

NEBRASKA

# Downtown Revitalization Plan Falls City

Draft: December 18, 2010



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## Introduction

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Since its founding in 1857, Falls City has grown and prospered as an important commercial center, serving residents of the four state region of Nebraska, Iowa, Kansas and Missouri. Its location between the metropolitan areas of Lincoln, Omaha, Kansas City and Topeka also influenced its growth into a distribution center for the Atchinson & Nebraska and Missouri Pacific Railroads. Due to its proximity to the railroads, and other major transportation networks such as US Highway 75, Falls City continued to grow and prosper well into the 1950s.

In the last half century the city has seen a decline in its population as the railroad industry declined in importance. The construction of Interstate 29 in the 1960s and the realignment of US Highway 75 in the 1990s diverted commerce and travelers away from the city. Through this plan Falls City is setting out on a new journey, towards a renewed sense of community pride and prosperity, centered around the revitalization of its central business district. Already, the city has experienced significant reinvestment, with a number of new small businesses being established in the district. At the center of the city's revitalization efforts has been the renovation and reopening of the eighty year old Grand Weaver Hotel.



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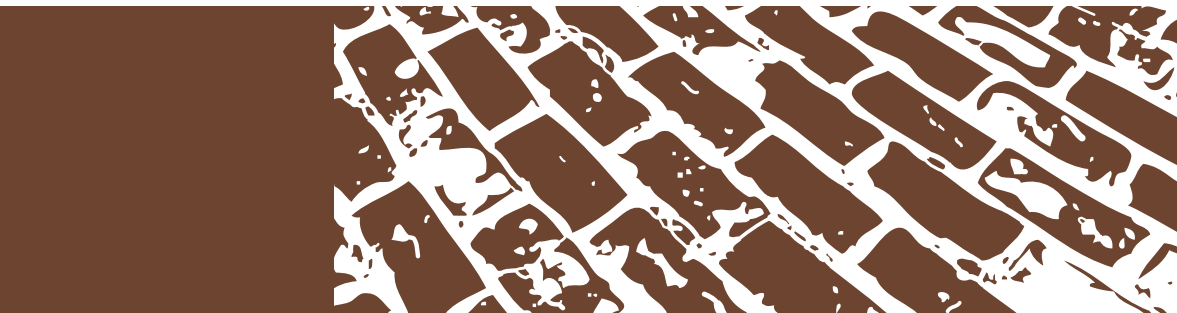
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# ONE

## Falls City Market Analysis

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A sound downtown development program must be based on market potential. This market analysis considers population and demographic characteristics for multiple geographic areas extending outward from the City of Falls City. It examines commercial, office, and residential possibilities for the City, and estimates future development potentials for these markets in Downtown.



## Market Area Definition

The market analysis begins by defining the city's market areas. Falls City is a regional community with commercial and cultural resources. Its significant market provides services to local residents and is also a trade center for rural markets in southeastern Nebraska and northeast Kansas. Falls City's markets are limited by its proximity to Omaha and Kansas City; both are major commercial and industrial centers easily accessed by Interstate-29. Map 1.1 - 1.3 illustrates the different geographic market areas used by this study.

- **The Primary market** area is the City of Falls and the immediate surrounding area that extends out five miles from the intersection of Seventh Street and Stone Street. Residents of the city do much of their daily shopping in Falls City and view the city as a location for retail services, civic life, and entertainment.
- **Secondary market area** extends 10 to 20 miles from the city. The market area is defined by a gravity model that considers the population and distance of cities of similar size and assumes that people living within the vicinity travel to the closest regional trade center for a greater selection of goods and services. The area extends about halfway to surrounding market centers, including Auburn, Hiawatha, Rockport, and St. Joseph. While residents of this area use Falls City retailers and service providers for typical needs, larger markets such as St. Joseph and Nebraska City exert a powerful draw for special or large purchase items.
- **Tertiary market area** extends out 60 miles from the city. This broader area includes people who visit Falls City for special events, tourism or niche businesses.

Map 1.1: Primary Market Area



Map 1.2: Secondary Market Area





## Demographics

### POPULATION TRENDS AND FORECASTS

This section describes changes in the characteristics and dynamics of Falls City's population. During the last 70 years, Falls City has changed from a community of 5,146 in 1940 to 4,671 in 2000. Table 1.1 summarizes the historical population change in Falls City, while Table 1.2 compares Falls City's population to surrounding communities, communities that have experienced comparable demographic shifts. Significant conclusions include:

- Falls City has declined gradually during the last sixty years. Table 1.1 shows the historical population change between 1940 and 2000. Following World War II, Falls City experienced a period of growth. Since 1950, there has been a moderate decline in population as the agricultural economy decreased and the movement towards regional centers hastened.
- Falls City's proportion of Richardson County's population has been relatively constant for the past 20 years, representing about 48% the county's population.
- The population of Falls City and regional communities are reportedly declining since the 2000 Census. This trend is, in part, by the rural to urban population migration.

Table 1.1: Historical Population Change, Falls City

Year	Population	Decennial Change	Decennial % Change	Annual Rate of Change
1940	5,146			
1950	6,203	1,057	20.5%	2.1%
1960	5,598	-605	-9.8%	-1.0%
1970	5,444	-154	-2.8%	-0.3%
1980	5,374	-70	-1.3%	-0.1%
1990	4,769	-605	-11.3%	-1.1%
2000	4,671	-98	-2.1%	-0.2%

Source: U.S. Census Bureau

Table 1.2: Population Change, Comparable Communities 1990-2009 based on 2000 Census and 2009 Estimates

	1990 Population	2000 Population	Change	% Change	2009 est. Population <sup>2</sup>	2000-2009 Change	2000-2009 %Change
<b>Falls City</b>	4,769	4,671	-98	-2.1%	3,933	-738	-15.8%
<b>Auburn</b>	3,443	3,350	-93	-2.7%	3,230	-120	-3.6%
<b>Hiawatha, Kansas</b>	3,603	3,417	-186	-5.2%	3,182	-235	-6.9%
<b>Seneca, Kansas</b>	2,027	2,122	95	4.7%	1,986	-136	-6.4%
<b>Rockport, Missouri</b>	1,438	1,395	-43	-3.0%	1,294	-101	-7.2%
<b>Nebraska City</b>	6,547	7,228	681	10.4%	6,869	-359	-5.0%
<b>Hamburg, Iowa</b>	1,248	1,240	-8	-0.6%	1,141	-99	-8.0%
<b>St. Joseph</b>	71,852	73,990	2,138	3.0%	76,222	2,232	3.0%
<b>Richardson County</b>	9,937	9,531	-406	-4.1%	8,125	-1,406	-14.8%
<b>Richardson Co. (wo Falls City)</b>	5,168	4,860	-308	-6.0%	4,192	-668	-13.7%
<b>Secondary Market (10-20 miles)</b>							
<b>Tertiary Market (60-mile<sup>2</sup>)</b>	292,953	296,901	3,948	1.3%	292,489	-4,412	-1.5%

Source: U.S. Census Bureau

POPULATION AND HOUSING PROJECTIONS

Projecting the future population of Falls City helps to predict the future demographic character of the community. This in turn helps guide the city's planning and policy decisions regarding future investments. Table 1.3 illustrates future population growth for the city and its market areas.

Falls City Housing Study prepared in 2010 by Hanna: Keelan Associates, Inc. included a 2015 population estimate of 4,167. 2010 Census will presumably provide an accurate count of Falls City's population. If projections provided in this analysis substantially differ from the actual, then the City should consider updating past reports and this market analysis.

*Population Growth and Migration Projections.*

In projecting Falls City's population growth since 2000 this market analysis takes into account, recent development activity, the city's need for additional housing units, and recent economic realities. Table 1.3 identifies the population growth and migration scenarios. The plan projects Falls City's 2010 population to be between 4,366 and 4,742. The construction of 23 units between 2000 and 2010, suggests a population growth of about 55 people, assuming an average household size of 2.3 people. Also, the vacancy rate of housing dropped significantly between 2000 and 2010, declining from 11.6% to 2.9%. Some of the vacant units were removed from the market through demolition, while others became occupied by families. The release of



Table 1.3: Migration and Growth Scenarios for Falls City

	2000	2005	2010	2015	2020	2025	2030
<b>Natural Population Change</b>	4,671	4,494	4,366	4,300	4,270	4,226	4,152
0.25% Annual Growth Rate	4,671	4,730	4,789	4,849	4,910	4,972	5,034
0.15% Annual Growth Rate	4,671	4,706	4,742	4,777	4,813	4,849	4,886
<b>+4.0% Migration Rate</b>	4,671	4,584	4,542	4,563	4,622	4,666	4,676

Source: U.S. Census, Claritas Inc., RDG Planning & Design

Table 1.4: Median Income Forecasts in Falls City's Market Areas, 2000-2009

	2000 Census	2009 Estimate	Change	% Change
<b>Primary (3-mile)</b>	\$28,000	\$36,295	\$8,295	30%
<b>Secondary</b>	\$29,884	\$38,035	\$8,151	27%
<b>State</b>	\$39,604	\$48,087	\$8,483	21%

Source: Claritas, Inc., U.S. Census Bureau

the 2010 U.S. Census data in early 2011 will clarify the recent population trends in Falls City, and projections should be updated to reflect the population changes in the past decade.

Over the next ten years, if Falls City is capable of achieving 0.15% annual growth rate, its 2020 is estimated to be 4,813, although if the city were to continue its +4% migration rate of the 1990's, then the population will be slightly less than it was in 2000.

