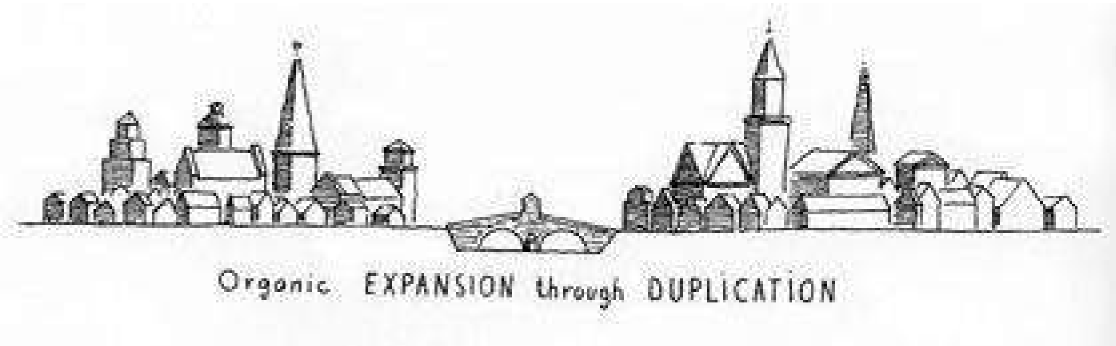
From "Paris of the Plains" to Freeway Capital of America

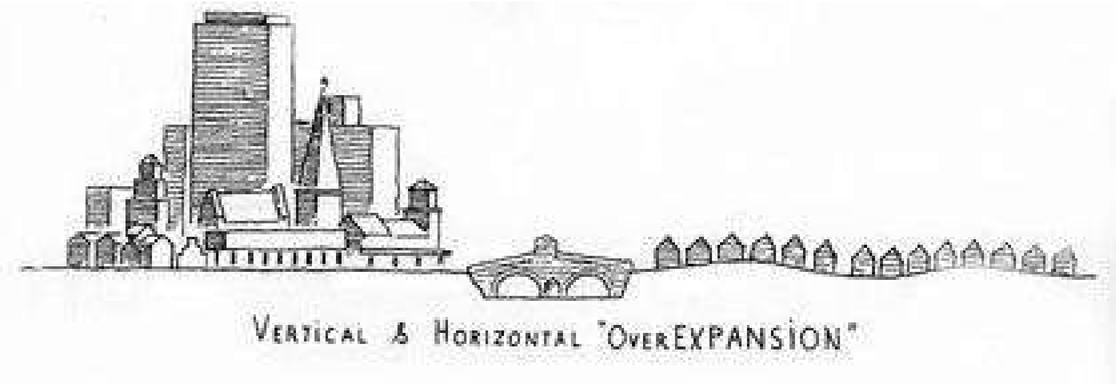
In 1853, the town that would become Kansas City, Missouri, was founded at the confluence of the Missouri and Kansas rivers, long a strategic trading post and a hub for westward expansion. By half a century later, it had grown to be a metropolis on the prairie, a place not only of great wealth but of the cultural bounty that tends to follow great wealth, embodied in the city's rich jazz and Vaudeville scenes. Kansas City was also a place of carefully cultivated beauty in the form of elegant parks and grand civic buildings, a showpiece for the City Beautiful movement that earned nicknames like "Paris of the Plains" and "City of Fountains."[1] Kansas City in the early 20th century was a city to be proud of. It was, in many ways, a model of the power of the traditional development pattern to produce a place of lasting wealth by building on a simple yet timeless template.

1 http://www.halloo.com/Blog/kansas-city-mo-816/

In the era immediately following World War II, Kansas City undertook—along with nearly the entire North American continent—a radical experiment in city building. Under this Suburban Experiment, we built freeways and subsidized new home purchases, jump-starting suburban growth and unleashing a sort of geographic hyper-expansion, even as the population of cities like Kansas City stagnated and many of their older, inner neighborhoods fell into decline. Today, the Kansas City metro area, spanning parts of two states, has more freeway lane-miles per capita than any other major U.S. metro.

The Suburban Experiment can be described, using this illustration by Léon Krier, as a sudden shift from the model of growth depicted on the top—organic expansion through duplication of an existing development pattern based on multi-purpose complete neighborhoods—to the model depicted on the bottom—horizontal hyper-growth, with the rise of a skyscraper district in the core dependent on suburban commuting:





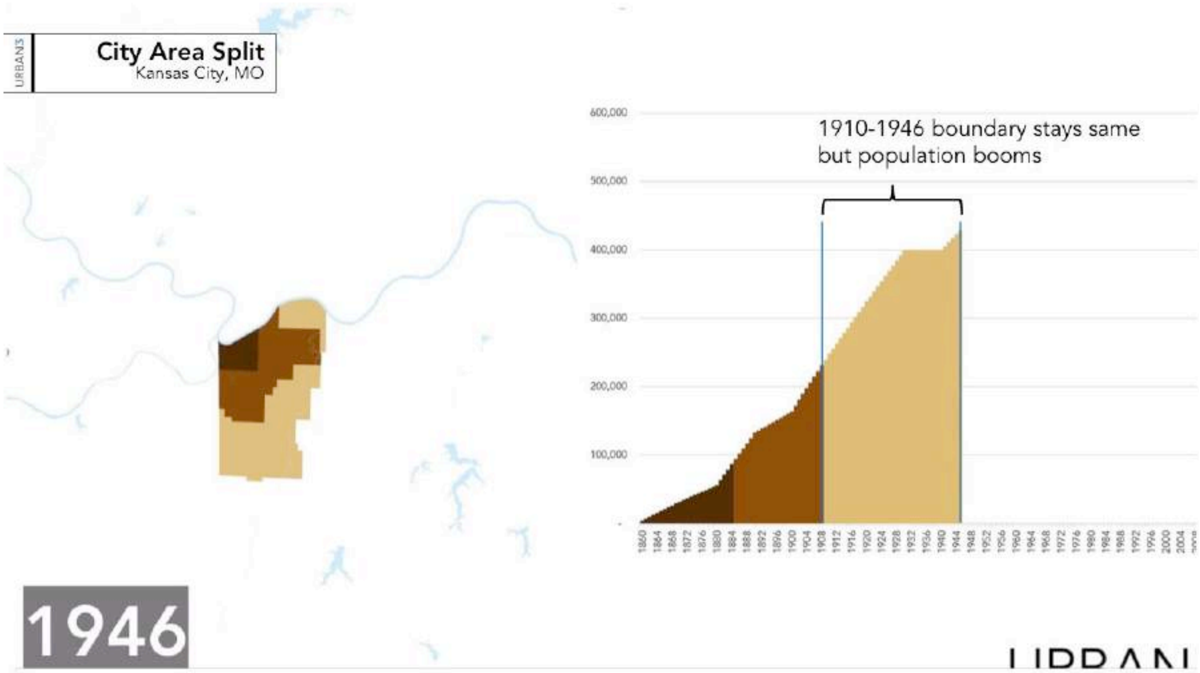
Let's take a look at Kansas City's trajectory of growth, one which makes it nearly a poster child for the Suburban Experiment.

Pre-war Kansas City: A Compact, Incrementally Intensifying City

The era in which the frontier city grew to maturity was, in many ways, a golden age of American city-building. The rapid growth of Kansas City in the late 19th and early 20th centuries—along with peers such as Chicago, Indianapolis, and the Twin Cities—was made possible by a fusion of centuries-old European architectural and placemaking traditions, coupled with new technology and the adaptable template of the rectilinear street grid, a uniquely American invention.

The neighborhoods that sprang up in this time were compact places filled with a variety of housing types from standalone homes to duplexes to apartment buildings, interspersed with neighborhood stores so that you could meet many needs by walking. The new (at the time) technology of the electric streetcar heavily shaped the development of such neighborhoods.

Kansas City's steepest population growth in its entire history occurred in the period from about 1900 to 1930. This period coincides with a "filling out" of the city along streetcar lines, and a "thickening up" of existing neighborhoods: the city did not actually expand its geographic borders one bit between the years 1910 and 1946, yet its population doubled. By 1946, Kansas City had 434,000 inhabitants spread over an area of about 60 square miles, giving it a population density slightly less than that of Philadelphia or Chicago today.



Postwar Kansas City: Explosive Growth Through Annexation

In the postwar era, Kansas City adopted a very different trajectory: explosive horizontal expansion.

In some metropolitan areas, this common experience occurred through the growth of suburbs that incorporated themselves as independent cities. In others, the core city used annexation to gobble up huge amounts of new land within its borders. The Kansas City metro area reflects a hybrid of both growth strategies: there are many separate suburbs, but the city itself also grew its borders dramatically to incorporate a large amount of the former farmland that was rapidly being carved up into subdivisions and strip malls.[2]

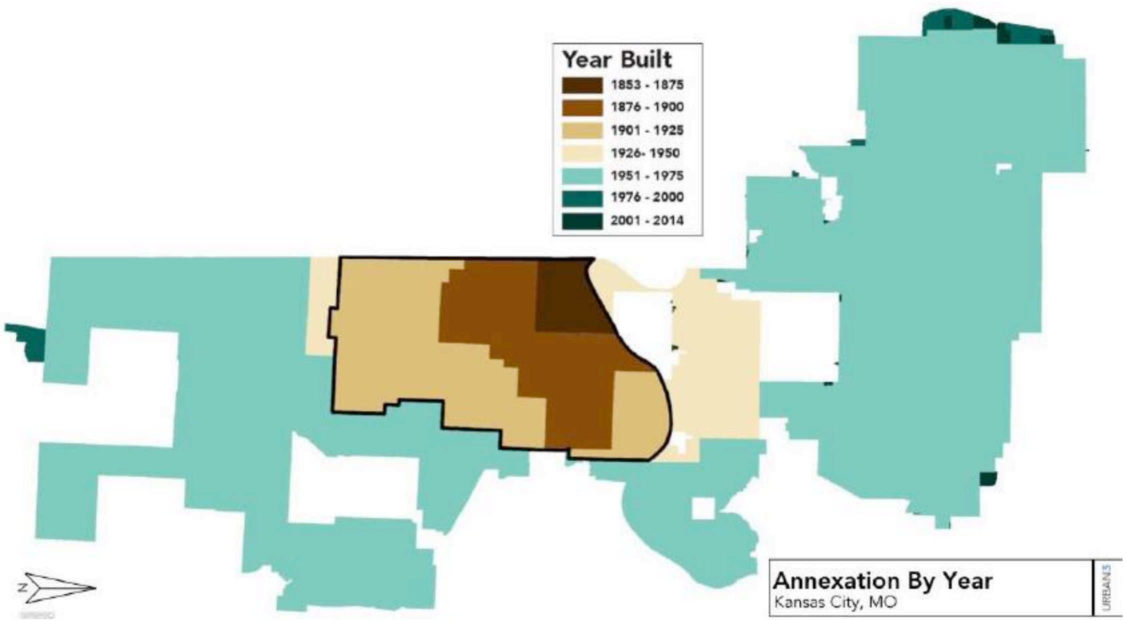
This makes it possible to treat Kansas City—the municipality itself—as a case study in the effects of rapid outward growth on the city's basic financial productivity.

It's important to separate two questions here: that of population growth from that of physical growth of the city. Two simple numbers convey how these two things diverged from one another:

2 Watch this video to see a visualization of Kansas City's growth: https://www.youtube.com/watch?v=MLOvJMsIiZk

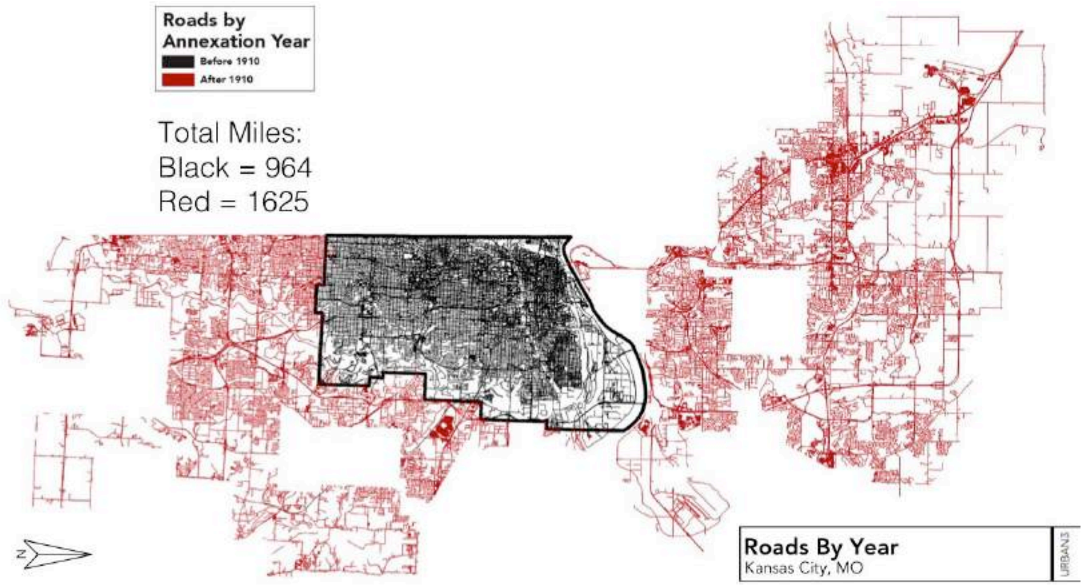
From 1946 to 1964, the city's population grew from 434,000 to about 486,000—**an increase of 12%**.

At the same time, the city's land area grew from 60 square miles to 314 square miles—**an increase of 423%**.



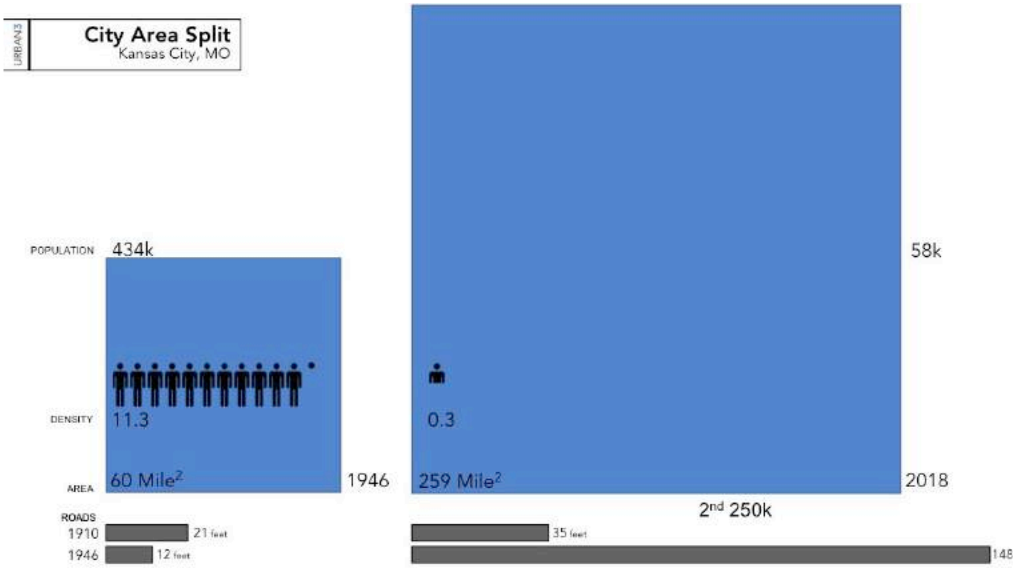
The map above contrasts Kansas City's 1910 border (outlined in black) with the post-1910 city (everything outside that outline). Most of the land annexed in the 1950s and 1960s, shown in green, was undeveloped at the time: farmland or woods. But today, it is largely suburban-style development: residential enclaves and commercial strip malls along major roads. It is full of roads that must be kept paved, and sewer and water service that must be maintained.

Let's look at what this explosive growth has done to Kansas City's infrastructure obligations. Here is its effect on the extent of the road network—a 169% increase in road miles:

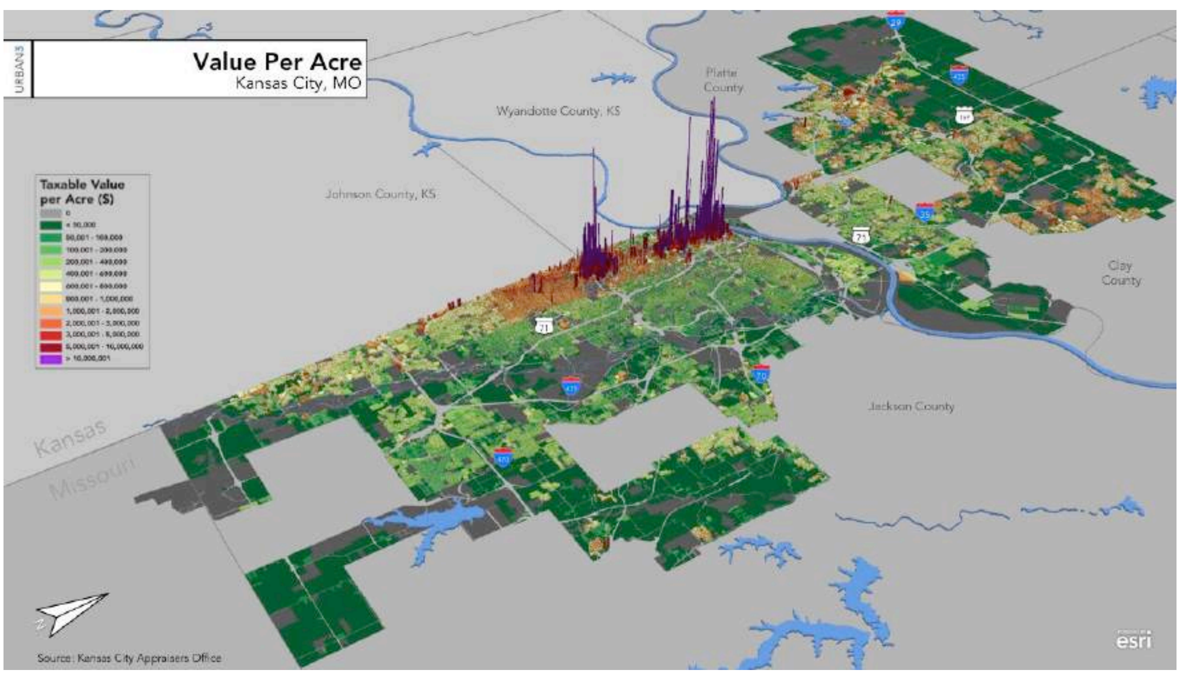


We can also examine how population density has changed. Notably, Kansas City proper has added very few people since the mid-20th century. Growth in its fringes has been largely counterbalanced by the relative depopulation of some inner-city neighborhoods, and by shrinking household sizes even in city neighborhoods that remained middle-class or wealthy.

In total, the city in 1946 had 434,000 people in 60 square miles. Today's city has an additional 58,000 people, but has added 259 square miles—a much lower population density corresponding to greater infrastructure and service obligations per capita. In 1946, Kansas City had 12 feet of road per capita. Since 1946, on the other hand, the city has added a staggering 148 feet of road for every added resident:



This spreading out might be justified if it were accompanied by a commensurate increase in wealth and financial means. But it has not been. Where, in modern day Kansas City, is real-estate value most concentrated? We need only map the tax value per acre of properties within city limits to see that Kansas City's highest value land uses lie overwhelmingly within the 1910 borders:



There is a powerful lesson expressed in these maps and charts. The traditional development approach followed by Kansas City prior to World War II built a place of enduring value. This approach was simple and tested by thousands of years of experience around the world:

- Build little by little, without accruing large amounts of debt.
- Build by replicating and tweaking existing templates, not by radically overhauling existing land use and transportation patterns.
- Build by the work of many hands—allow a large number of citizens to participate in the physical development of the city.

Kansas City succumbed to annexation mania in the postwar years. It was far from alone in this decision: many other cities similarly tacked on large amounts of suburban and rural land to their borders, obtaining a surge of short-term cash flow in exchange for long-term liabilities. The leaders who made these decisions were not stupid or malicious. They were largely operating according to the best theories and practices of the time. Unfortunately, history has proven those theories misguided.

The newer, annexed sections of Kansas City are now a fiscal albatross, imposing disproportionate liability upon the municipal government for maintenance of roads and pipes while providing a disproportionately small share of tax revenue. The people who live in these areas are as important as any other citizens, of course, and do not deserve to be abandoned. But Kansas City, if it wishes to provide a high quality of life for all of its citizens, needs to reckon with the basic productivity of its development pattern.

One thing is for certain: for a city that was once famed as the elegant “Paris of the Plains,” the past holds more than a few lessons the future would be wise to heed.

“Kansas City’s Blitz”: How Freeway-Building Blew Up Urban Wealth

By **Daniel Herriges**

The story of Kansas City is the story of America’s Suburban Experiment in microcosm. By the end of World War II in 1945, a city not yet a century old had become an internationally famous hub of music, theatre, and food, and built a proud heritage of elegant buildings and parks, providing wealth for a city that was steadily growing denser and taller within its existing footprint. And the skeletal system of the city during this time was its expansive streetcar network. Streetcars originally laid the foundation for neighborhoods that still harbor a disproportionate concentration of Kansas City’s real-estate value and architecture heritage today.[1]

After World War II, Kansas City made a drastic pivot in its development approach. Today, its state-line-straddling metropolitan area is a contender not for the streetcar capital, but the freeway capital of the United States. For years, metro Kansas City had far more lane miles of freeway per capita than any other. (It now comes in a very close second to Nashville on a per capita basis, and Kansas City still has 50% more total miles.[2])

Every city is shaped by its prevailing transportation technology, but freeways have affected Kansas City’s development pattern in a completely different way than streetcars. Unlike a streetcar, which is an asset to the surrounding blocks and serves to connect the people and businesses in its immediate vicinity, a freeway damages the wealth of its surrounding blocks. It functions like a moat, dividing neighborhoods and depressing the value of the land right next to it (where people have to endure constant noise and exhaust) for the benefit of those driving at high speed from relatively far away.

In many ways, the choice to carve up Kansas City and to encircle and wall off its

1 Read more about Kansas City’s streetcar history here: https://www.strongtowns.org/journal/2020/5/28/is-kansas-city-still-living-on-its-streetcar-era-inheritance
2 https://www.fhwa.dot.gov/policyinformation/statistics/2018/hm72.cfm

downtown with freeways is the most cataclysmic planning mistake in the region's history. This is when Kansas City began to squander and dilute its wealth instead of continuing to build upon its rich heritage. You can't understand Kansas City's suburban experiment without understanding the world that the freeways built.

The Crucial Mistake: Freeways in the Urban Core

There is an important distinction between two different types of freeways with two different purposes. There are the true interstate highways, built for inter-city travel: long-distance trips and shipment of goods. Then there are the local freeways built for intra-city commuting and other trips that start and end within the same metro area. The former have provided immense economic benefits since their construction. The latter, though, have often been incredibly destructive of collective wealth and community stability.

The early vision for a national highway system was of freeways that would connect major metropolitan areas but terminate at ring roads around cities, rather than penetrating the downtown core. (The ring-road model is the norm in Europe to this day.) This debate occurred nationally, but in almost every city, the forces that wanted a downtown freeway—including influential real estate and business interests—won out.

A detailed historical overview published in 2019 in the Kansas City Star illustrates that this debate was alive and well in Kansas City. From the article[3]:

> *Previous generations of highway planners thought that those highways should avoid urban areas, reasoning that the merging of long-distance and local traffic would create congestion. By the late 1930s, a new approach had taken root: Run the freeways right through cities, where congestion was attributed to short, daily trips made by locals and not the pass-throughs of long-distance travelers. [...]*
>
> *[An] early plan for its Downtown Loop was written into the City Plan Commission's 1943 report "Suggested Location of Inter-Regional Highways." Beyond a lengthy verbal description of the route, it suggested passing the freeways through blighted areas that would be cheap to acquire. The highways, it said, could boost those areas economically. But it also warned of*

3 https://www.kansascity.com/article237123089.html

a potentially disastrous impact on already-prosperous areas.

And unfortunately, that "disastrous impact" became reality. Kansas City embarked on a multi-decade highway-building binge, including freeways which sliced up the existing city, displacing existing buildings and communities. In particular, a loop of freeways encircling downtown—the "blighted areas" identified in 1943—completely cut off downtown from the urban neighborhoods around it.

This had three devastating consequences.

1. Direct destruction of property and community assets.

Downtown Kansas City's freeway loop itself required the direct destruction of more than 100 blocks of prime real estate. While many of these areas were believed in the 1940s to be "blighted," the opportunity cost of what they could have been today is monstrous. (While it would take some digging through historical property records to estimate that cost numerically, a similar analysis conducted by Urban3 in Minneapolis found that merely the buildings directly displaced for downtown freeways would be worth $655 million today.[4])

From the beginning, Kansas City's urban freeways were deliberately routed through areas that local leaders wanted razed and redeveloped. They were as much a tool of urban renewal and land speculation as of mobility. For example, the northern edge of the Downtown Loop follows what was once 6th Street, despite that a nearby, parallel route along the Missouri River was an option.