Table 1.5: Work Places and Employment for Falls City Downtown Trade Areas

Business Description	Primary Market				
	Total Establishments	%	Total Employed	%	Employees Per Establishment
<b>Industries (All)</b>	354	100%	2,540	100%	7
<b>Agriculture (All)</b>	9	3%	35	1%	4
<b>Construction (All)</b>	19	5%	76	3%	4
<b>Manufacturing (All)</b>	17	5%	145	6%	9
<b>Transportation, Communications/Public Utilities</b>	14	4%	73	3%	5
<b>Wholesale Trade (All)</b>	18	5%	85	3%	5
<b>Retail (All Retail)</b>	69	19%	592	23%	9
<b>Finance (All)</b>	32	9%	139	5%	4
<b>Service (All)</b>	147	42%	1,184	47%	8
<b>Public Administration (All)</b>	29	8%	211	8%	7

Source: Claritas, Inc., 2009

Table 1.6: Work Places and Employment specified for SERVICES

	Total Establishments	%	Total Employed	%	Employees Per Establishment
<b>Service (All)</b>	147	100%	1,184	100%	8
Hotel and Other Lodging	4	3%	12	1%	3
Personal Services	43	29%	79	7%	2
Business Services	16	11%	160	14%	10
Motion Picture and Amusement	2	1%	3	0%	2
Health Services	14	10%	394	33%	28
Legal Services	5	3%	17	1%	3
Educational Services	11	7%	347	29%	32
Social Services	16	11%	53	4%	3
Misc, Membership Orgs and Nonclassified	36	24%	119	10%	3

Source: Claritas, Inc.

## Housing Projections

Falls City Community Housing Study prepared in 2010 by Hanna:Keelan Associates, Inc. included a 2015 housing need of 81 units split between owner- and renter-occupied. Most of the citywide demand is pent up for single-family homes with some demand for townhomes. Some of the housing demand for new single-family construction may be relieved by the availability of townhomes or upper-story conversions. Townhomes and duplexes require less property maintenance and are appealing to aging populations. Falls City's housing market has a low vacancy rate of 3%, which is below the targeted 6% rate.

The Housing Study projects that 12 to 14 rental units could be captured in upper-stories, costing of about \$1.8 million.

## ECONOMIC CHARACTERISTICS

### Household Income

Table 1.4 presents the median household income for residents of each market area. Median income for Falls City's primary market was \$36,295 in 2009. This is lower than that of the secondary market area of \$38,035 and the state median income of \$48,087. The lower median income reflects the income levels of more rural communities with smaller populations and lower earning jobs.

### Business and Employment

Table 1.5 displays the distribution of employment for the 3-mile primary market area. Of the total 2,540 people employed, nearly half (1,184) are in service-related

**Table 1.7: Consumer Spending Patterns based on Nat'l Standards**

	Primary Market
<b>TOTAL SPECIFIED CONSUMER EXPENDITURES</b>	84
<b>FOOD AT HOME</b>	89
<b>FOOD AWAY FROM HOME &amp; ALCOHOL</b>	85
<b>DAY CARE, EDUCATION &amp; CONTRIBUTIONS</b>	
All Day Care	69
Contributions (All)	70
Education	49
<b>HEALTHCARE</b>	
Medical Services	90
Prescription Drugs	117
Medical Supplies	100
<b>HOUSEHOLD FURNISHINGS &amp; APPLIANCES</b>	
Furniture	75
Household Textiles	83
Major Household Appliances	89
Miscellaneous Household Equipment	93
Small Appliances & Housewares	83
<b>HOUSING RELATED &amp; PERSONAL</b>	
Housing Expenses	90
Household Repairs	88
Household Services	72
Housekeeping Supplies	89
Personal Expenses and Services	92

<b>PERSONAL CARE &amp; SMOKING PRODUCTS</b>	
Personal Care Products & Services	81
Smoking Products & Supplies	123
<b>PET EXPENSES</b>	86
<b>SPORTS &amp; ENTERTAINMENT</b>	
Photographic Equipment/Supplies	76
Reading Materials	91
Sports & Recreation	72
Travel Expenses	76
TV, Radio, & Sound Equipment	74
<b>TRANSPORTATION &amp; AUTO EXPENSES</b>	
Automotive Maintenance/Repair/Other	88
Gasoline	88
Diesel Fuel	102
Vehicle Purchases & Leases	89
New Autos/Trucks/Vans	70
Used Vehicles	103
Boats and Recreational Vehicle Purchases	145
Rented Vehicles	61
<b>TOTAL APPAREL</b>	67
Women's Apparel	63
Men's Apparel	68
Girl's Apparel	74
Boy's Apparel	74
Infant's Apparel	81
Footwear (Excluding Infants)	69
Other Apparel Products & Services	67

**Table 1.8: Share of Total (Regional) Retail Sales, 2009**

	Total Retail Sales	% of Total
<b>Falls City</b>	\$45,276,244	7%
<b>Secondary</b>	\$72,720,674	11%
<b>Tertiary</b>	\$553,148,696	82%
<b>Total</b>	\$671,145,614	100%

Source: Claritas Inc.

**Table 1.9: Share of Total (Local) Retail Sales, 2009**

	Total Retail Sales	% of Total
<b>Falls City</b>	\$45,276,244	38%
<b>Secondary</b>	\$72,720,674	62%
<b>Total</b>	\$117,996,918	100%

Source: Claritas Inc.

jobs. Retail jobs account for about 23% (592) of the total jobs. Of the 354 establishments, nearly 40% are in service, 20% are in retail, and the remaining industries sharing less than 10% each.

Table 1.6 displays service businesses in more detail. About two-thirds of people employed are split between health and educational-related services. Approximately 30 jobs are located in each of the establishments. Nearly a third of the business establishments are related to personal services.

### Consumer Spending Patterns

Table 1.7 compares annual consumer expenditures by product type in each trade area to the national average. National average per capita expenditures are equal to a market index of 100, which is the ratio of the Annual Average Household Expenditure (AAHE) in each trade area compared to the AAHE for the United States. Therefore, scores greater than 100 indicate that consumers are spending more on a good than the rest of the nation.

Overall consumers spend less than the national average on most consumable goods. Consumers in Falls City appear to spend less on food than perhaps other urban areas.

Spending on prescription drugs is higher than the national average, which may be associated to the rising median age of the primary market and possible health-related complications. Median age increased from 41.5 in 2000 to 45.3 in 2009. Spending for prescription drugs and medical supplies are often available locally, thereby not requiring consumers to travel to larger markets, such as Omaha and Kansas City.

Spending for used and recreational vehicles report a high index score of 103 and 145, respectively. Consumers in the primary market spend less than the national average on apparel goods.

### Retail Sales

One way of evaluating Falls City's retail role in the region is to consider its share of total regional retail sales. Table 1.8 indicates total retail sales in each market area, while Table 1.9 indicates the total retail sales for local markets only. In 2009, total retail sales for the combined primary and secondary markets were about \$118 million (or 18%) of the overall 60-mile area, which was about \$671 million.

The primary market reports about \$45 million in retail sales, while the secondary market reports about \$72 million. The primary market's share of the \$118 million is about 38%. The proximity of Omaha, Lincoln, and St. Joseph has a tremendous influence upon the market potential for Falls City.

Table 1.10 identifies the gap between consumer demand (expenditures) and retail sales within each retail sector. A positive value results from demand exceeding supply, indicating a leakage of consumer dollars to outside markets. In other words, residents have dollars to spend but they are spending them outside of their respective market area. A negative value results from sales exceeding demand and indicates a flow of regional dollars into the city's retail market. In 2009, Falls City's primary market area accounted for \$45 million in retail sales, while its current population generated a demand of \$59 million. The gap of \$14 million in sales from the primary market area illustrates that residents are shopping outside of Falls City causing a negative balance of trade.

Table 1.11: RMP Opportunity Gap for the Primary and Secondary Market Areas

	Primary Market			Secondary Market		
	Demand Consumer Expenditures	Supply Retail Sales	Opportunity Gap/Surplus	Demand Consumer Expenditures	Supply Retail Sales	Opportunity Gap/Surplus
<b>Total Retail Sales Including Eating and Drinking Places</b>	\$59,309,824	\$45,276,244	\$14,033,580	\$72,954,637	\$27,444,430	\$45,510,207
<b>Adjusted Retail Sales</b>	\$39,282,339	\$22,177,761	\$17,104,578	\$47,184,516	\$20,744,990	\$26,439,526
<b>Motor Vehicle and Parts Dealers</b>	\$8,981,863	\$15,602,237	(\$6,620,374)	\$11,829,284	\$856,161	\$10,973,123
Automotive Dealers	\$7,446,085	\$14,711,422	(\$7,265,337)	\$9,734,774	\$818,198	\$8,916,576
Other Motor Vehicle Dealers	\$670,517	\$13,979	\$656,538	\$935,990	\$4,490	\$931,500
Auto Parts/Accessories, Tire	\$865,261	\$876,836	(\$11,575)	\$1,158,519	\$33,473	\$1,125,046
<b>Furniture and Home Furnishings</b>	\$1,128,559	\$163,571	\$964,988	\$1,338,598	\$24,845	\$1,313,753
<b>Electronics and Appliances</b>	\$1,272,806	\$926,699	\$346,107	\$1,528,009	\$23,403	\$1,504,606
<b>Building Material and Garden Equipment</b>	\$6,512,461	\$6,648,117	(\$135,656)	\$7,905,571	\$7,589,983	\$315,588
Building Material and Supply Dealers	\$5,955,781	\$5,722,983	\$232,798	\$7,220,641	\$1,556,502	\$5,664,139
Lawn/Garden Equipment, Supplies	\$556,681	\$925,134	(\$368,453)	\$684,929	\$6,033,481	(\$5,348,552)
<b>Food and Beverage Stores</b>	\$8,475,653	\$2,634,116	\$5,841,537	\$10,185,447	\$9,496,510	\$688,937
Grocery Stores	\$7,719,398	\$1,463,918	\$6,255,480	\$9,285,557	\$9,469,058	(\$183,501)
Specialty Food	\$222,838	\$0	\$222,838	\$268,282	\$0	\$268,282
Beer, Wine and Liquor	\$533,417	\$1,170,198	(\$636,781)	\$631,607	\$27,452	\$604,155
<b>Health and Personal Care</b>	\$4,047,266	\$2,368,728	\$1,678,538	\$4,710,894	\$434,288	\$4,276,606
Pharmacies and Drug	\$3,495,217	\$2,316,436	\$1,178,781	\$4,061,423	\$3,560	\$4,057,863
Cosmetics, Beauty Supplies, Perfume	\$149,727	\$0	\$149,727	\$172,888	\$87,186	\$85,702
Optical Goods	\$138,691	\$52,291	\$86,400	\$171,221	\$179,206	(\$7,985)
Other Health and Personal Care	\$263,631	\$0	\$263,631	\$305,363	\$164,337	\$141,026