A 1972 Star article on the completion of the last portion of the Loop refers to the infamous nickname that locals gave the construction zone along what would be the 6th Street Expressway:

For a time the area was referred to as Kansas City's blitz. The mounds of fallen bricks and the gaping holes suggested that enemy bombers might have passed overhead the night before.

Even a park with one of the city's most commanding views, West Terrace Park, was not immune to freeway mania. In 1966, Interstate 35 was rammed along the base of the bluffs west of the downtown-adjacent (and, not coincidentally,

4 https://www.fhwa.dot.gov/policyinformation/statistics/2018/hm72.cfm

deemed "blighted") Quality Hill neighborhood, effectively splitting the park into three units.[5]

In the eastern, historically Black, portion of Kansas City, the economic and cultural damage wrought directly by freeways was severe. Over the course of 50 years, the Highway 71 freeway was built through historically Black, redlined neighborhoods in order to, according to a recent KCUR retrospective, "connect people in Lee's Summit, Grandview and the Northland to downtown.[6]" That is, to serve suburban commuters. More than 10,000 people would be displaced for Highway 71's construction.

More details on displacement for freeways are included in Race, Real Estate, and Uneven Development: The Kansas City Experience, 1900-2000 by Kevin Fox Gotham. Gotham documents more than 12,000 households displaced from the 1950s to the early 1970s alone for urban renewal and freeway construction. 28.6% of those households were Black, even though only 12.2% of the city's population in 1950 was Black. Gotham recounts residents' memories of Black businesses in the Lincoln-Coles area destroyed for freeway clearance:

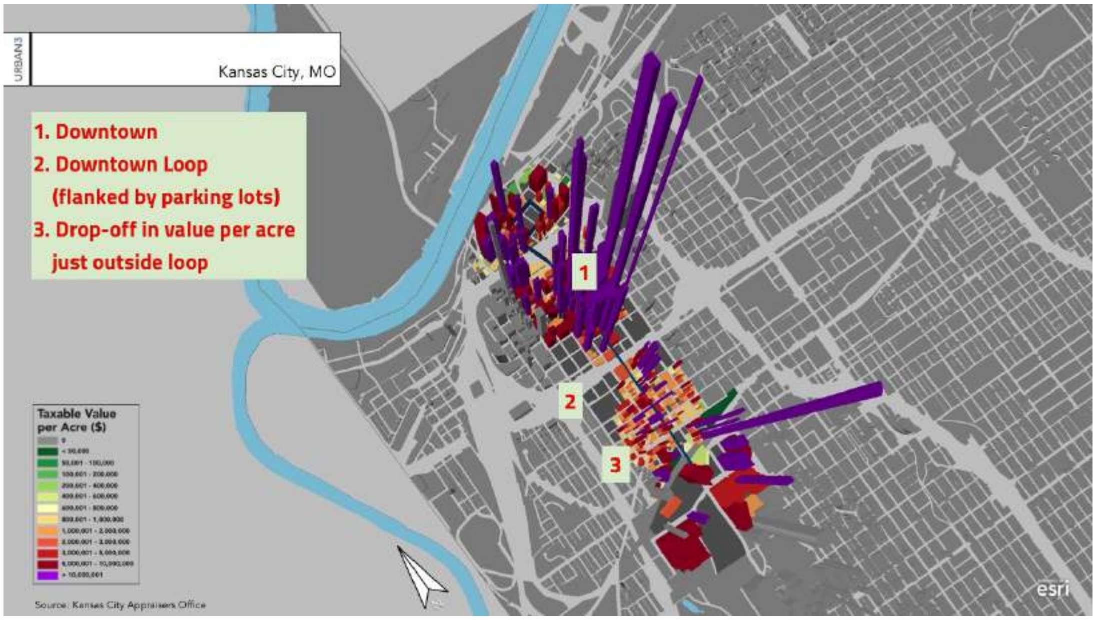
> *There had been semi-economic centers for black businesses that were around 12th street, 18th street, coming up Vine, say to 25th street because I remember Barker's Market, Johnson's Drug Store, and a cab company and a bunch of stuff like that. And all of the clientele was in walking distance, mainly because in the 1940 and early 1950s,... people lived closer together. With urban renewal and people moving out, they lost their clientele.*
> (Mary Jacqueline, interview with Author)

2. Indirect loss of value and vitality in adjoining areas.

The damage done by urban freeways is not limited to the exact land on which they sit. Freeways also exert a depressing effect on land values and economic activity in surrounding areas, because they are unpleasant to be around and can be formidable barriers to walking and other local travel.

5 https://www.strongtowns.org/journal/2018/7/27/seeing-the-forest-without-the-trees
6 http://www.squeezeboxcity.com/lost-in-plain-sight-kansas-citys-west-terrace-park/

This map from Urban3 of land value per acre in the vicinity of Kansas City's modern streetcar (with added labels in green and red) is illuminating in this regard:



The gray rectangles immediately adjacent to the Downtown Loop (2) represent parking lots—extremely low-value land uses. This adds to the "no-man's land" effect already caused by the freeway itself. But the parking crater is not all. Notice the depressed value of the properties in the area numbered (3), compared to areas immediately to the south, or to the downtown core to the north of the freeway. This steep drop-off in value represents the moat effect of a freeway, which tends to stop prosperity in its tracks, limiting the example of downtown's productivity into the rest of the city.

3. A vicious cycle of outward expansion and dilution of the region's financial productivity.

Large parts of Kansas City began to suffer population decline as residents moved to newly-accessible suburbs, now a 20-minute commute from downtown on a wide-open freeway. Soon the freeways were not serving the "long-distance travelers" some planners envisioned, but predominantly suburban commuters.

Kansas City's freeway binge occurred over time and in tandem with the city's annexation binge, as described in the previous chapter. That is no accident: it's a classic chicken-and-egg scenario. Again, from the 2019 Kansas City Star article[7]:

> *[A 1951 report on freeway plans] also noted the 1950s shift in residential population to the suburbs. [City Manager L.P.] Cookinham knew new suburbanites would need high-speed roads to get them in and out of the city as efficiently as possible.*
>
> *The city manager also began aggressively annexing unincorporated land south and north of the river to retain taxpayers who were moving. With that came greater city control over the area's expressway system.*

Kansas City had committed, by the end of the 1950s, to an ideology of rapid, outward growth. And the linchpin of this approach was the urban freeway network: the only thing that made it possible to link a vast belt of commuter suburbs to office jobs still concentrated downtown.

Today, fewer people live in Kansas City's pre-1946 borders than did in 1946. The core cities of both Kansas City, Missouri and Kansas City, Kansas, have seen stagnant populations even as they have dramatically expanded their borders and infrastructure obligations. And the dilution of public wealth relative to private liability is even more dramatic when you look at the metro as a whole, where nearly all growth since World War II has occurred in the suburbs. The small towns visible on the 1947 highway map above—Olathe, Lenexa, Lees Summit, et cetera—are all bedroom communities of tens of thousands of people today.

It is here that it becomes clear who stood to benefit from urban-core freeways: Large-scale developers and land speculators who reaped an enormous windfall over the decades. The freeways enacted a net transfer of land value to the builders of those bedroom communities, which found themselves with faster access to Kansas City than ever before. It was Kansas City itself that lost out, where land values flatlined, including in many of the "already-prosperous areas" where that outcome was feared as early as 1943.

A certain class of downtown high-rise developers and commercial interests also gained: they were able to, for a while, cement downtown's primacy as the region's job and retail core. But even downtown Kansas City has not always kept

7 https://www.kcur.org/community/2014-06-03/highway-71-and-the-road-to-compromise

pace with the suburbs, where an increasing share of jobs and retail have shifted to cater to suburbanites who no longer wish to drive into Kansas City proper at all.

In a 2019 interview with KCUR, Matt Staub, chair of Kansas City's Parking and Transportation Commission and vice president of the River Market Community Association, expressed regret that the Downtown Loop was ever built: "Where we put highways and where we tore down buildings was all about: We're going to create a city for another generation, but really we just killed it for a generation."

The Road to Insolvency is Long

By **Daniel Herriges**

By the end of World War II, Kansas City, Missouri had largely filled out the space within a boundary that had been unchanged for 36 years. The thriving city could boast a diverse mix of homes and businesses in walkable neighborhoods served by an enviable streetcar system. This was a city that economically used its existing infrastructure in support of a highly productive pattern of development.

Kansas City in 1946 had approximately 12 feet of street for each of its 434,000 residents. Then the city began a massive annexation binge, gobbling up suburban and rural land even as the population of the core city plummeted amid postwar decline and white flight. Core neighborhoods saw whole swaths of land demolished for new highways to serve suburban commuters.

By 2018, Kansas City had added an additional 58,000 net new residents while more than quintupling its physical area. For each of those new residents, on average, Kansas City built a jaw-dropping 148 feet of new streets: over 12 times the per-capita street obligation of its prewar pattern. In total, the city added 1,625 miles of streets and roads in the post-war era, a 169% expansion of its street network to accompany only a 13% increase in population.

These statistics illustrate how the Suburban Experiment was a pivot point in the history of North American cities, a moment at which we started doing something fundamentally different and unprecedented. It's an experiment we've never been able to afford—though only nowadays, as much of our 20th-century infrastructure begins to need repair or replacement, are the bills coming due in an obvious way. And Kansas City exemplifies that as well as anywhere.

More Roads, Less Stuff

Cities have always grown, and expanded their street networks along with their borders. But after World War II, Kansas City—like many other places—began to expand local streets, arterial roads, and major regional highways alike at a rate vastly outpacing the growth of either population or tax revenue.

This postwar expansion followed a new and unprecedentedly automobile-oriented pattern of development. This doesn't mean cars were new: they were around from the start of the 20th century, and Kansas City in particular had, by 1923, already seen the construction of Country Club Plaza, the first suburban retail development designed for shoppers to arrive by car. But KC prior to the end of World War II was still a city built around the human scale, in which cars could operate but were optional.

Kansas City after its postwar annexation binge became a city built around universal car ownership and universal driving, in which other ways of getting around were increasingly rendered difficult, dangerous, or impossible. And that shows in the colossal infrastructure required to make this experiment happen.

Why did road growth so outpace population growth? Here are the key reasons:

1. Larger Lots / Fewer Homes Per Block

Here is an aerial view of a typical residential block in pre-WWII Kansas City. As you can see, along one side of the street on a 1/8-mile (660 ft) block, we can count 17 houses.

Here, at the same scale (note the 220-foot scale in the very bottom left of each image), is an aerial view of a typical residential block in Kansas City north of the Missouri River, in an area annexed in 1962. Along 660 feet of street on the north side there are only 8 houses: less than half the number of tax-paying properties served by the same amount of asphalt. (Actually more asphalt, because the suburban-style street is wider.)

It's worth noting, the wider roads and streets in newer development are not incorporated into the comparison of road mileage before and after 1946. If we were to, instead, compare square feet of asphalt, rather than miles of street, the increase would be even greater than the 169% cited above.

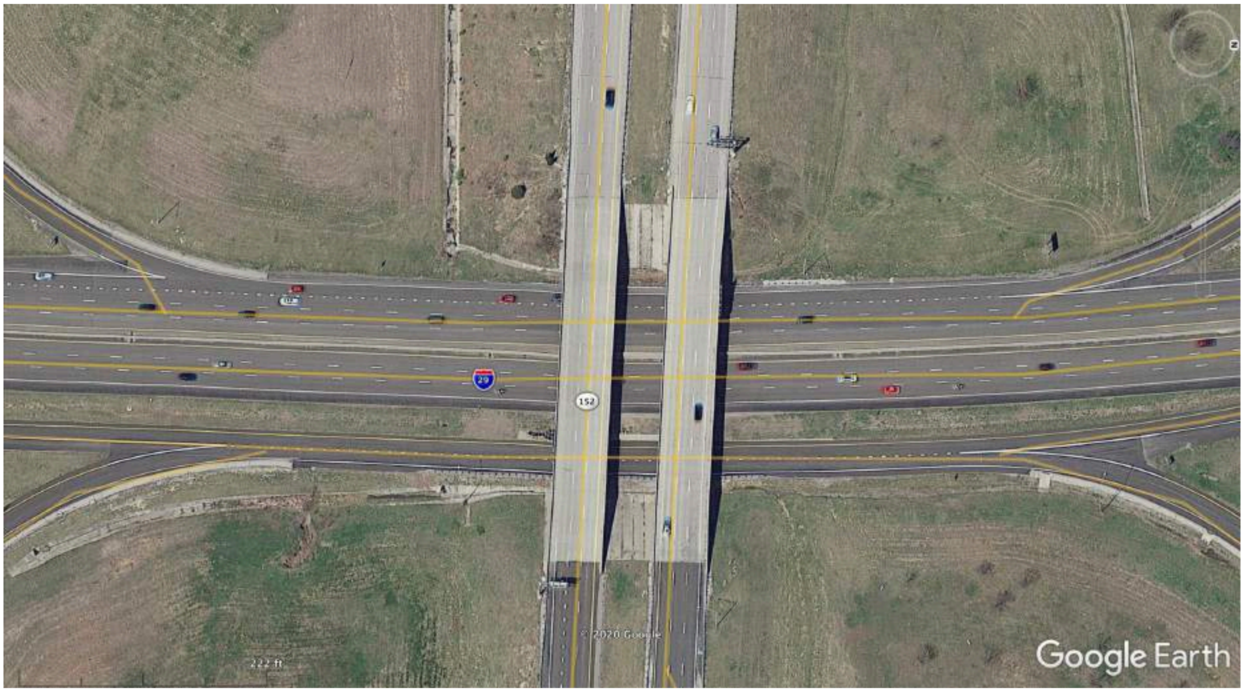
Furthermore, road mileage growth is even more out of proportion than it would be if larger lot sizes were the only difference. Here's why:

2. Hierarchical Road Networks

In the traditional city, streets are arranged on a grid pattern. Some may be relatively major or relatively minor streets, but the grid fundamentally provides many routes from A to B, and disperses traffic at busy times as a result.

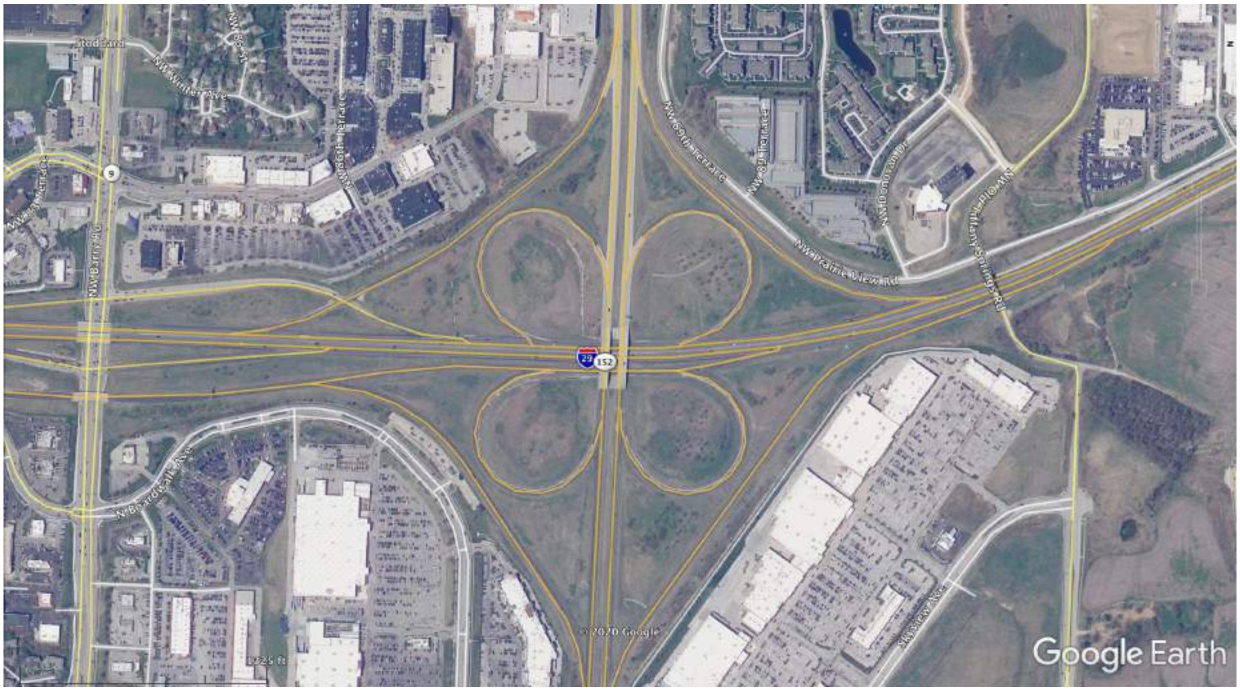
Under the suburban development pattern, there is a strict street hierarchy: neighborhood streets largely do not connect to each other outside the neighborhood, there are many loops and cul-de-sacs, and as a result, all travelers outside of a single residential neighborhood tend to be funneled into the same small number of busier roadways: collector streets, arterial streets (very often stroads[1]), and highways.

This requires these major thoroughfares to have more and wider lanes, and requires the construction of elaborate intersections and interchanges, which are disproportionately expensive to the rest of the network. Here is part of a freeway interchange located near the post-1962 aerial photo above. It is viewed at the same scale as the neighborhood photo; the image is a little less than 1/4-mile wide.



If we zoom out to a much larger scale (now the image is about a mile wide), here’s what the surroundings look like:

1 https://www.strongtowns.org/journal/2017/10/30/the-stroad



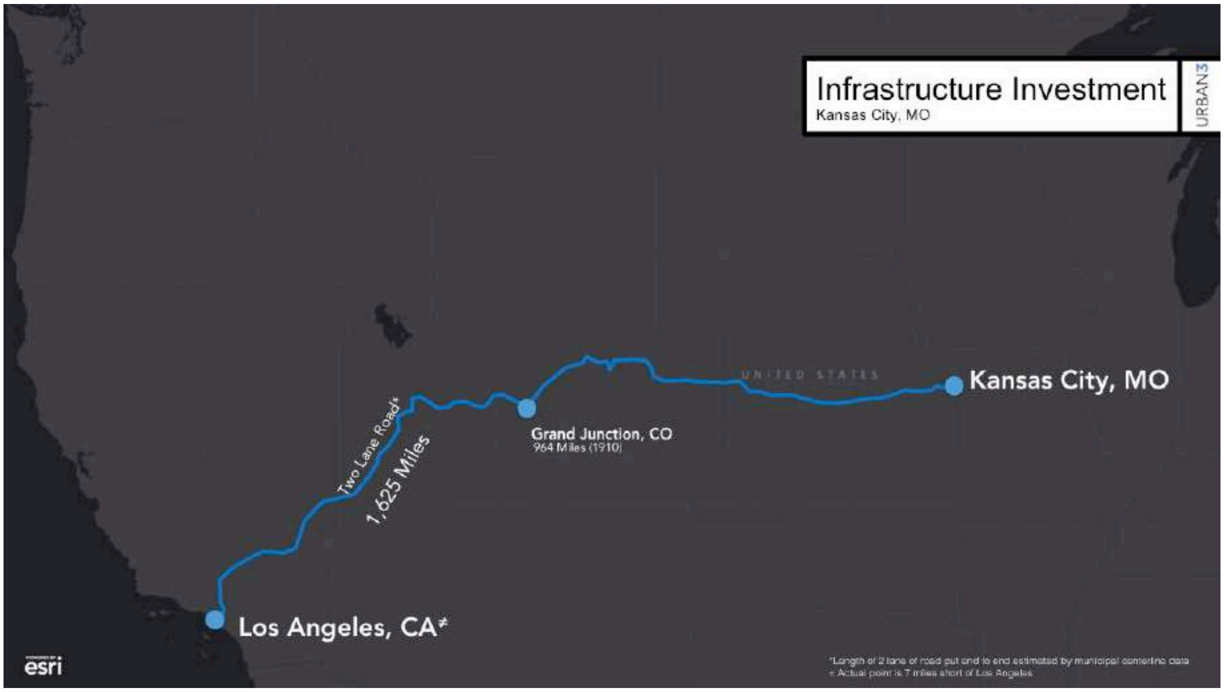
3. Separation of Uses and Commuter Focus

Under the suburban development pattern that dominated in the postwar decades, residential areas, commercial/retail areas, and office and industrial areas were all strictly separated from each other. The idea of the complete neighborhood, where you could meet many of your daily needs within a 15-minute walk and maybe even live walking distance from your job, was seen as antiquated and undesirable. Long-distance commuting to job hubs such as downtown became the white-collar norm. Road needs now ballooned even more because huge traffic volumes at peak times would be funneled into the same relative handful of commuter routes.

The street in front of a few suburban homes, on the other hand, gets very little use at almost any hour; even at afternoon rush hour, it’s quiet enough for children to play. It’s the suburban arterial and the freeway—which, by one measure, the Kansas City region has more of than just about anywhere—that are the budget busters.

And all this budget busting is exacting a cost.

The roads built to accommodate Kansas City’s pre-1910 borders, if laid end-to-end, would stretch to Grand Junction, Colorado. They served a population that was almost as large as the number that live in today's vastly expanded border.



The roads in only the post-1946 annexed areas, if laid end to end, would extend from Kansas City to Los Angeles. All of them will eventually hit the end of their lifespan and deteriorate. That lends itself to this thought experiment: "What if you were told that, every 50 years, your city must undertake a capital campaign to build a road all the way to LA? Would you tell your mayor he's crazy?"

It's time for Kansas City to choose a new route.

Asphalt City: How Parking Ate an American Metropolis

By **Daniel Herriges**

So far in this book, we've described how Kansas City, Missouri and its metropolitan region went from a showpiece for streetcars and City Beautiful planning to an automotive metropolis. After World War II, Kansas City built freeways with zeal, demolishing neighborhoods and carving up the city's core in swaths of destruction so total that residents compared it to the London Blitz. At the same time, an annexation frenzy by city leaders determined to keep up with the forces of suburbanization (instead of outright losing residents to the suburbs, as their peer city of St. Louis was at the time) just helped supercharge those forces. Annexation and outward expansion saddled Kansas City with a 169% increase in its road obligations, even as the population living within the city's prewar borders fell by roughly half.

We still, however, haven't tackled one of the biggest transformations that Kansas City's total embrace of the automotive, commuter culture wrought upon the city's historic fabric. And that is parking.

Parking is the dominant physical feature of postwar North American cities. It dictates their form more than anything else does. The perceived, actual, or legally mandated need for parking determines where a building can sit on a lot, how big it can be, and how it relates (or doesn't) to the street, sidewalk, and adjoining properties. Parking makes many beloved kinds of places all but impossible to build or sustain. We all kneel at the altar of King Parking.

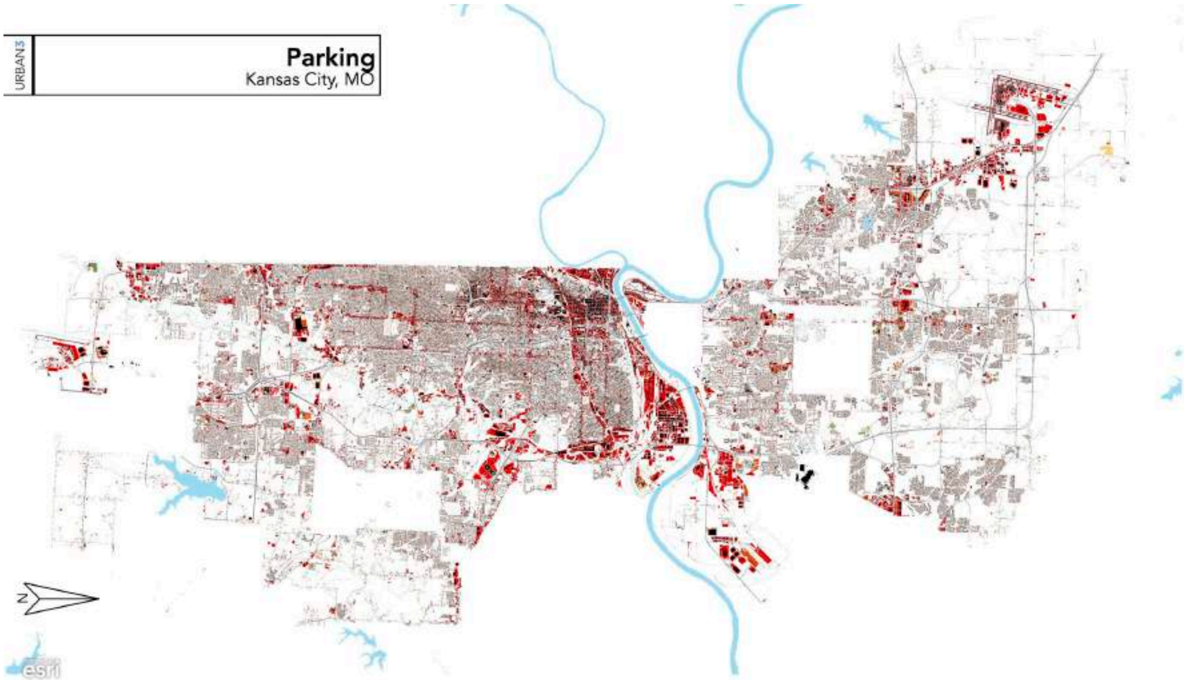
And yet we often don't see parking. It's such a mundane, ubiquitous filler between the places we actually want to be that it's hard to visually register just how much space is consumed by private car storage, and what an albatross it is around our necks in terms of resources.