Table 1.11: RMP Opportunity Gap for the Primary and Secondary Market Areas (...continued)

	Primary Market			Secondary Market		
	Demand Consumer Expenditures	Supply Retail Sales	Opportunity Gap/ Surplus	Demand Consumer Expenditures	Supply Retail Sales	Opportunity Gap/ Surplus
<b>Gasoline Stations</b>	\$7,172,472	\$4,569,747	\$2,602,725	\$9,308,586	\$5,383,451	\$3,925,135
Gasoline Stations with Convenience	\$5,430,824	\$3,101,597	\$2,329,227	\$7,003,037	\$5,177,043	\$1,825,994
Other Gasoline Stations	\$1,741,648	\$1,468,150	\$273,498	\$2,305,549	\$206,407	\$2,099,142
<b>Clothing &amp; Clothing Accessories</b>	\$2,150,684	\$517,007	\$1,633,677	\$2,636,655	\$91,636	\$2,545,019
Clothing Stores	\$1,527,150	\$49,922	\$1,477,228	\$1,890,971	\$16,420	\$1,874,551
Shoe Stores	\$306,272	\$352,261	(\$45,989)	\$380,694	\$66,054	\$314,640
Jewelry, Luggage, Leather Goods	\$317,262	\$114,824	\$202,438	\$364,990	\$9,163	\$355,827
<b>Sporting Goods, Hobby, Book, Music</b>	\$958,160	\$0	\$958,160	\$1,152,298	\$30,985	\$1,121,313
<b>General Merchandise</b>	\$7,751,606	\$6,382,192	\$1,369,414	\$9,366,523	\$553,662	\$8,812,861
<b>Miscellaneous Store Retailers</b>	\$1,392,733	\$1,389,558	\$3,175	\$1,727,840	\$160,577	\$1,567,263
Florists	\$119,923	\$155,858	(\$35,935)	\$145,038	\$70,557	\$74,481
Office Supplies, Stationery, Gift	\$586,547	\$254,608	\$331,939	\$692,917	\$471	\$692,446
Used Merchandise	\$115,095	\$297,141	(\$182,046)	\$137,585	\$74,858	\$62,727
Other Miscellaneous Store	\$571,168	\$681,951	(\$110,783)	\$752,299	\$14,691	\$737,608
<b>Non-Store Retailers</b>	\$3,873,150	\$2,926,499	\$946,651	\$4,632,251	\$459,828	\$4,172,423
<b>Foodservice and Drinking Places</b>	\$5,592,412	\$1,147,774	\$4,444,638	\$6,632,681	\$2,339,101	\$4,293,580
Full-Service Restaurants	\$2,495,686	\$1,058,862	\$1,436,824	\$2,960,213	\$267,094	\$2,693,119
Limited Service Eating Places	\$2,364,261	\$0	\$2,364,261	\$2,802,002	\$1,534,864	\$1,267,138
Special Foodservices	\$476,152	\$88,913	\$387,239	\$565,005	\$120,687	\$444,318
Drinking Places Alcoholic Beverages	\$256,313	\$0	\$256,313	\$305,461	\$416,456	(\$110,995)

Source: Claritas, Inc.

Table 1.11: GAFO RMP Opportunity Gap/Surplus for Falls City's market areas

	Demand Consumer Expenditures	Supply Retail Sales	Opportunity Gap/Surplus	Demand Consumer Expenditures	Supply Retail Sales	Opportunity Gap/Surplus
<b>GAFO TOTAL</b>	\$13,848,361	\$8,244,076	\$5,604,285	\$16,715,001	\$725,003	\$15,989,998
<b>General Merchandise</b>	\$7,751,606	\$6,382,192	\$1,369,414	\$9,366,523	\$553,662	\$8,812,861
<b>Clothing and Accessories</b>	\$2,150,684	\$517,007	\$1,633,677	\$2,636,655	\$91,636	\$2,545,019
<b>Furniture and Home Furnishings</b>	\$1,128,559	\$163,571	\$964,988	\$1,338,598	\$24,845	\$1,313,753
<b>Electronics and Appliance</b>	\$1,272,806	\$926,699	\$346,107	\$1,528,009	\$23,403	\$1,504,606
<b>Sporting Goods, Hobby, Book, Music</b>	\$958,160	\$0	\$958,160	\$1,152,298	\$30,985	\$1,121,313
<b>Office Supplies, Stationery, Gift</b>	\$586,547	\$254,608	\$331,939	\$692,917	\$471	\$692,446

Source: Claritas, Inc.

**Merchandise categories with strong retail sales include:**

- Automotive Dealers (\$14.7 million in sales). The entire local market demand is being met and attracting significant spending from the secondary market.
- GAFO (\$8.2 million in sales). About 60% of the demand is being captured within Falls City. Both the primary and secondary markets are retail sales to larger retail markets, such as St. Joseph, Kansas City, Omaha and Lincoln.
- General Merchandise (\$6.3 million in sales). About 82% of the demand is being captured within Falls City.
- Building Materials and Supply Dealers (\$5.7 million in sales). The entire local market demand is being met, and attracting some retail spending from peripheral markets.
- Gasoline Stations (\$4.5 million)

- Pharmacies and Drugs (\$2.3 million in sales). About 67% of the demand is being captured within Falls City.

**Categories with significant opportunity for additional retail sales include:**

- Food and Beverage Stores (Grocery). About 19% of the demand is being met for grocery stores. The primary market reports a demand of \$7.7 million and retail sales of about \$1.5 million, resulting in an opportunity gap of about \$6.2 million. A more detailed market analysis should be developed to address the market gap by existing or prospective retailers.
- Foodservice and Drinking Places (Restaurants). About 42% of the demand is being met for full-service restaurants. Overall, foodservice and drinking places is leaking over \$1.4 million to other market areas. The secondary area reports an even lower capture rate of 30%, representing a leakage of about \$2.6 million. Combined, the primary and secondary market show over \$4 million in opportunity.

Table 1.11 summarizes sales and demand for merchandise normally sold in department stores. This category is not included in Total Retail Sales Including Eating and Drinking Places in Table 1.10.

**Projected Annual Expenditure Growth**

Potential growth in expenditures determines much of the need for additional retail space in Falls City. Falls City is a small regional trade center, with room for growth in specific sectors. For example, in Falls City the district's gift stores and antiques carry unique items that are not necessarily available at larger retail stores, like Wal-Mart. These businesses tend to be destinations, attracting customers who are looking for unique goods and services.

Additional retail potential is generated by two factors; increases generated by population growth and increases in market share in specific sectors. Table 1.12 calculates total potential retail demand by multiply-



Table 1.12: Projected Annual Expenditure Growth

<b>STEP 1A: PROJECTING TOTAL DEMAND IN 2015</b>			
	Primary	Secondary	Total
2009 Estimated Demand	\$39,282,339	\$47,184,516	\$86,466,855
2010 Estimated Population	4,706	4,120	8,826
2010 Per Capita Dollars	\$8,347	\$11,453	\$9,797
2015 Projected Population	4,777	4,462	9,239
2015 Projected Demand	\$39,874,996	\$51,101,289	\$90,976,285
<b>STEP 1B: PROJECTING THE INCREMENT FOR DEMAND BETWEEN 2009 &amp; 2015</b>			
2015 Projected Demand	\$39,874,996	\$51,101,289	\$90,976,285
2009 Estimated Demand	\$39,282,339	\$47,184,516	\$86,466,855
Increment 2010-2015	\$592,657	\$3,916,773	\$4,509,430
<b>STEP 1C: PROJECTING THE CAPTURED SHARE OF FUTURE DEMAND</b>			
Increment 2009-2015	\$592,657	\$3,916,773	\$4,509,430
Market Area Capture rate	56%	37%	
Market Area Share of the Increment	\$331,888	\$1,449,206	\$1,781,094
<b>STEP 3A: CALCULATING OPPORTUNITY/GAP</b>			
Existing Gap (difference: demand-supply)	\$39,282,339	\$47,184,516	\$86,466,855
Future Gap	\$331,888	\$1,449,206	\$1,781,094
Total Gap	\$39,614,227	\$48,633,722	\$88,247,949
<b>STEP 3B: CALCULATING RAWLIN'S SHARE OF THE GAP</b>			
Total Gap	\$39,614,227	\$48,633,722	\$88,247,949
Moderate Capture Rate	10%	3.0%	
Share of Gap	\$3,961,423	\$1,459,012	\$5,420,434
High Capture Rate	30%	10%	
Share of Gap	\$11,884,268	\$4,863,372	
<b>STEP 4: DETERMINING SQUARE FOOTAGE</b>			
Share of Gap	\$3,961,423	\$1,459,012	\$5,420,434
Sales Yield Per Square Foot	\$325	\$325	
Citywide commercial Space Demand (SF) Moderate Rate	12,189	4,489	16,678
High Rate	36,567	14,964	51,531

Source: Claritas, Inc.

ing projected population by per capita retail expenditures. Expenditures specifically made in Falls City are computed by applying capture rates – that is the percentage of spending generated by these markets that takes place in the city. For this analysis retail sales excluded auto sales, gasoline stations, and non-store retailers. Excluding these markets means that Falls City captures 56% of the demand in the remaining retail categories. Tables 1.12 and Table 1.13 relate increases in projected in-city consumer spending to retail space demand by:

- Using 2009 retail capture rates of 56% in the primary market (supply ÷ demand = capture rate), and 37% in the secondary market for the increment growth.
- Assuming that Falls City's share of the retail sales will be 10% to 30% for the immediate primary area and 3% to 10% for Secondary Market.

Calculating the average sales yield of retail space in Falls City, using an estimated sales yield of \$325 per square foot, based on averages contained in the Urban Land Institute's (ULI) Dollars and Cents of Shopping Centers, 2009.