Urban3's fiscal geography of Kansas City includes a detailed breakdown of the entire city's uses of land. Let's zoom in on downtown first.

Everything in red above is parking. Yes, you read that correctly.

Part of the reason there's so much surface parking downtown specifically has less to do with commuter needs, and more to do with the temporary hollowing out of demand for downtown real estate as the suburbs boomed in the late 20th century. If you wanted to speculate on some downtown Kansas City land by buying it when it was cheap and waiting—even for decades—to sell to a developer, slapping a parking lot on that land was an easy way to make a bit of income in the interim. This pattern exists across North America: many of these lots are privately owned and, while they may bring in more than enough revenue to pay the low property taxes on unimproved asphalt, the point isn't really the parking operation. The point is land speculation.

Kansas City's downtown is particularly distinguished by its glut of parking lots. But the rest of the city has not been spared the ravages of the hungry beast. Here's parking citywide (in red):



It’s hard to tell how much red there is in the above map, other than “a lot.” But we can quantify it: the Urban3 team categorized all of Kansas City’s land cover into streets, buildings, parking (taxable and non-taxable), and other uses. The “other” is a grab bag that includes many things, from private driveways, to yards and other green space (including undeveloped land, which is still plentiful in some of the city’s annexed northern reaches), to parks and athletic fields to freeway medians to water. Here’s the breakdown—and on the right, you can see both the total and per-acre value of each category.

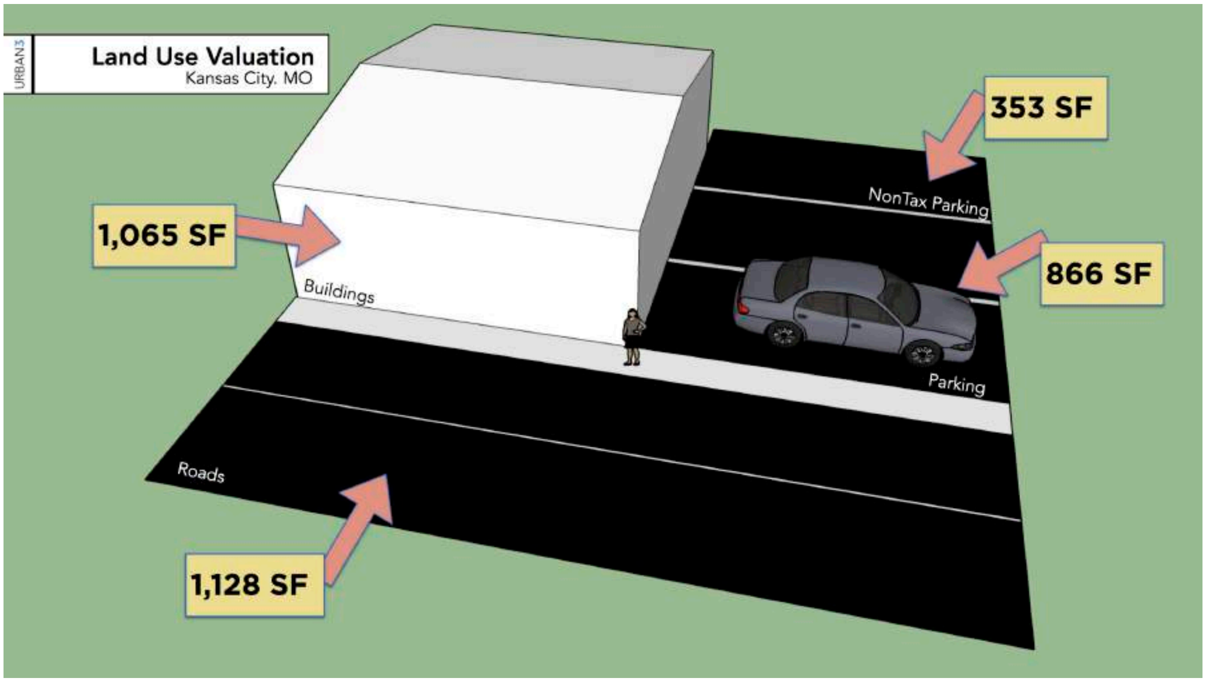
	Value	Value/Acre
Buildings	$23.2B	$1,931,701
Roads	-$12.2B	-$958,320
Parking	$1.3B	$132,575
Non-Tax Parking	$0	$0
	$3.4B	$21,128

Land Use Analysis
Kansas City, MO
URBAN3

Unsurprisingly, the vast majority of the city's taxable property value is coming from its buildings, where productive activity takes place. (It's worth noting that the "value" of parking in this case is based on the cost of the raw asphalt, because that's how the city assesses land improvements. It's not based on the value proposition of the access that parking provides.)

Note that the roads impose a net cost: you can think of this as their life-cycle replacement cost. It is not to say that the city should not have any (of course, it could not function without streets), but rather that a street requires perpetual maintenance and should be treated by cities as accounting liabilities, not assets.

Another way to visualize the above data is per capita. Here's how much land is devoted to buildings, parking (taxable and non-taxable), and roads, for each Kansas City resident:



The scale illustration, complete with human figure, helps convey the extent of Asphalt City: that's 1219 square feet of parking just for you. The same for your mother, father, spouse, roommate, child, etc.

What could you do with 1219 square feet? How many people live in homes smaller than that? This is not all residential parking: this includes parking spaces at stores and restaurants, at offices, at schools, at stadiums and parks, at places of worship; all in all, far more than will ever be occupied at any one time.

Separation of land uses—a hallmark of the Suburban Experiment, and of much of Kansas City developed post-1940s—requires a huge amount of redundancy, because the spread-out and car-centric development pattern renders it difficult to make trips on foot, or to park once and then visit multiple destinations. When offices (daytime) and restaurants (nighttime) aren't in the same neighborhood, or homes (nighttime) and retail (daytime) aren't interspersed, they can't double up on their use of shared street parking the way they would in a mixed-use environment.

More than twice as much land in Kansas City is devoted to asphalt as to buildings. For each resident there are 1,065 square feet of building and 2,347 square feet of streets and parking. In total, it all adds up to 18.8 square miles of buildings and 41.4 square miles of asphalt (the slight discrepancy in the ratio is because the citywide figure includes estimates of things such as private driveways).

Kansas City isn't that unusual here: you'll find a similar ratio in almost any suburb and many other big cities. Once we remove yards and various buffers, we devote significantly more of our developed land to cars than to people who aren't in cars. And we're learning that it doesn't work out financially. But we don't see it until we really look at the data.

The Local Case for Reparations

By **Charles Marohn**

I will acknowledge having a lot of difficulty with the discussions around reparations for slavery. The word “reparation” comes from a Latin word meaning “to restore,” which has always seemed to me to be the wrong framing. Nobody is actually talking about restoring things to a past condition—that would be absurd—but more about catching up, about putting the descendants of former slaves on a just footing with other Americans. That’s a different and obviously very difficult conversation, one with a lot of nuance and complexity.

For some, cash payments as reparations seem to offer a pain-free solution to dealing with all that nuance and complexity. If we’re going to give trillions to global corporations pretending that, in the next year, Americans are going to start flying for pleasure or booking time on cruise ships, why can’t we give a couple trillion to African Americans to make up for decades of mistreatment? In that mindset, reparations are reduced to a transaction, with an aura almost like that associated with the Catholic practice of purchasing indulgences to lessen one’s time in purgatory.

Almost. Maybe it’s my Catholic upbringing, but the idea of restoring someone, of righting a past wrong and making them whole again, necessarily includes some penance. It includes some sacrifice by the restorer as an acknowledgement of not only the wrong that has been done but, more importantly, of a common humanity shared with the person who has been wronged. We double down on injustice when we focus on the transaction of reparations without thinking through the need for shared cultural penance.

These are philosophical concerns, but I also struggle with the practical. What form should reparations take? How much should they be? Who should pay them? Who should receive them? How should that transfer be made? What will happen if this is done? Would it really help anyone? I don’t have the answers, but the proper approach seems much more nuanced and complex than a simple transaction. And perhaps more local.

Our friends at Urban3 have done extensive research into the past and present financial state of the Kansas City region. This dramatic work included a series of maps analyzing the impacts of redlining. Not only do these maps provide a detailed picture of the damage that has been done, it also presents an opportunity for Kansas City—and other cities like it—to engage in its own reparations program.

Redlining in Kansas City

Redlining is a practice that emerged during the Great Depression as the federal government attempted to stabilize the mortgage market. A precursor to Fannie Mae and Feddie Mac, the Home Owners' Loan Corporation (HOLC) was a government-sponsored corporation set up during the New Deal to help people purchase and refinance homes. The HOLC borrowed money by issuing bonds, then used that money to buy qualifying mortgages. They (and the Federal Housing Authority shortly after them) created a market for longer-term loans, loans with lower down payments, and loans to first-time homebuyers, all products that were generally too risky for local banks to hold.

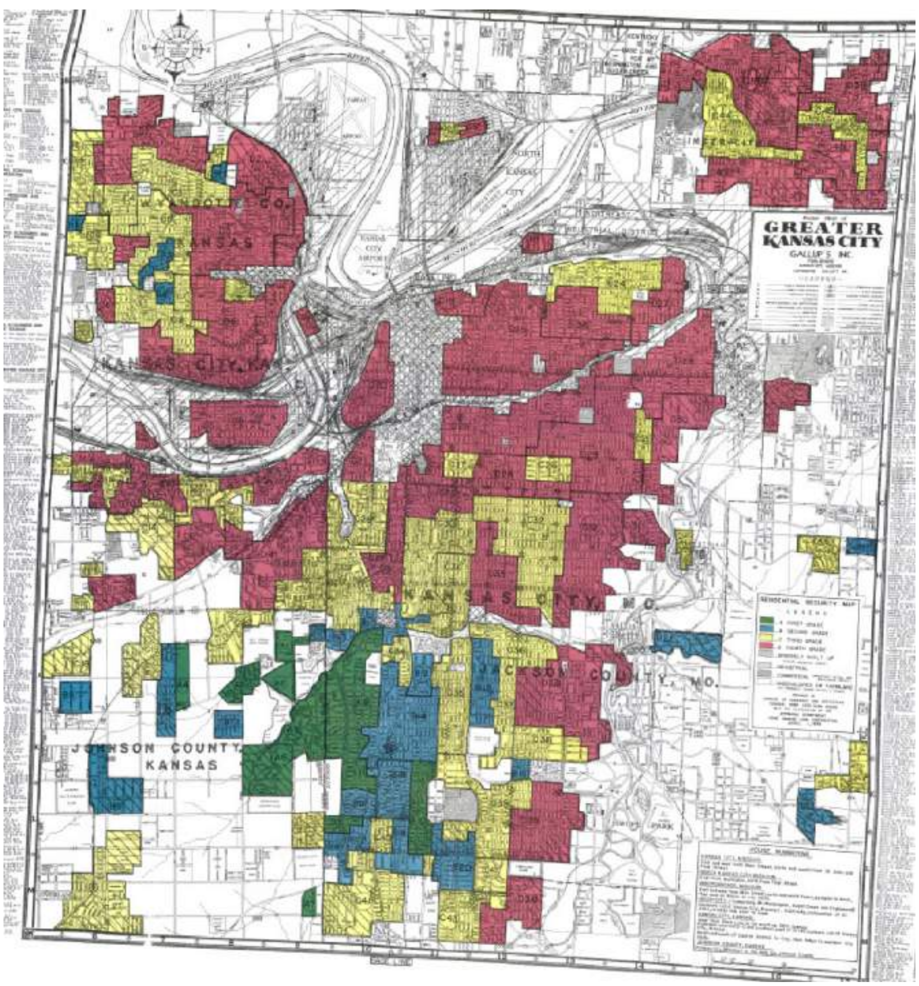
In order to process loans in bulk, HOLC established guidelines for the types of mortgages they would accept. They left it up to local processors to put those guidelines into action, which happened by literally drawing up maps—a Residential Security Map, now often called a "redlining map"—to identify low-risk neighborhoods where HOLC would accept mortgages and risky neighborhoods where they would not.