The aggregate per capita annual spending for retail goods and services within the primary and secondary markets is estimated at \$8,347 and \$11,453, respectively. Future demand is determined by multiplying 2015 projected population by 2009 per capita dollars. The increment is the difference between the 2015 projected demand and 2009 demand.

**Moderate Projection.** If Falls City were able to capture between 10% of the existing and future demand of the primary market, it would generate about 12,000 square feet from the primary market using an estimated sales yield of \$325 per square foot per year. In the secondary market area, if Falls City were able to capture 3% of the existing and future demand, it would generate between 4,500 square feet. Total additional commercial space for both the primary and secondary market is 16,500 square feet.

**Higher Projection.** If Falls City were able to capture 30% of the existing and future demand, it would generate about 36,500 square feet from the primary market using an estimated sales yield of \$325 per square foot per year. In the secondary market area, if Falls City were able to capture 10% of the existing and future demand, it would generate about 15,000 square feet. Total additional commercial space for both the primary and secondary market is 51,500 square feet.

Downtown could absorb 25% of the citywide commercial demand or 4,000 to 13,000 square feet of that additional commercial space. The downtown currently has 56,000 square feet of vacant first floor space available. This space would appear to supply Falls City with the future retail space needed, however, not all of this vacant space could be considered competitive. Some may be better suited for office and service uses, or suffer from poor access or visibility. A downtown building in Falls City typically has about 3,000 to 5,000 square feet of space.

### *Residential Markets in Downtown Falls City*

Effectively developed, downtown housing can be a unique attraction, and can often develop its own, larger market. Implementation of an overall downtown revitalization program that makes the district a more attractive place will also increase housing demand. For example, a focus on senior housing can attract people from a broader area and add to overall demand.

The 2010 Falls City Community Housing Study's Five-Year Action Plan recommends building several new units by 2015 to meet pent-up demand and future needs. Higher density construction near downtown is an appropriate transitional use between downtown and the single-family units towards the west. Recommendations from the Housing Study that may be applicable to downtown construction include:

- Adapting 12 to 14 upper-story housing units in downtown through a Downtown Housing Initiative. The study anticipates the program costing \$1.8 million.
- Building higher density residential near downtown, such as apartments, townhomes and duplexes. The study recommends constructing 12 townhouse units at a cost of about \$2.1 million. Likewise, the construction of 5 duplexes (or 10 units) may cost about \$725,000.

If Downtown Falls City grows as a residential neighborhood, it will capture a greater share of the city's housing production. Assuming that downtown is positioned to capture 12 units by 2015 and averaging 2.3 per household, then the potential per capita spending of those residents is \$230,000 (\$8,347 per capita

income x 12 units x 2.3 people per household). The convenience of Pamida and Sun Mart, along with other daily services are in close proximity, will assist in capturing some of the retail spending.

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## Conclusions

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As downtowns across the nation compete for a share of the retail market, many have found success in specialty or niche markets. Downtowns that compete successfully against "big box" retailers have focused on service oriented and specialty retailing. Falls City downtown has remained active in part because of its strong mix of retail and service businesses. The district also exhibits rare retailers, such as a Brown's Shoe Store and True Value Hardware, which are typically not found in small downtowns. Steps should be taken to ensure continued stability of the market and may include:

- Encouraging the development and expansion of emerging niche markets that attract visitors, including businesses like Hoot-n-Annies and the Antique Mall.
- Encouraging retail and service uses for storefronts along Stone Street, while deterring uses that are predominately storage or industrial-related.
- Improving joint marketing between businesses in order to attract visitors to Falls City.
- Marketing hospitality visits to the Grand Weaver Hotel and designing weekend experiences for tourism, which may include Indian Cave State Park and local art galleries.
- Strengthen the connection between downtown the highway.



chapter  
**TWO**

Falls City Today

This chapter examines existing conditions and opportunities for Falls City's downtown business district. The district has many unique and distinctive features that create a sense of place, and brings added value to the community.

Map 2.1 shows an aerial photo of downtown, while Map 2.2 shows the existing traffic circulation in the district.

## ACCESS & MOBILITY

Transportation is a vital part of the downtown framework. Downtown's primary streets include Harlan, Stone and Chase between 14th and 20th Streets. Harlan Street (U.S. Highway 73) is a major arterial and the primary route for vehicles traveling north and south through the city.

### VEHICLE MOVEMENTS

- **Cobblestone Brick Street and Curbs.** Stone Street is a cobblestone brick road in good condition, requiring occasional repair. Its durability is unmatched and provides character to the district. The rumbling of the bricks as cars drive along the surface becomes a natural traffic calmer, encouraging slower speeds in a pedestrian heavy area.

Recommendations in this plan should identify strategies for improving the mobility of pedestrians between the street and sidewalk without significantly altering the brick cobblestone streets.

- **One-way traffic inhibits access to businesses.** Stone and Chase Streets are the one-way pairs providing circulation through downtown with Stone being southbound only and Chase being northbound only. The streets were converted to one-way because of teenagers cruising downtown. Despite the popularity of cruising going away, the streets remains one-way.



Stone Street's one-way traffic prevents visitors from approaching the business district from the south. Motorists are diverted to Chase Street, which takes them away from the central business district. Also, visitors new to the area may incidentally drive in the wrong direction.

- **Traffic Signal Use.** Traffic signals are located at every intersection within the district, however these appear to be overcompensating for the traffic volumes that the district experiences. The relatively low traffic volume in the district does not appear to constitute a need for traffic signalization at every intersection. The functional use of the signals diminishes

when lights flash during the morning's peak hours and, when working, causes vehicles to stack at intersections with no other traffic in sight.

- **Traffic Signal Placement.** The placement of the signals are setback far enough that some motorists miss the signal altogether, then accidently running through a red light.
- **Traffic Signal Technology.** The technology of the traffic signals along Stone Street is outdated, and parts for repairs are difficult to locate. The signal at Harlan and 17th Streets does not provide signalization for pedestrians.

Map 2.1: Existing Traffic Circulation



- **Parking access.** Parking is competitive in the district. Visitors to the district are unaware of parking available behind storefronts.
- **High Curbs.** For some motorists, curbs often indicate when to stop, but rather in Falls City, they become obstacles to collide with.
- **Sense of Arrival.** Passersby often miss downtown entirely as they drive through the City. Albeit that the courthouse is the signature icon of the City, the presence of the business district is underexposed.

## PEDESTRIAN MOVEMENTS

- **High curbs.** The high curbs between the sidewalk and street are difficult for people to climb and are slipping hazards. Visitors often use the cutoff meter poles as leverage to pull themselves up from the street.
- **Cutoff Parking Meter Poles.** Parking meter poles are obstructions to pedestrians, yet often used as leverage for people stepping up from the street. The concrete curb is approximately a foot tall, making it difficult for people to easily move between the street and sidewalk. Placing planters next to the poles help people avoid colliding into them.
- **Sidewalk Conditions.** The existing concrete sidewalks along Stone Street are in moderate to good condition, and have no substantial faulting or cracking. Sidewalks are 11 to 14 feet wide, provide posi-

tive drainage away from the buildings and into the gutter, and facilitate good access to the businesses in the downtown area. Connections from side streets need improvement. Sidewalks along Chase Street are narrow, needing repair, or absent altogether.

- **Connections to destinations.** The Richardson County Historical Society and Prichard Auditorium do not have convenient access to the downtown district.
- **Pedestrian Safety at Harlan Street.** The four lanes of traffic at Harlan Street discourage patrons from walking across the street to visit businesses.
- **Pedestrian Safety on Stone Street.** Traffic signals in the downtown district encourage motorists to accelerate through yellow lights, resulting in customers feeling uncomfortable when crossing the street.
- **Crosswalks difficult to cross.** Walking across the cobblestone streets is difficult, particularly for people wearing heels.
- **Experience of Walking in Downtown.** The streetscape presents a unique identity that is pleasant and safe for pedestrians.
- **Lack of Pedestrian/Patron Amenities.** Limited pedestrian amenities are available, including benches, trash receptacles, and public rest rooms.

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## PARKING

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**Quantity and quality of parking is an important issue for the district.** *Map 2.2 Parking Supply and Demand, illustrates the supply and demand for parking within the downtown, while Tables 2.2 and 2.3 summarizes the total parking supply and distribution.* Parking in the downtown area consists mainly of stalls along Stone Street and its side streets and off-street surface lots along Chase Street. Blocks towards the south tend to have a greater balance of parking off-street, while blocks closer to the courthouse rely on on-street parking for access.

Overall, the study area between Harlan and Chase Street from 14th and 19th Street has 339 on-street and 276 off-street stalls for a total of 615 stalls.

Retail businesses along Stone Street generate a high demand for parking, particularly in the 1700 block where the heaviest concentration of services, retail, and office spaces are located. Additional pressure is placed on the 1500 and 1600 blocks due to a deficiency in parking surrounding.

Table 2.3 calculates total parking demand in downtown. Calculations are based on demand generated by each 1,000 square feet of use. For example, every 1,000 square feet of retail space generates a demand for three stalls. Overall, demand is estimated at

between 1,600 and 1,700 stalls, which is significantly higher than the amount of parking currently supplied in the downtown. It is important to note that these are merely standards for determining parking demand. Demand can vary greatly from downtown to downtown. For example, communities with more compact development patterns can have a lower parking demand. The close proximity between businesses and residences encourages walking and biking as alternatives to driving from one destination to another.