In 2020, we're very quick to jump to the worst interpretation of past intent, a practice that conveniently allows us to create moral separation between humans of the past and humans today. Reality is, again, far more complex. The HOLC was a private corporation backed by the public. There were good, rational reasons why, as a government-backed corporation, it should seek to minimize risk. One only needs to ponder the failure of Fannie and Freddie—where executives and shareholders booked the gains from risky loans while taxpayers footed the bill for the bailouts—to see the kind of moral hazard that can develop from government-sanctioned imprudence.

In other words: It was theoretically possible to draw a map, and redline an area, based solely on financial considerations. In fact, that is what the act that created the HOLC called for. One need not have a racist intent to produce a discriminatory outcome, an observation that was as true in the 1930s as it is today. This is an important distinction to note when pondering reparations and what we do today as a society.

Even so, in practice, the racist intent is impossible to deny. It's everywhere—not only in the dialogue of the era but in the official documentation itself. Here is what Kansas City's HOLC map looked like[1]. The four grades are:

- A - Best
- B - Still Desirable
- C - Definitely Declining
- D - Hazardous



1 https://dsl.richmond.edu/panorama/redlining/#loc=12/39.063/-94.66&city=greater-kansas-city-mo

A total of 52% of 1930s Kansas City was designated as hazardous. HOLC describes hazardous areas as being "characterized by detrimental influences in a pronounced degree, undesirable population or an infiltration of it." The instruction to local lenders was to refuse to make loans in these areas, or make them only on a conservative basis. In Kansas City, the "undesirable" population was mostly black, but also included some recent working-class immigrants from places like Italy and Belgium.

Pause and understand the immediate effect of being a homeowner in one of these declining or hazardous areas. Once redlined, there was virtually no market for your home. You could only sell to people who could pay cash because anyone who needed a mortgage couldn't get one. To say this destroyed property values is an understatement that fails to convey the negative feedback loop of disinvestment and predation that followed. All because of a line on a map.

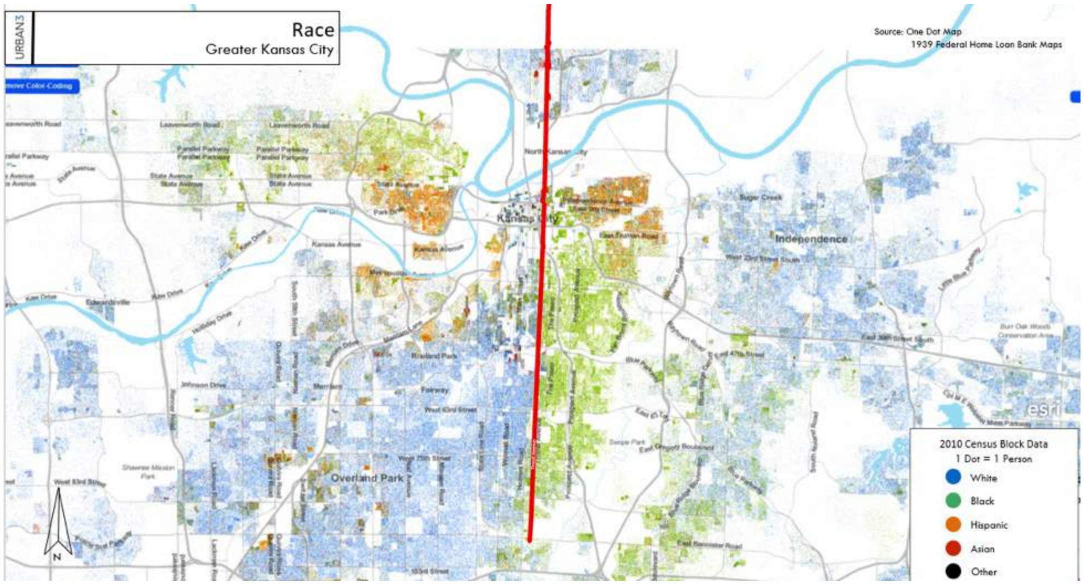
Meanwhile, down the street in neighborhoods chosen for investment, the feedback loops ran in the opposite direction. Sure, the people there may have worked hard, paid their debts, and lived prudent lives, but their fortunes were buoyed by a federally-backed spigot that generously poured capital into their neighborhood. Rising property values not only helped these families build wealth but helped them overcome misfortune along the way.

This difference in margin of error is perhaps the most pernicious aspect of redlining. The people in one neighborhood are dealt face cards and aces. Those in the other neighborhood get dealt twos and threes. It doesn't matter how good you are at poker. It's hard to mess up a winning hand, just like it's hard to play your way to success when the deck is stacked against you.

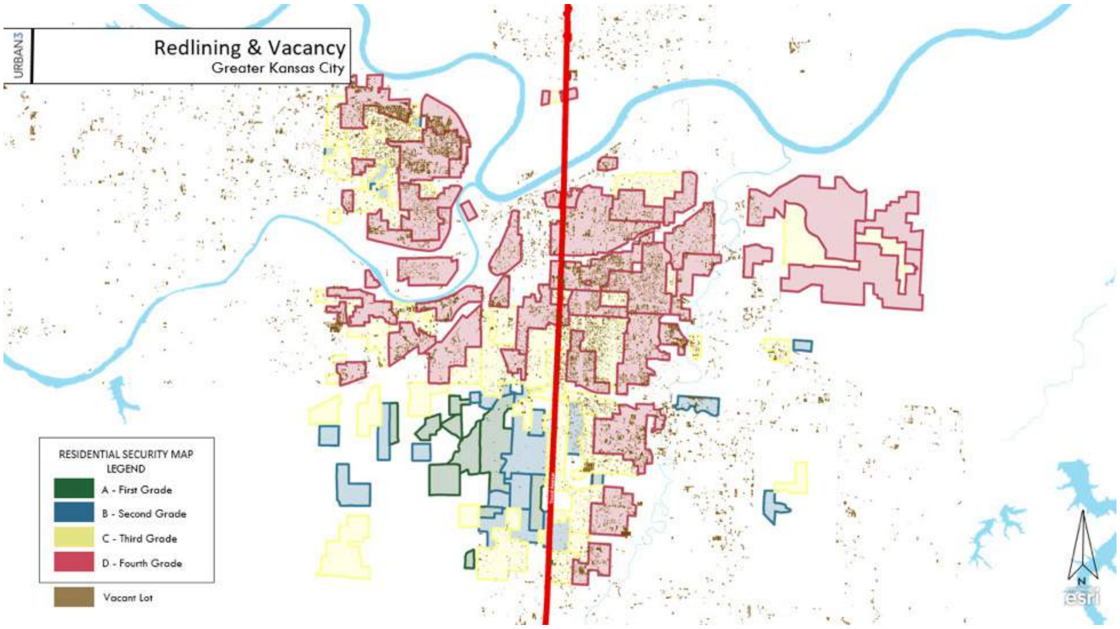
The Financial Impact of Redlining

These different trajectories have echoed through time with predictable, yet devastating, consequences. Urban3 put together a map (based on the Cooper Center's racial dot map of 2010 census data) that shows where people of different races now live in Kansas City. I recognize the data lacks block-level nuance, but the overall pattern is stunning. The thick red line running north and south is Troost Avenue, a street labeled by the famed Kansas City developer

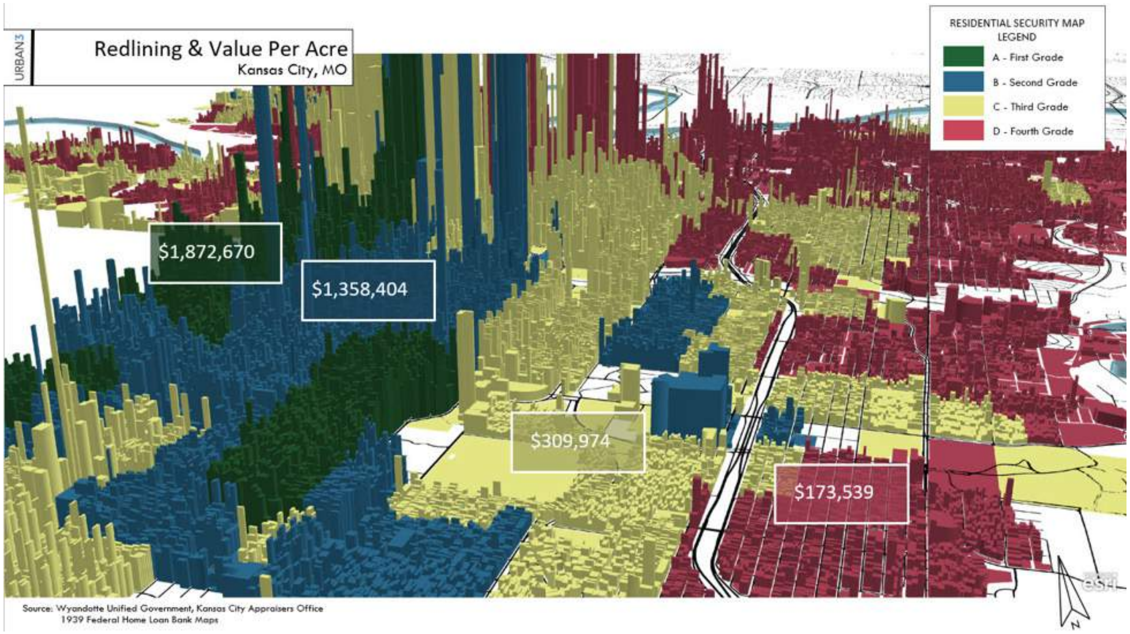
J.C. Nichols as the “de facto division” between white neighborhoods and black neighborhoods. Decades later, that same pattern holds.



The next image shows the Residential Security Map designations with that same red line running north and south. Just as it was in the 1930’s, today the A and B zones are occupied mostly by people who identify as white while the C and D zones are occupied mostly by black people, with some hispanic concentrations on the north side. The little brown dots represent lots that are vacant today. They are most predominant in those “hazardous” areas, the redlined neighborhoods that experienced disinvestment.



By conspiring to deny capital to some neighborhoods within the city, Kansas City lenders not only inflicted real financial harm on their neighbors, they undermined the well-being of the entire community. A dramatic map demonstrates the extent of the damage.



As shown, the financial productivity of the A zone today is nearly $1.9 million per acre. In the redlined D zone, it falls to just under $175,000. That's 11 times more wealth, 11 times more tax revenue, from the federally-supported zone than the redlined area. And that is just one year; the community has experienced this self-inflicted loss of capacity year over year for more than eight decades.

Across the state line in Kansas City, Kansas, Urban3 estimated the tax loss to the community from just one half sq. mile neighborhood. Merely by inducing lots to stay vacant in the redlined zones instead of developing to the modest scale of the rest of the neighborhood, the lost opportunity for expanded tax base has cost the community over $30 million since 1937. That is real tax revenue the community has lost, and that's just in one small neighborhood! That pattern of disinvestment and loss is repeated over and over throughout the region.

The millions in lost tax revenue doesn't take into account any of the positive feedback loops that come from having additional investment. It's time to put those feedback loops to work for the people living in these redlined areas.

What Local Reparations Might Look Like

To put wealth in the hands of the people who live in these redlined neighborhoods, two things must happen. First, the neighborhood must experience investment, an inflow of capital that stays within the neighborhood. Second, that capital must be allowed to accrue to the people who are already there; it can't result in their displacement.

1. Investing in Disinvested Neighborhoods

For example, in the Bryant Elementary neighborhood on the Kansas side of the river, there are 732 vacant parcels. This neighborhood was redlined into the D zone. Added together, these vacant properties create less than $300,000 in taxable value. (The remaining 867 occupied lots in the D zones create $14.7 million in total taxable value—a productivity of $107,000 per acre, which is extremely low for the region). If the vacant parcels were developed, even at the modest levels of the rest of the neighborhood, it would add over $12 million to the tax base. The first step of local reparations should be to get those 732 vacant lots built on.

On both sides of the river, local governments have demonstrated a propensity for doing some ridiculous tax subsidies—handouts that had no chance to pay off (and, indeed, have been tremendous net losers). The reparations aspect of the neighborhood investments we propose might involve some short-term negative cash flow, but I don't think it needs to. Either way, a reparations investment today in redlined neighborhoods will pay off financially for the community over the long run.