Strengthening policies that focus visitors and district residents to parking lots, and minimize the amount of time that cars may be parked along the street can provide increased accessibility for those making quick trips to downtown businesses. In addition, the improvements should be made to the connections between parking lots and businesses. Pedestrian way-finding, proper landscaping to shield lots from sidewalks and signage directing vehicles to parking areas, can not only improve the aesthetics of the district, *but also make the district more enjoyable for pedestrians*

Map 2.2: Parking Supply and Demand Map

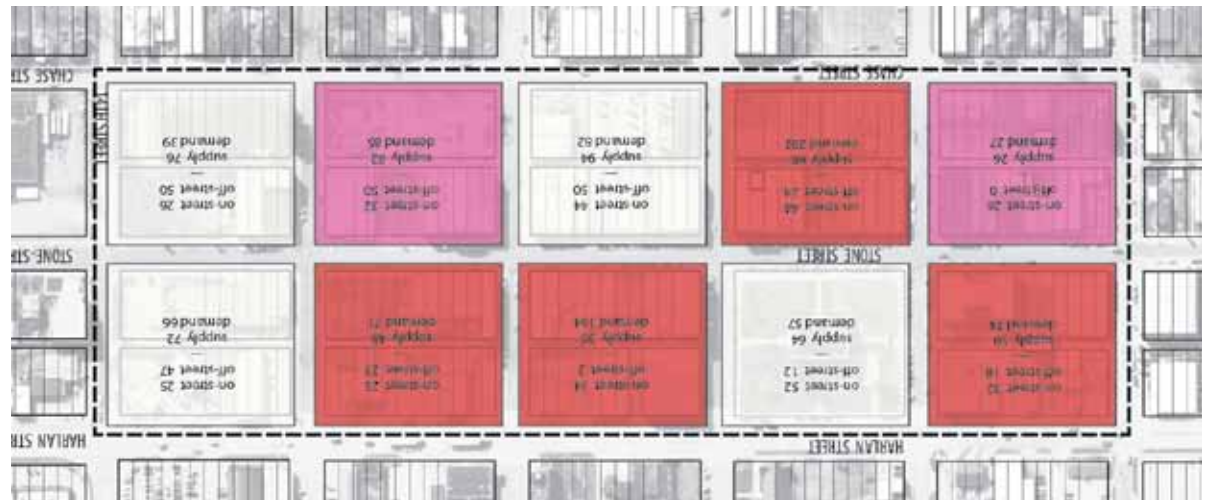


Table 2.2: Downtown Parking Supply (between 14th and 19th Street)

	Number of Spaces	% of Total Need
On-Street	339	55%
Off-Street	276	45%
Total	615	100%

Source: RDG Planning & Design

Table 2.2: Total Parking Demand

Type of Usage	Total	Ratio per 1,000 SF	Required parking
Commercial Services	73,466	3	220
Retail	193,033	3	579
Restaurant/ Entertainment	31,040	3	93
Office	106,639	3.5	373
Civic	155,934	2.5	390
Storage/Industry	36,889	0.25	9
Vacant	171,712	-	-
Hospitality	8,479	2.5	21
Total	777,192		1686

Source: RDG Planning & Design

## DEVELOPMENT PATTERNS AND TRENDS

To better understand the character and function of downtown Falls City, the area is divided into districts and corridors. At the heart of downtown is the Richardson County Courthouse, this important facet of local government brings county residents to Falls City and the downtown on a regular basis. Additionally, this district is also home to the Falls City Public Library, United States Post Office, as well as several banks.

Map 2.3 identifies the uses of each building in the downtown district, while Table 2.1 tabulates the area of each use.

The overall downtown district provides approximately 777,000 square feet of gross floor area, with about 543 square feet on street level. An additional 234,000 square feet of upper-story space is used for a variety of purposes but is mostly vacant. Street level space in the district has a vacancy rate of about 6%. A majority of vacant space is located on 17th Street and on the northside of downtown. The maintenance of facades and installation of windows and curtains on upper-stories do minimize the appearance of upper level vacancy. However, the utilization of this space as apartments or office, could attract new business opportunities, and increased pedestrian traffic.

Overall, the district provides consumers with a wide variety of retail, restaurants, and service choices. Retail and services account for about 266,500 square feet (SF), while private office uses occupy an additional 106,000 SF. Civic (private clubs and non-profits)

Table 2.1: Building Use (Square Feet)

Type of Usage	First Floor Area	Upper Story Area	Total
Commercial Services	64,025	9,441	73,466
Retail	193,033		193,033
Restaurant/Entertainment	31,040		31,040
Office	93,108	13,531	106,639
Civic	93,398	62,536	155,934
Storage/Industry	36,889		36,889
Vacant	31,620	140,092	171,712
Hospitality		8,479	8,479
Total	543,113	234,079	777,192

Source: RDG Planning & Design

and government organizations occupy nearly 156,000 square feet. The Richardson County Courthouse accounts for 15% (23,100 square feet) of the public space within the district.

Development trends can be summarized in the following patterns:

- **Downtown Core.** Stone Street is the core of the district and frames the traditional heart of Falls City. The area is characterized by traditional commercial vernacular buildings built to the property line, tied together by Stone Street's cobblestone brick road. Much of downtown's original charm and character still remains. The district is characterized by small retail businesses, restaurants, offices, and banks.

Over the decades, facades have been adapted and buildings have deteriorated

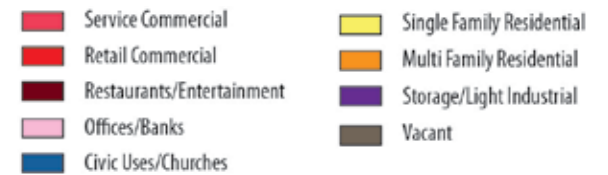
- **Harlan Street Corridor.** The 4-lane street provides through access on the eastern edge of downtown.

Unlike the downtown core, businesses are more auto-oriented, setback from the street with parking lots located in front or to the sides of buildings.

- **Chase Street Corridor.** Despite the traditional vernacular of the buildings, many of the businesses are auto-oriented. Patrons often arrive by car to visit a specific business then return to their car. Businesses along the corridor are fractured from the commercial environment along Stone Street.
- **North Edge Industrial Uses.** Business fronts and yards on the north edge of downtown are transitioning to a concentration of storage uses.
- **Pamida.** Pamida is a significant retailer in Falls City. Its close proximity to the downtown would suggest that it would be an extension of the business district. Yet the large parking lot between Pamida and the Elks Lodge separates the retailer from downtown, and prematurely ends the experience of downtown.



Map 2.3: Building Use



## BUILDING CONDITIONS

Map 2.4 identifies the condition of buildings in the study area. A significant number of structures are in fair to poor condition.

## HISTORIC & ARCHITECTURAL SIGNIFICANCE

Falls City's downtown has a rich architectural heritage, with a number of historic buildings that are solid examples of late nineteenth and early twentieth century commercial vernacular architecture. While these structures may not be significant on their own accord for listing on the National Register, as a group they tell the story of Falls City's importance in the development of America's rural economy and the development of the nation's transportation networks.

While the commercial structures of downtown Falls City have undergone significant change, Downtown still boasts several National Register eligible structures. Building upon these assets through their preservation and/or adaptive reuse, can serve as a catalyst for further rehabilitations within downtown.

Participants in focus group meetings for the project commented that the downtown's strongest asset is its historic, small town character as depicted by John Falter's Falls City, Nebraska at Christmas, 1946. However, participants also felt that the historic integrity of the district is threatened. High upper-story vacancy rates, have lead to the alteration of upper-story window openings. Adaptive reuse and rehabilitation of upper-stories could provide new opportunities for the downtown. Many focus group participants felt that adaptive

Map 2.4: Building Condition



reuse of upper-stories should focus on housing and of-fice uses.

All rehabilitation and adaptive reuse work on *historic structures should be carried out in accordance with the Secretary of the Interior's Standards for Historic Preservation.*

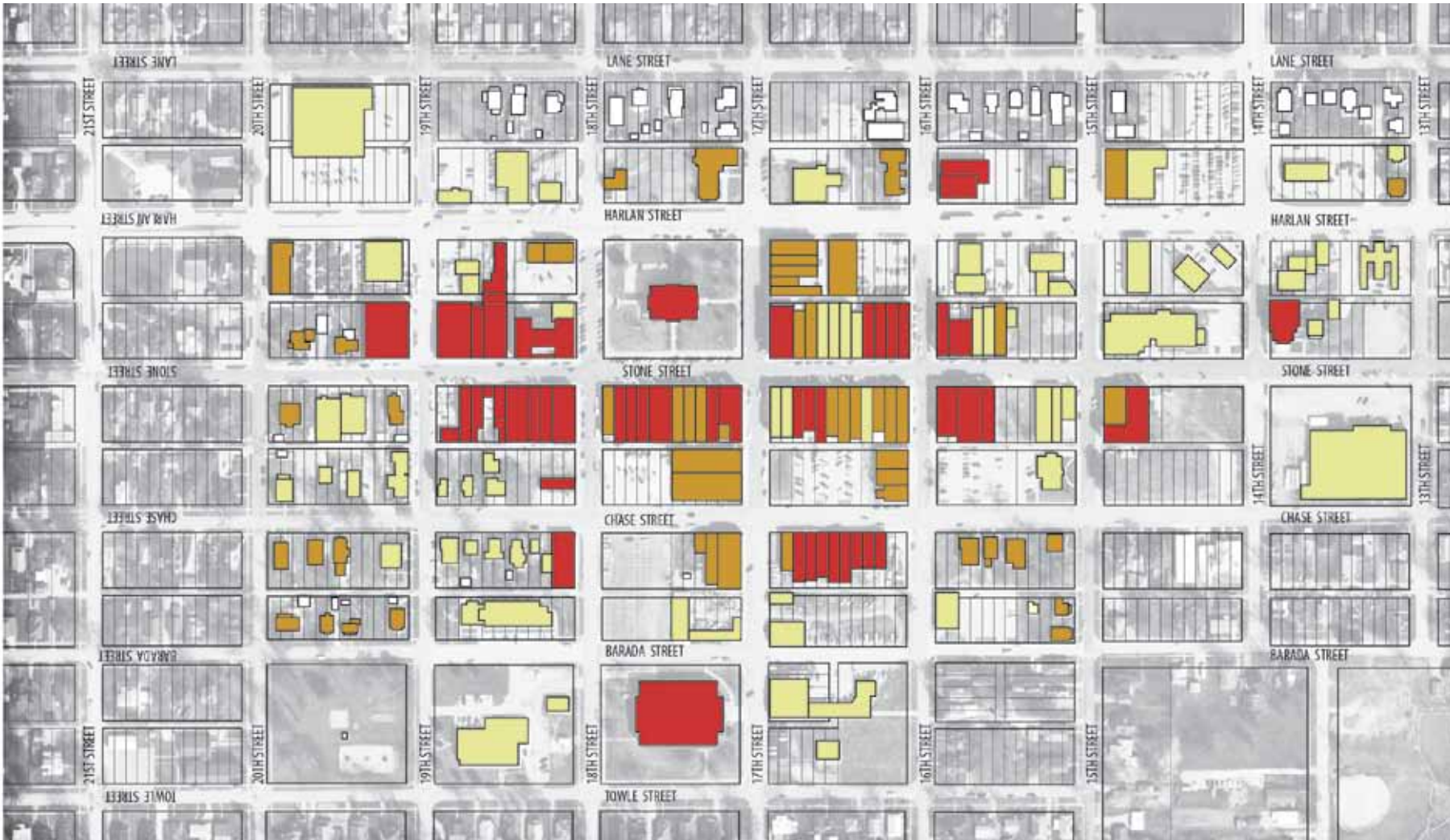
*Map 2.5, Historical Significance classifies downtown buildings in the following* categories.

- **Landmarks.** These are buildings judged to be of essential historic significance and are either listed or eligible for individual listing on the National Register of Historic Places.

- **Contributing.** These individual structures contribute to the character or fabric of the district. Some may also be eligible for individual listing. These buildings represent examples of vernacular commercial architecture. While probably not individually eligible for Register listing, they generally contribute to the character of their overall context through having similar construction materials and setback.

- **Not Contributing.** These are structures that do not contribute to the structure or fabric of a significant historic or design district. Some structures have undergone major modifications and do not contribute to the integrity of the district in their current form.

Map 2.5: Historical Significance



- Contributing
- Background Contributing
- Not Contributing

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chapter

# THREE

## Downtown Master Plan

The planning process for the Falls City Downtown Plan was aggressive and ambitious, taking less than three months. The planning process was accelerated to meet the Nebraska Department of Economic Development's schedule for Phase II Nebraska Community Development Block Grant Program.





This plan's concepts flow from the opinions and perceptions of those who know it best – its residents and people who work or invest in the community. While participation in a downtown planning process typically focuses on business and property owners, every resident of Falls City has a compelling interest in the heart of their city and had the opportunity to participate.

Components of the participation process included:

- **Public Questionnaire.** The survey identified potential issues and goals, which stakeholder group meetings addressed more completely. The results are included in the appendix.
- **Kick-off Presentation.** An initial community kick-off event took place on October 5th, 2010. This event included a public presentation that discussed the planning process and presented strategies that comparable communities have pursued to improve and market their downtown.
- **Focus Group Discussions & Individual Interviews.** Focus groups took place on October 5, 2010, and

provided a full day of discussions about the emerging issues and challenges facing downtown. Also, several individual interviews provided in-depth understanding of the community's emerging issues.

- **Business Interviews.** Planners walked the corridor and spoke to available business owners.
- **Design Workshops.** Design workshops took place on November 10-12 to engage citizens, residents, business owners, and other stakeholders directly in conceptual planning for downtown. Participants shared their ideas, issues and concerns informally with the design team, and helped define and test concepts for the future of the planning area.
- **Plan Steering Committee.** The Plan Steering Committee met at key points during the planning process to review the progress of the plan and make revisions to the draft concepts.
- **Open House.** A public Open House occurred on December 20, 2010. The open house provided the public an opportunity to review and comment on the development plan before formal adoption.

## AGENDAS

The vision begins by establishing a development program, much like the architectural program for a building project. This program identifies the ingredients of development – the amount of space that markets can absorb, present and future community needs, current projects that are pending, and other opportunities. The program includes three separate agendas: development, community and functional.

### THE DEVELOPMENT AGENDA

- **Retail Development.** Falls City serves both local residents and regional customers, and has a demonstrated ability to retain local customers and attract business from outside the city, yet it is still leaking spending to outside markets. The analysis presented in Chapter One indicates a community-wide, ten-year potential for about 16,000 to 51,000 square feet of new retail and allied consumer space, of which Downtown could absorb 25% or 4,000 to 13,000 square feet.
- **Office Space Development.** Downtown Falls City has a limited amount of multi-tenant space. However, an abundant amount of upper-story space could be retrofitted for offices, and vacant land that could be redeveloped for new office buildings. The development concept should provide the flexibility to accommodate an additional demand for office space.
- **Housing Development.** The 2010 Housing Market Study prepared by Hanna:Keelan Associates, Falls City needs 81 additional residential units by 2015.

This projection assumes a 50/50 owner to renter occupied housing mix. Downtown could accommodate a portion of this demand with 12 to 14 upper-story units or higher density development around the downtown core.

- **Falter Museum and Visitor Center.** The City is actively raising funds to build a museum and visitor center at the mini-park.

### THE COMMUNITY AGENDA

- **NDED Phase II Financing.** The Plan should identify projects that will influence private market investment. NDED's Phase II revitalization funds (\$350,000) and local match (about \$150,000), allows Falls City to target improvements for their downtown.
- **Grand Weaver Hotel.** The success of Grand Weaver Hotel is critical and may be a catalyst for future development and business expansion in the area. Its rehabilitation has already become a catalyst for other businesses in the district.
- **Historic Theming and Interpretation.** The important history of Falls City and its multiple layers of thematic association are great interest to both residents and visitors.
- **Business Retention.** Creating a business climate to encourage expansion and retention.
- **Arts and Culture.** John Falter and Allan Tubach are nationally recognized artists from Falls City. Many of their works are on display in the library's art gallery and Richardson County Museum. Celebrating

their legacy and contributions to the community elevate the City's cultural appeal.

- **Gathering Space.** Green space and a community commons are major features of traditional town centers. The Richardson County Courthouse is the civic heart of the district surrounded by greenspace. Adapting the space for events, recreation, and passive enjoyment would provide a welcome addition to downtown.

### THE FUNCTIONAL AGENDA

- **Traffic Circulation.** The one-way streets impede access to businesses and downtown destinations, while turning movements along Harlan Street obstruct traffic flow.
- **Downtown Streetscape.** The cobblestone street is durable road that has held up to decades of traffic. Improvements to the street should be modest, protecting the existing cobblestone street, while improving the appearance of the corridor.
- **Private Investment.** Initial investments in the public realm can create conditions for economic growth that are unlikely to happen spontaneously. These investments will maintain property values, increase sales tax revenues, and create a central district that adds business to the city.
- **Capitalize on Key Business Niches.** While downtowns nationwide have struggled to preserve their traditional retail roles, successful districts capitalize on business niches that attract people to traditional business districts. Falls City has a strong cultural arts background that can be used for tourism.



- **Improve Parking.** Parking is invariably seen as a priority, particularly for access to business along Stone Street. Several factors contribute to this perceived shortage: parking is tight from the 1500-1900 block near the Courthouse, stalls are difficult to find, and pathways from available parking to destinations are sometimes indirect and unpleasant. Greening of existing parking lots, providing wayfinding, and enhancing routes from car door to store door would all help improve the district's parking environment.

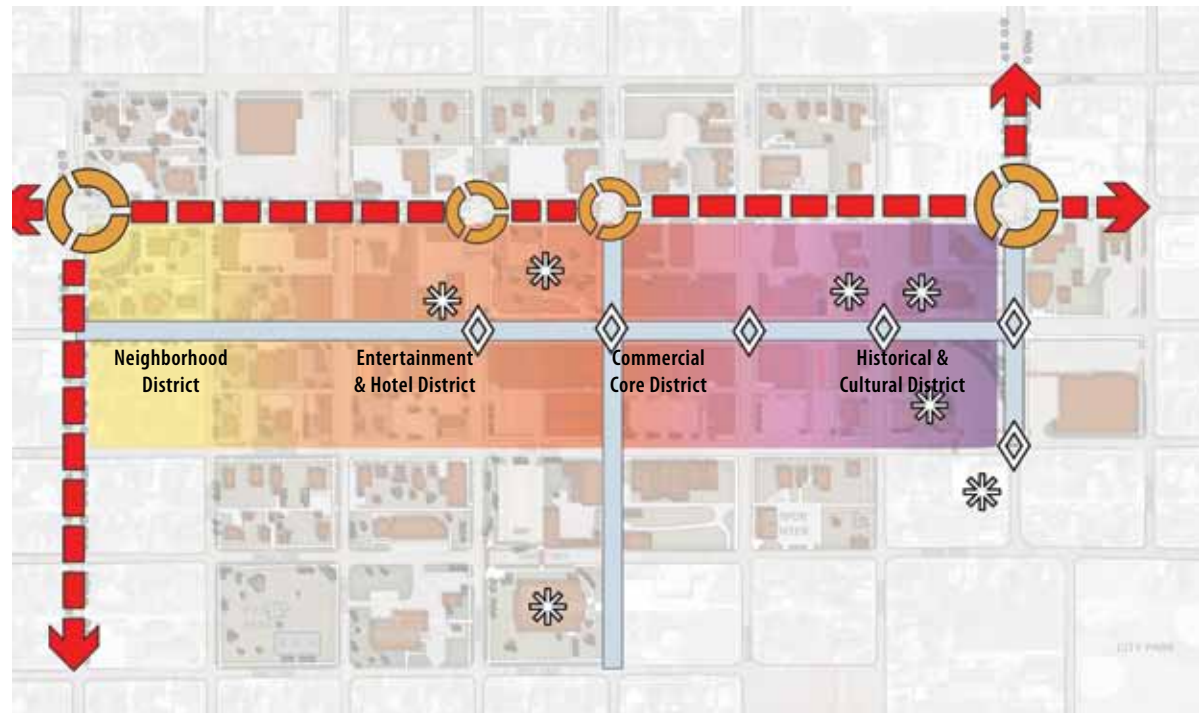
## DEVELOPMENT CONCEPT

The structure of downtown Falls City has an interesting built environment. Many small cities in Nebraska are either a town square district surrounded by four blocks of development or a linear Main Street District. Falls City has both.