I'm not sure how one would legally determine who qualifies for assistance (I'll leave that up to experienced lawyers), but I would give anyone in Kansas City who qualifies the following:

- **A free lot.** Start with those in tax foreclosure. When that inventory is gone, the city could acquire the remaining lots in the neighborhood (they are really cheap) or partner with one of the many great community foundations in the area to purchase them.

- **Waive sewer and water connection fees and any public assessments** currently due on the property.
- **A dollar amount to go towards construction, or a down payment on a finished home**, an amount that will be recovered in a decade (so, something like $30,000). This amount should vest over a 10-year period of time, so that investment will not only build wealth, but encourage stability.

This all feels like stuff the city would bend over backwards to do for an outside investor coming in looking to build a hotel or a condominium. We know in Kansas City those are generally bad investments with negative returns. In contrast, this is a positive investment, the kind that not only makes good on the promises of the community, but actually pays off financially.

That's because, if you get the vacant lots developed and get the neighborhood moving in a positive financial direction, all the property values are going to increase. The neighborhood—where there are already underutilized public investments in infrastructure—will get an additional $12 million in property value just in building on those vacant lots, but there will also be appreciation of value beyond that. If the positive feedback loop nudges property values up 5% a year—a very conservative investment given the lower starting point along with all the love now being shown the neighborhood—the neighborhood will go from being worth $14 million in 2020 to $43.5 million in 2030.

That's nearly $30 million in additional real wealth that has now accrued to the people living in this one redlined area, millions more than what the city has invested by that point. That's a legitimate down payment on reparations, one that can be repeated across similar neighborhoods throughout the region.

To credibly call this reparations, however, the community is going to need to put their heart into it. That means redirecting city staff and cities' capital investment programs so that these distressed neighborhoods get at least their share of public investment, perhaps more. Again, I'll reiterate, in terms of sheer investment for the community, these neighborhoods are distressed assets ready to explode in value. More than any greenfield development the city can make—and, incredibly, those are still happening—investments in redlined neighborhoods will pay off in real financial terms.

This program might be reparations, but it's not charity—unless you consider decades of HOLC, Fannie Mae, and Freddie Mac support for white homeowners to be charity.

2. Keeping Wealth in the Neighborhood

To keep wealth in the neighborhood, and to keep these redlined areas from becoming playgrounds for financial predators, the city needs to make some systematic changes to its development approach. These changes can be made citywide—which we would recommend—but if that is too difficult, at least make them to protect these distressed areas. The changes that follow are by no means a comprehensive list, but they reflect the best practices of a Strong Towns approach. That includes a capital investment strategy based on the urgent struggles of people living within the neighborhood, an approach centered on humble observation, iterative improvements, and continual feedback.

Zoning Changes

Zoning needs to change to allow neighborhood-compatible businesses to open. Part of building wealth is being able to start a business, or walk to a place of employment, or get your daily essentials without needing to get in an automobile. The more we allow these neighborhoods to become self-sufficient, the less capital will leak out, and the more wealth will accrue to the people who live there.

Incremental Development

To prevent gentrification, development should be limited to the next increment of intensity. That means a vacant lot gets a home or a business. A single house can add a second unit or become a duplex. To broadly build wealth, we want the neighborhood to experience the positive feedback that comes along with rising land values. Large leaps in the development pattern—say, replacing a cluster of single family homes with a five-story apartment building—will artificially stagnate the neighborhood while land speculators wait for the next big investor. To make reparations, we need to allow redlined neighborhoods to be rebuilt by many hands, not just a few.

To that end, philanthropy can fund support from the Incremental Development

Alliance, an organization that trains individuals to be small-scale developers[2]. The training can focus on building capacity within redlined neighborhoods so the people there not only accrue the wealth, but can earn a living during the process while directing the outcome themselves.

Grants

A housing grant program like the one used in Oswego, New York—in which grants for home repairs and facade improvements are made contingent on the participation of a critical mass of neighbors on a single block—is another way to broaden both participation in restoring these neighborhoods and enjoyment of the benefits[3]. This is another opportunity for philanthropy to be involved, using modest sums of money to bring neighbors together and demonstrate visible commitment to the neighborhood.

Tax Increment Financing

And while there are certainly many more ideas that a city committed to making reparations could bring to the table for the benefit of all, a three-decade commitment to recycle the tax increment gained back into the neighborhood—for better parks, schools, sidewalks, and other neighborhood-directed scaffold for prosperity—is only a modest expansion of standard incentives routinely offered developers. It also sends the right message to everyone who calls Kansas City home.

That message: What happened here was wrong—so wrong we can't make it right, but as a community we can now commit to making this a prosperous place for everyone. That's what we intend to do.

2 Learn more at https://www.incrementaldevelopment.org/
3 Learn more at https://www.strongtowns.org/journal/2020/5/14/how-paul-stewart-inspired-his-neighbors-to-revitalize-their-declining-neighborhoods

The Numbers Don't Lie

By **Charles Marohn**

Kansas City, like most American cities, has spent nearly three generations destroying its own wealth, depleting its resources and adding unfathomable liabilities in its confusion over the difference between growth and wealth creation. An examination of specific parcels gives a glimpse of what has been lost but also the possibilities that are still available if Kansas City adopts a Strong Towns approach.

The city has invested immense sums of money making Linwood Boulevard and Main Street into wealth-crushing stroads, and it shows. The Costco and the Home Depot located near the Linwood and Main intersection represent the pinnacle of the post-war development pattern, yet the financial productivity of the site is less than $200,000 per acre. When one notes that big box stores are cheaply-built structures that aren't expected to last a generation, that's a substantial amount of long-term public investment supporting a pretty fragile and unproductive private investment.

Nearby are some modest apartment buildings that have already been with Kansas City longer than the Costco and Home Depot can be expected to last. Along East 27th Street is an apartment with financial productivity of $220,000 per acre. Along Warwick Avenue is another at $630,000 per acre, three times the productivity of the big box stores. Even more intense is the Jefferson Street Apartments at nearly $1.2 million per acre.

Each of these apartment buildings is not only more productive and enduring that the big box stores, they all fit into the neighborhood. They are all built within the context of their surroundings, adding value to the properties around them. The big box style of development creates a limited amount of value on a single site, but it also comes at the expense of the properties around it. Nobody wants their home or business to front a long barren wall. It’s the antithesis of neighborly.

Home Depot and Costco displace land that was or could be living units, but they also displace neighborhood scale commercial, both physically by occupying the space and financially by crowding them out of the market. That is unfortunate because neighborhood commercial not only creates opportunities for entrepreneurs — the kind that transform a community — but it also creates jobs.

A barbershop at 1819 Vine ($150,000 per acre) with a living unit above is the quintessential entrepreneurial layout. A retail block with two floors of housing — a third-generation form of commercial real estate — yields more than $700,000 per acre in productivity.

In the Westport neighborhood, a commercial strip along Main Street has productivity many multiples of the big box stores. This is neighborhood fabric that has been in place for decades, sustaining the community's tax base and creating jobs and opportunity. The main thing keeping these structures from exploding in value is the toxic design of Main Street, which is built as a traffic corridor instead of a neighborhood center.

Further along Main Street is another standard mixed-use building, the kind of structure that was commonly built in Kansas City neighborhoods before the post-war Suburban Experiment made them obsolete. At $2 million per acre, it is ten times more productive than the big boxes.

The Costco and Home Depot buildings are designed for a single purpose, with no evolution of the site anticipated. A primary tax-reduction strategy of big box commercial is to keep property values as low as possible. There is a reason why we don't look forward to a day when the land underneath Costco becomes so valuable that the owners are prompted to add a second story or tear it down and redevelop the site. It doesn't happen. Big box is where valuations go to die.

In contrast, Kansas City has numerous examples where buildings have progressed through generations of redevelopment, with rising land values prompting increasingly intense development without the need for public subsidy.

One example is the Aladdin Hotel, a building that has hosted meetings, weddings, and overnight guests for over a century. At $8 million in value per acre, the site is 40 times more productive than the two big box stores.

That's impressive, but not nearly as spectacular as the Hotel Phillips. At $19 million per acre, it has the second highest financial productivity of any property in Kansas City.

While Costco and Home Depot are the pinnacle of development in the auto-oriented model of today, these two hotels were the pinnacle of development in their day. A century ago, Kansas City residents would have looked at these buildings — and everything around them — and felt supremely confident about the future of their community. Their incremental approach to wealth-building had birthed these major investments, buildings whose owners, ever since, have been requiring little in terms of public service, yet paying substantially in terms of taxes into the community. That's what real success looks like.

The numbers here don't lie. Kansas City has coveted and embraced big box development, and other auto-oriented development patterns, within its core neighborhoods. The overall effect has been to lower the tax base — to decrease the wealth of the community — while doing nothing to lower the cost of providing services.

Property	Type	Value per Acre
1819 Vine	Mixed Use	$ 150,000
Downtown Home Depot	Commercial	$ 190,000
Downtown Costco	Commercial	$ 200,000
East 27th Street	Apartment	$ 220,000
Westport	Commercial	$ 520,000
Warwick	Apartment	$ 630,000
1601 East 18th Street	Mixed Use	$ 730,000
Westport	Mixed Use	$ 800,000
Westport	Mixed Use	$ 810,000
Westport	Mixed Use	$ 1,160,000
Jefferson Street Apartments	Apartment	$ 1,160,000
3935 Main Street	Mixed Use	$ 1,940,000
Windmere Apartments	Apartment	$ 2,250,000
The Aladdin	Commercial	$ 7,940,000
Hotel Phillips	Commercial	$ 19,170,000

In many places, the city has invested heavily in stroads and other auto infrastructure, reducing the desirability of its core neighborhoods while putting the businesses there at a competitive disadvantage. In financial terms, the community has actually paid a premium to experience a reduced return on investment.

Fortunately, there is nothing keeping Kansas City, and other North American cities that have adopted this same approach, from learning the simple math lesson their city founders clearly understood.

That simple lesson: To have enduring prosperity, a community cannot squander its land; it must develop in ways that are financially productive. In Kansas City, one need only do the math to identify a long list of examples for how this can be accomplished.

Kansas City has Everything it Needs

By **Daniel Herriges**

The Kansas City region is a poster child for America's troubled suburban experiment, and now it faces a painful reckoning with the cost. Decades of misguided decisions have thinned out the city's population, destroyed the wealth of formerly vibrant neighborhoods, and incurred unsupportable liabilities.

The fiscal geography of the city assembled by the data experts at Urban3 makes that much clear. And we hope that a Strong Towns approach, coupled with data-driven insights about where Kansas City's most concentrated financial productivity really lies, provides the outline of a path forward. It is one that would see local leaders steer away from overcommitting public resources to new infrastructure, tax incentives and white elephant projects.

Rather, Kansas City needs to do something simple yet profound in its implications. It needs to recommit to its own strengths: the same ones that built the city in the first place.

The good news is that this means Kansas City has everything it needs to turn this ill-conceived experiment around.

Don't Try to Beat the Suburbs at Their Own Game

One thing to understand is that when Kansas City embraced the postwar gospel of freeways (more of them, per capita, than any other major U.S. city), free parking (oceans of it), and tax-subsidized malls and big box stores, it was turning its back on its own biggest strengths. And it wasn't alone: nearly every city did this to some extent in the second half of the twentieth century. Kansas City proper encapsulates the resulting problems more than many cities because of its annexation practices, which brought huge tracts of suburban land into city limits.

Unfortunately, the city has dug itself deeper every time it has tried to rebuild economic strength by playing the suburbs' game, instead of standing in contrast to suburbia as a different kind of place. Consider just a few economic development missteps:

- A giant stadium complex, situated at a junction of freeways on the outskirts of the city: an ideal location to attract suburban Kansas residents, but one that produces few spillover economic benefits for surrounding neighborhoods as a result of its design as an isolated, drive-in island. And this complex has enough parking to fit one-fifth of the entire city at once, at four to a car. Unsurprisingly, it has drawn controversy over the years over its repeated use of public subsidies.
- Tax incentives used for suburban retail: $27 million to redevelop a shuttered mall as a cluster of chain retail stores with less square footage than the mall it replaces, and now worth less than half of the public investment alone.
- Tax incentives used to replace a fine-grained urban neighborhood with a Home Depot and Costco that are substantially less valuable to the city than the surviving small buildings adjacent to them.

Kansas City is not going to thrive by out-suburb-ing its own suburbs. This is especially true since the border-straddling metro area's dueling tax structures, as dictated by state laws, provide an incentive for people who work in Missouri to live in Kansas. The assessment rate for residential property—the percent of its value that property tax is calculated on—is 11.5% in Kansas versus 19% in Missouri.