The vision for the Downtown plan emerges by following the program based on markets, existing projects and priorities, and community-wide needs. Map 3.1 shows how recommendations in the plan begin to develop a series of emerging districts, while Map 3.2, Development Plan illustrates these concepts. The components of this vision include:

- *Mobility and Access.*
- *Major Project Areas, self-contained projects that, together, create a transformed district.*
- *Policies, describing in more detail methods that various needs and markets are met and projects are implemented.*

Map 3.1: Emerging Districts





Map 3.2: Development Plan



## MOBILITY AND ACCESS

The new Highway 159 Bridge being constructed over the Missouri River near Rulo will undoubtedly strengthen Falls City's connection to Interstate 29, increasing its regional presence and marketable position to the Kansas City metro area. Likewise the Highway 73 upgrades, improves the link between Falls City and other communities along Highway 75.

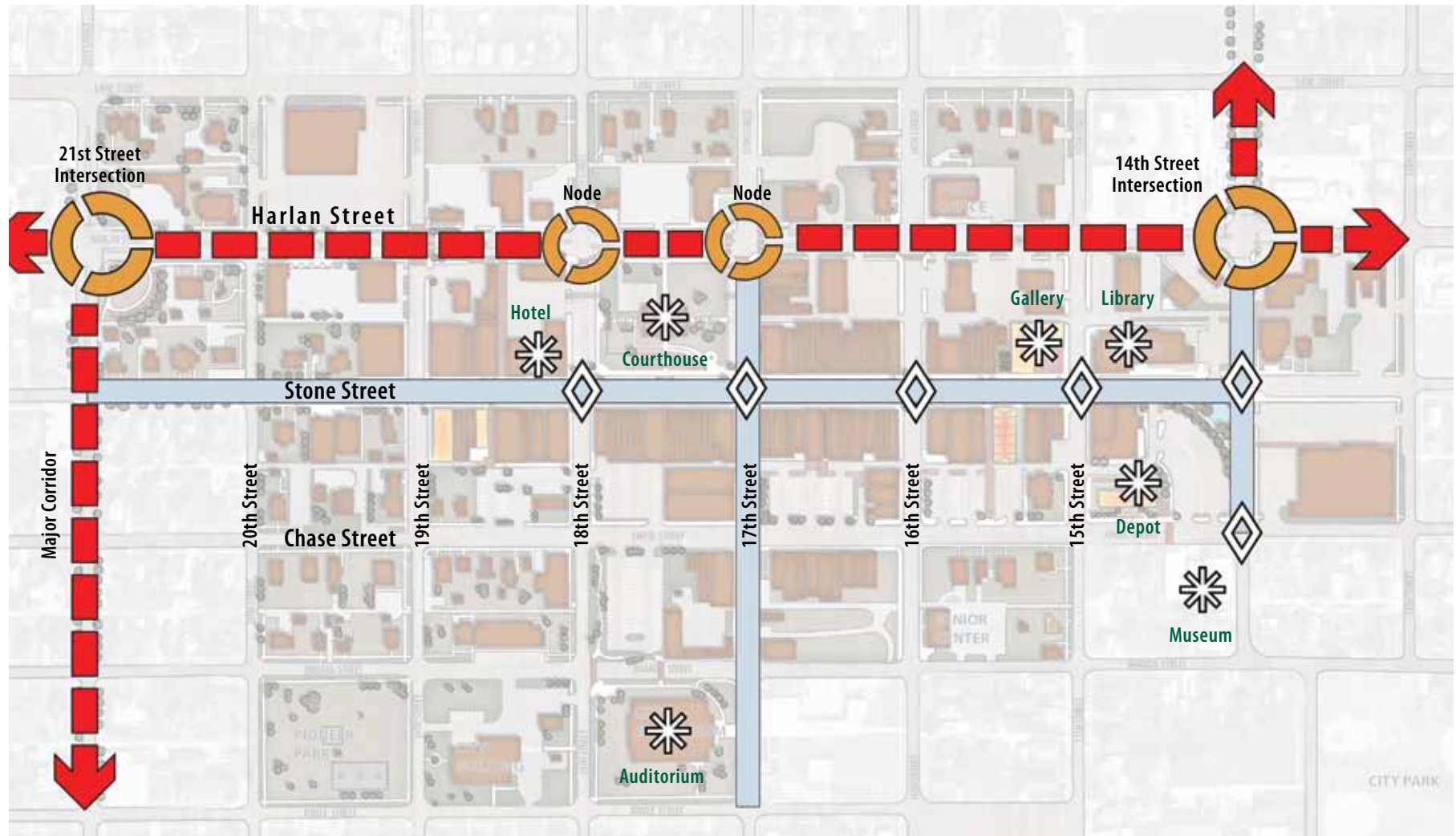
Regional improvements should be coupled with local circulation initiatives. This section establishes a program for improvement and presents concepts that respond to Falls City's agenda for improving mobility and access through the City and downtown. Map 3.3 shows the Circulation System and Destinations in downtown Falls City.

### PROGRAM FOR IMPROVEMENT

- *Improve circulation and safety for motorists, pedestrians, and cyclists.*
- *Improve the experience driving through Falls City.*
- *Define the arrival to the downtown district.*
- *Direct visitors to community destinations.*
- *Communicate a community-wide theme through graphics and landscape design.*



Map 3.3: Circulation and Destinations



Map 3.4: Harlan Street Improvements



### CONCEPT FOR DEVELOPMENT

The transportation concepts focus on access to downtown, while improving the safety and circulation of through traffic.

1. **Harlan Street Section.** Harlan Street is a four-lane undivided section. Left-turning movements along the corridor stall traffic flow and create dangerous situations when cars stop to turn.

Two solutions are possible; the first is to go to a five-lane section, while the second is to go to a three-lane section with a center-turn lane. The five-lane section is not necessary from a traffic loading perspective. Also, it would negatively influence the community by separating the neighborhoods east and west of Harlan Street, inhibiting the use of adjacent property, and, ultimately, transforming the small-town character.

The three-lane section leaves the curbs and introduces medians. The project focuses more on im-

proving the safety of the corridor, although there is an aesthetic element to the new configuration. The design is to encourage traffic to turn at intersections rather than at midblock. However, in some locations the median is removed to allow some midblock left-turns. Highway 75 through Auburn could be a model section, which is a three-lane section with a center turn-lane. Adding a center median will separate opposing lanes and protect turning movements.

From community branding perspective, the median becomes a good location to introduce the brick cobblestone. The broader segments of the median would be a landscaped bed with possibly ornamental lighting and banners, or some vertical element with historical antecedents. By introducing the median, it also creates a refuge for pedestrians crossing Harlan Street.

This type of project requires additional study from the Nebraska Department of Roads.

2. **Gateway Feature at Harlan and 21st Streets.** The corner of 21st and Harlan Streets is natural location for Falls City to create a gateway feature to downtown that also showcases the Bell Jenne House. The vacant lot could become a landscaped garden with native perennials, low-lying shrubs, and trees around a walkway. A fountain, spray pool, or pergolas are different features that could be incorporated into the design.

The concept has functional qualities from a neighborhood perspective. The concept channels pedestrians around and sets off the block for the Bell Jenne House. The site would also indicate the transition of the highway from a four-lane undivided section to a three-lane semi-divided section. The southbound right lane would become a westbound only turning lane.

3. **Public Art and Screening of Outdoor Storage.** Figure 3.1 shows a possible application where a screen print of the historical image of Stone Street displays one image while driving south bound towards downtown, and another image driving away from downtown.

Figure 3.1: Harlan Street Improvements





4. **Upgrade Harlan Street Traffic Signals.** The suspended traffic signal at 17th Street should be upgraded to a minimum as the same standard as the 14th Street signal. The upgrade along with a median will facilitate dedicated left-turn movements. Pedestrian crossings should be clearly defined to alert motorists of people crossing the street. Poles should be fitted with pedestrian signals with counters to indicate time remaining to safely cross Harlan Street.

5. **Establish Uniform Landscaping Pattern.** Landscaping from property to property along Harlan Street should include a common planting pattern for trees, shrubs, flowers, grasses, and fencing. Intersections should receive special attention, preserving visibility while improving their appearance.

6. **Convert one-way street to two-way circulation.** Converting Stone and Chase Streets back to two-way circulation will improve access to all businesses in the district. This is the least expensive recommendation, involving repainting the street and removing one-way only signs.



Light tubes at the Adair, Iowa Best Stop, by RDG

Light tubes at the Iowa School of Deaf in Council Bluffs, Iowa, by RDG

7. **Replace traffic signals with stop signs.** The relatively low traffic volume in the district does not appear to necessitate traffic signals at intersections. Replacing traffic signals along Stone Street with stop signs will improve overall traffic circulation and safety. Traffic signals also encourage motorists to speed up to beat the red light, creating dangerous conditions for pedestrians, particularly for seniors, children and people with disabilities. Removing the signals will result in a cost savings to the city without the need for power.
8. **Light Tubes and Public Art.** As motorists approach downtown, a series of light tubes wrapped with art could announce the arrival to downtown. The base and wrapping around the tube could be designed to reflect the community's history and culture. Possible locations along Harlan Street could be at 14th Street to attract Highway 159 traffic to downtown, 17th and 18th Streets.
9. **Upgrade entrances at 17th and 18th Streets.** Light tubes, monument markers, upgraded traffic signals, ornamental lighting, crossing counters, and median enhancements can improve the functional and aesthetic appeal leading into the downtown business district. Strategies should focus on attracting passersby to explore Stone Street and patron businesses.