But even without the tax differential fueling westward expansion into the Kansas suburbs, it would be true that suburban-style development is a money loser, producing less concentrated wealth while infrastructure liabilities such as roads, water and sewer are proportionately higher, sometimes by more than tenfold. And in a city that has not seen rapid population growth since the 1950s, and has experienced massive depopulation in its core, spending public money to do things that further suburbanize Kansas City is not a tenable path forward.

Rediscovering a Legacy to be Proud Of

Fortunately, the tides are turning, and have been for a while now. Kansas City-based urban designer and planner Kevin Klinkenberg wrote in 2019:

> *For much of my adult life, it was the voices of those content with*

suburbanizing the city that dominated the conversation. From elected officials through local government staff and deep into the business community, this was the case. As much as anything, I'm delighted that other voices are now being heard that recognize what it takes to build a thriving urban community. The more we learn to trust those who understand the difference between a successful urban neighborhood and a successful suburban neighborhood, the more the city and its people will thrive.

There's also still much, much more to do. We are very early in a long game to restore and revive the city.

Want a prosperous and resilient future? Embrace being something the suburbs can't match. That something is already in Kansas City's own DNA. We said earlier in this book that Kansas City was a showpiece for City Beautiful ideas and thoughtful pre-automobile planning. But we didn't really illustrate what that meant. Here are a few strengths Kansas City can draw on that are rich parts of the city's own inheritance.

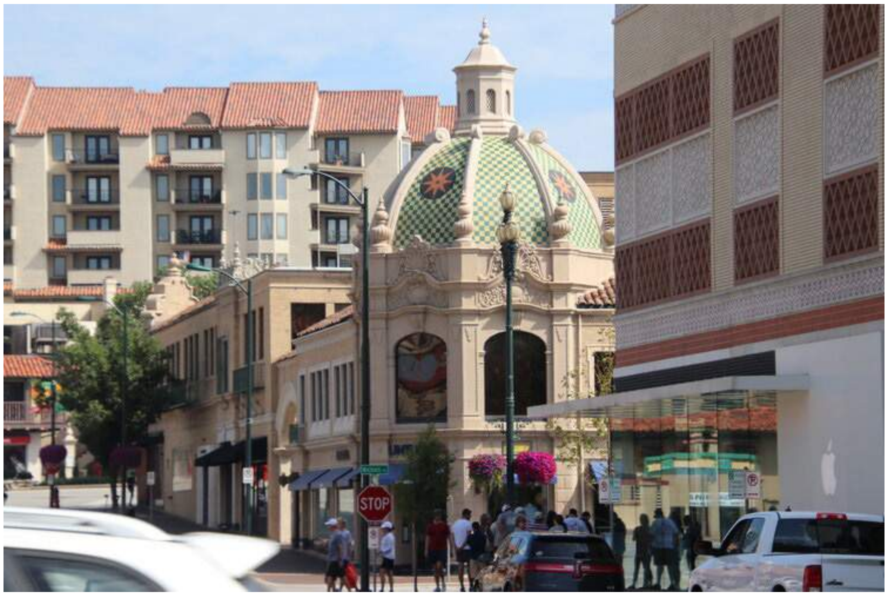
Kansas City is a veritable alphabet of Missing Middle[1] buildings. Duplexes, fourplexes, townhouses, small apartment buildings, all of various sizes and shapes: all of them are here, and they comprise much of the residential fabric of the older, originally streetcar-anchored neighborhoods that make up a disproportionate share of the city's wealth. Here are just a few examples:

1 Learn more at https://www.strongtowns.org/journal/2020/9/24/thinking-big-about-building-small

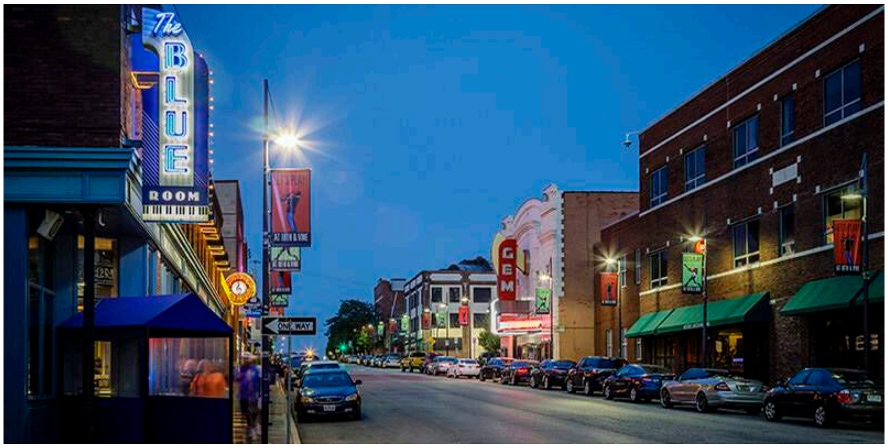
Newer, more contemporary buildings, too, have sprung up that fit into or build off of the same basic forms and patterns.

This development pattern is the backbone of Kansas City's wealth and its ability to accommodate the population it once did on a far smaller infrastructure footprint than it has today. Embracing, and broadly legalizing, the Missing Middle would open countless possibilities for Kansas City neighborhoods to evolve and to fill development niches that are comparatively unfilled in the region.

Kansas City has walkable neighborhoods, and the potential to improve on this strength. It's natural for a city to develop mini-downtowns, and secondary centers of retail, entertainment and culture outside of its downtown. Sometimes these can grow quite large: the Country Club Plaza area is Kansas City's example of a secondary center that has become almost a second downtown, with the city's second-highest concentration of property values and tax revenue.



Country Club Plaza



18th and Vine Jazz District

But of equal importance are the smaller neighborhood centers that provide a focal point, a sense of place and identity, and a clustered community of local entrepreneurs who can complement and support each other. There is abundant evidence that walkable neighborhoods are both highly desired and more financially productive as places. And it is difficult to produce them out of whole cloth in a landscape that was designed around driving with separated residential and commercial areas.

Kansas City has a leg up on its suburbs, again, if it embraces its urban DNA.

Here, as in other cities built around streetcars, the areas where the stations once were often retain their status as walkable neighborhood hubs. These are major generators of wealth, and will only become more so if additional housing entices new residents into these neighborhoods: as Klinkenberg points out in an essay titled “I Wish My Neighborhood Had…” you need customers to support a thriving business community[2]:

> *In a previous era, the neighborhood and this part of the city used to have substantially more residents. Quirky, unique places need to draw from a large population base in order to survive. The more that can walk there, the better. This particular area used to house over 23,000 people in 1950. Many more were connected easily by the city’s excellent streetcar system. Today, it’s under 10,000 in the same area…. It doesn’t take a PhD in Economics to surmise that the area simply can’t support the same number of small businesses as it used to.*

Kansas City has the bones to support excellent transit, reducing the demand for costly and disruptive car infrastructure. The new KC Streetcar is a sign of resurgent interest in transit, but it’s such a costly project that it’s unlikely could be copied again and again and again. But there are things that can be incrementally built out and expanded upon, such as improved and more frequent bus service. What Kansas City still has going for it is the thoughtful grid laid out by the city’s original planners, which provides natural corridors for transit connections between the city’s centers of activity, and easy transfers to crosstown routes.

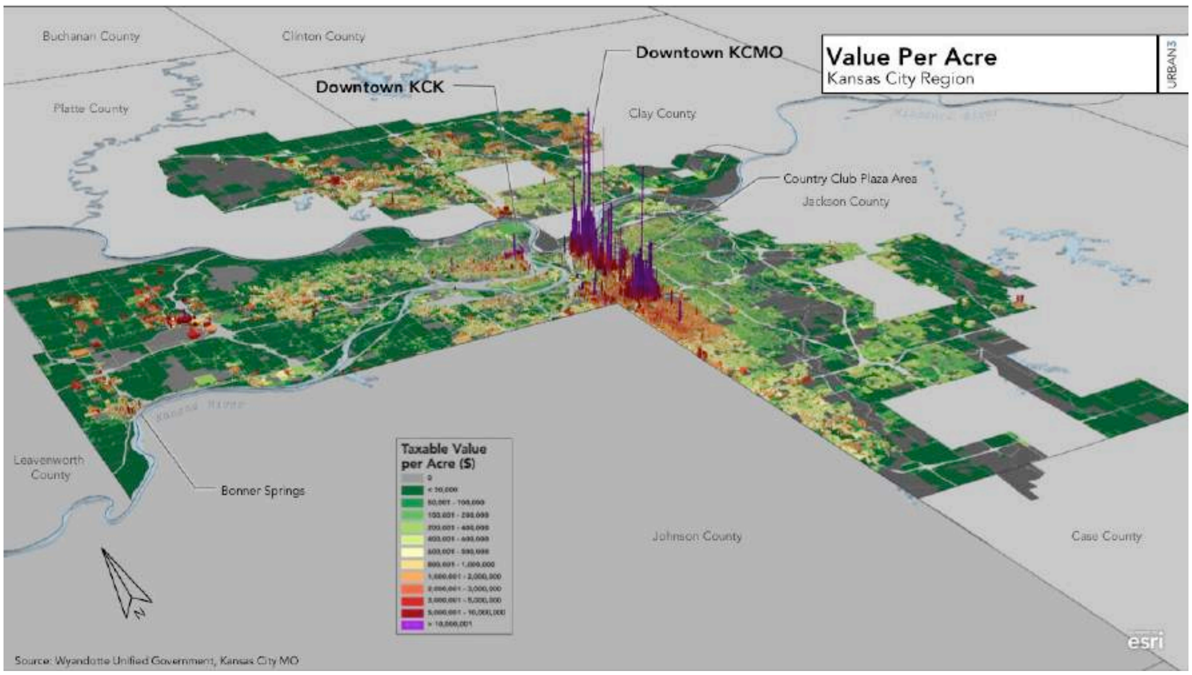
Kansas City has a tremendous amount of land to work with. Land is the base resource for community prosperity: it’s the one thing they aren’t making more of. And Kansas City has it. Not just in the areas it should never have annexed but now, for better or worse, owns. There is also land in the form of vacancies in its most disinvested and damaged neighborhoods. As we discussed in our chapter, “The Local Case For Reparations,” this fact is the product of historic mistakes and grave wrongs. But it also presents an opportunity now to right those wrongs in a serious way—without waiting for federal or state intervention.

Kansas City has the data on what works. What is needed now is a serious and ongoing conversation throughout the community—not just within government—

2 https://www.kevinklinkenberg.com/blog/i-wish-my-neighborhood-had

of how to apply it. Data is a tool that can make this conversation more productive, less polarizing, more honest and less reactive. Data doesn't remove the need for politics. Serving the city's many constituencies, while grappling with budget shortfalls and the need for difficult choices, will never be an easy job. Bringing a critical mass of residents around to the idea that the city needs a new path to follow is even harder.

But data provides a starting point for shared understanding. At the end of the day, here's the most important story it has to tell:



Those purple spikes in downtown Kansas City, Missouri (and, to a lesser extent, downtown Kansas City, Kansas) represent places that were built in a certain way. That way—the traditional development pattern that prevailed before the Suburban Experiment—is a time-tested means of producing places that grow more prosperous over time, enough to sustain the costs they incur.

That pattern is in Kansas City's DNA, so much so that the place was once an example to the world of cutting-edge urban planning. To those Kansas Citians who would like to make it so again, just know: you already have everything you need.

About Strong Towns

Strong Towns is an international movement dedicated to making communities across the United States and Canada financially strong and resilient. The Strong Towns approach is a radically new way of thinking about the way we build our world. We believe that in order to truly thrive, our cities and towns must:

- Stop valuing efficiency and start valuing resilience.
- Stop betting our futures on huge, irreversible projects, and start taking small, incremental steps and iterating based on what we learn
- Stop fearing change and start embracing a process of continuous adaptation
- Stop building our world based on abstract theories, and start building it based on how our places actually work and what our neighbors actually need today
- Stop obsessing about future growth and start obsessing about our current finances

But most importantly, we believe that Strong Citizens from all walks of life can and must participate in a Strong Towns approach—from citizens to leaders, professionals to neighbors, and everyone in between. And that means we need you.

Visit www.strongtowns.org to learn more.

About the Authors

Daniel Herriges serves as Senior Editor for Strong Towns and is a founding member of the organization. Daniel has a Masters in Urban and Regional Planning from the University of Minnesota and is passionate about environmental issues, urban design and human-scaled, livable places.

Charles Marohn is the Founder and President of Strong Towns and the author of *Strong Towns: A Bottom-Up Revolution to Rebuild American Prosperity*. He is a Professional Engineer (PE) licensed in the State of Minnesota and a land use planner with two decades of experience.