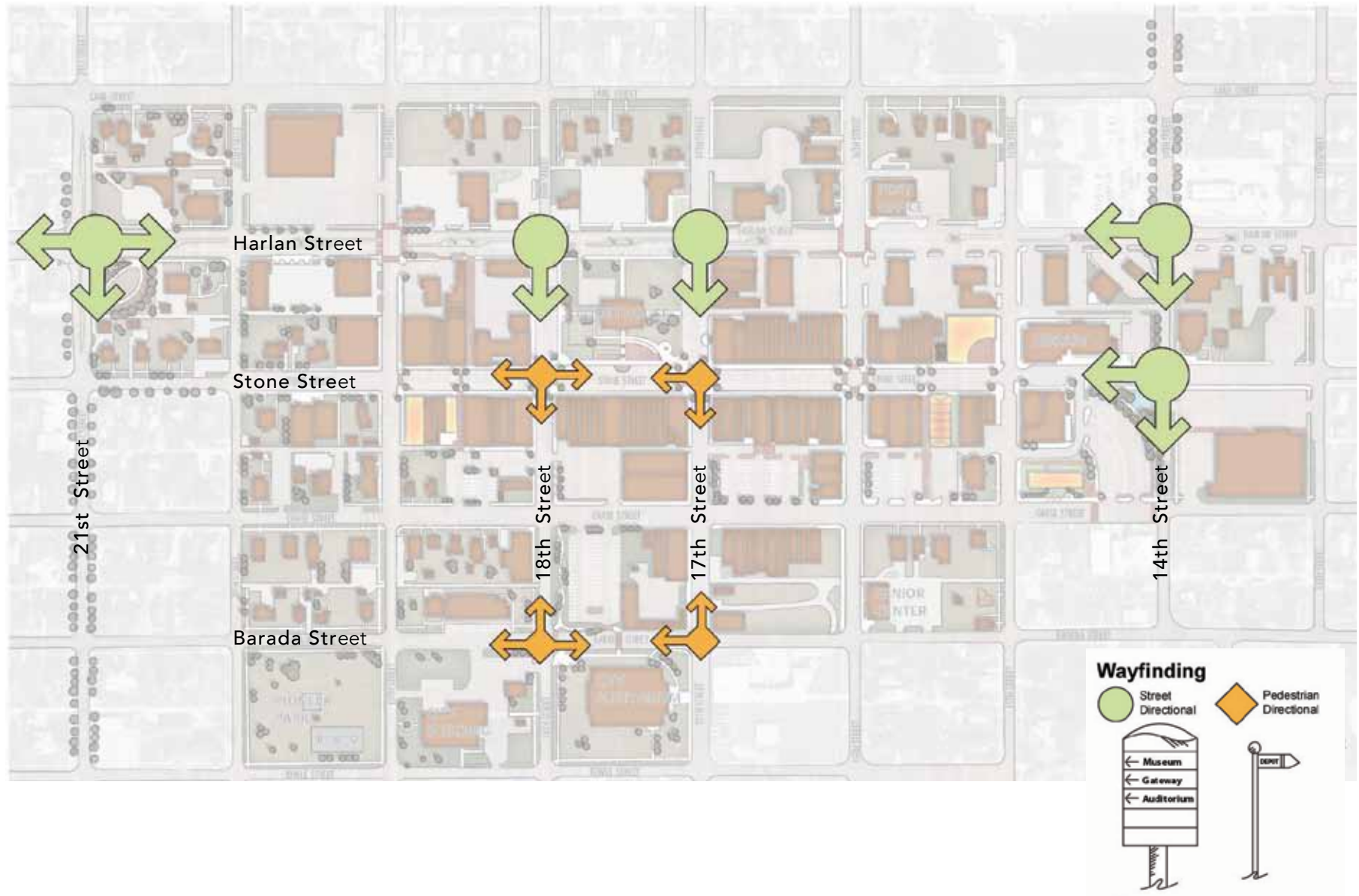


Wayfinding System in Des Moines, Iowa by RDG

10. **Install community wayfinding system.** Install directional wayfinding graphics will inform travelers of the many destinations that Falls City offers. The signage system should be a two tiered system – one that is legible for motorists to read and one oriented to pedestrians walking around downtown. Placement should be near decision-making points for travelers in the City. The graphic on the next page shows a design concept for the system that’s similar to the City of Des Moines, Iowa’s signage program, while Map 3.5 shows possible placement of these signs. Additional signs could also be placed at entrances to the community.



Map 3.5: Community Wayfinding Program



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## MAJOR PROJECT AREAS

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Downtown is Falls City's principal center for commercial and civic life that is experiencing a history of business change and development. The district remains a major retail and service center, and many local residents feel that downtown's momentum is increasingly improving. The rehabilitation of the Grand Weaver Hotel by Mitch Glaeser becomes a catalyst for reinvestment by other building and property owners.

A development concept that is based on markets and realistic economic opportunities, new access, and the distinctive character of the community will strengthen the city's physical and economic assets, moving Falls City forward despite difficult economic times.

Map 4.2, the Development Concept, identifies individual projects within the study area. The downtown concept includes three major project areas:

The concept for Downtown Center envisions incremental improvements to the public environment, enhancements to the parking supply, an improved business environment, and better utilization of public spaces.

Main Street is the traditional commercial core of Downtown Falls City. The concept for the Downtown Core targets strategic opportunities for improvement, while considering eventual investments to the streetscape environment. Often streetscapes are perceived as a flat plane, yet the reality of most streetscape environments is the vertical plane, the facades that frame the district.

## PROGRAM FOR DEVELOPMENT

- *Improve traffic circulation.*
- *Improve streetscape, particularly sidewalks and curbs.*
- *Rehabilitate and reuse existing structures.*
- *Improve parking accessibility and availability.*
- *Identify potential uses for vacant or underused property.*
- *Connect neighborhoods and peripheral businesses into downtown.*

Map 3.6: Development Projects



THE CONCEPT

1. **Streetscape Enhancements.** Throughout the planning process, participants shared a great deal about their dislike of the high curbs and worn out sidewalks. Recommendations focus on both functional and aesthetic improvements. The corridor needs to create a positive and memorable experience for everyone to attract visitors to the downtown. Features such as the pedestrian lighting, trees and benches create a sense of place and human scale. Clean streets, ornamental lighting, native plantings, shrubs, and community graphics can influence the impression of the corridor. Specific recommendations include:

- **Sidewalks and curbs.** The step from the street to the sidewalk measures from 6 to 12 inches in the district. Many of the sidewalks and curbs are cracking and need replacing, so refreshing the entire sidewalk may be an opportune time.

The new sidewalk profile attempts to mitigate the grade change. A new standard six inch curb along the street establishes a small step with a two foot overhang that protects cars from colliding with the curb. A ramp or another step of about 6 inches takes the pedestrian to the current sidewalk height.

- **Planters and Seating Areas.** The width of the sidewalk allows for dedicated outdoor seating areas and planting beds that help break up the sidewalk and help with the elevation change. Seating areas and planting beds can be interchangeable to meet current and future restaurants along the block. Handrails would be placed near seating areas, if needed.

Figure 3.2: Stone Street Sample Intersection



Paving should provide texture and visual character, but should use efficient and durable materials. Special surfaces should be focused at intersection and may include textured concrete or color conditioned concrete. Finer concrete scoring patterns also can add contrast and define amenity areas.

- **Remove parking meter poles.** Despite their functional use of pulling oneself up from the curb, they are obstructions along the sidewalk and detract from the quality of the streetscape.
- **Acorn Lighting.** Replace cobra head fixtures with decorative acorn lighting already present on the courthouse square. The acorn fixture has a timeless look and is appropriate for the his-

toric environment. Fixtures should reflect light downward as to avoid light penetrating into upper-stories of buildings and contributing to the light pollution.

- **Banners and Flower Baskets.** Minor and relatively inexpensive enhancements such as flower baskets and banners add color and interest.
- **Benches, Trash Bins and Bicycle Racks.** Seating areas should be well-defined. Benches provide space for people to sit and watch people. Trash bins should accompany benches to reduce clutter along the street. Each block should have bicycle racks at corners and along the street. These features can be installed at intersections or mid-block.



Figure 3.3: Typical Stone Street Intersection



- **Crosswalks.** Existing pavers are difficult to walk across. Replacing the cobblestone with concrete will improve the safety walkway and provide a contrasting surface. These bricks could be salvaged and used at the medians along Harlan Street.

- **Landscaping.** Flower pots placed along the curb edge provides color to the district. Their uniformity and even placement provides continuity in the landscape design.

Street trees could be planted at intersections to provide shade and visual interest to the street. Shade from trees during the summer months also helps to improve energy efficiency of buildings.

- **Stop signs.** Replacing the traffic signals with stop signs will reduce the visual clutter along the street.

- **John Falter Accents.** Garland draping over the street with ornaments suspended in the center imitates John Falter's painting, Falls City, Nebraska at Christmas, 1946. These accents can be carried throughout the district and connect the highway into downtown.

- **Wayfinding.** Pedestrian scale wayfinders, such as blade signs, can also inform and direct people to the district's various destinations, including the county museum and library.

- **Midblock Crossings.** Pedestrians in Downtown Falls City are often found walking in alleys because they provide convenient access to parking and sometimes are the shortest distance between two points. Unfortunately, they are rarely pleasant environments, and pedestrians tend to be intruders among loading areas, dumpsters, trucks, and "alley-cutting" motorists.

- **Message Boards.** Several business fronts along the corridor have message boards mounted to the front of their buildings. Some of these boards could be upgraded. Also, an informational kiosk could be installed at the courthouse lawn, across from the hotel, to indicate events and announcements for Falls City.

- **Handicap Access.** The curb height is a significant obstacle for all people. Access for people with mobility challenges is best at intersections. Parking stalls at corners should be reserved for handicap access.

- **Gateway Arch Entrance Feature.** A new gateway arch could establish a welcoming entrance to Downtown. The arch could include materials and forms found in the downtown architecture and allude to the transition to the historic town center. Materials should be consistent with other gateway elements in the community.

Figure 3.4: Crosswalk improvements at 17th Street



Figure 3.4b:  
Falter Accents



2. **Courthouse Lawn.** Updating the west side of the Courthouse Lawn to become an extension of Stone Street and a functional open space. The concept includes:

- **Sidewalk Connection.** The concept establishes a sidewalk connection between the primary entrance of the Courthouse to the business core of the district with a sidewalk arching from the entrance of the Courthouse, passing by the memorial, and landing at the 17th Street. The improvement establishes a barrier-free access on the south side, in addition to the north side ground entrance.
- **Plaza.** As an extension of Stone Street to the courthouse, a semi-circular plaza could be created that cuts back into the bank of the lawn. The back half would tier towards the curved sidewalk, creating natural amphitheater-like seating ledges. Permeable pavers could be placed in the plaza to control stormwater runoff.
- **Grass Terraces.** The diesel tank and underground utilities on the northwest side of the Courthouse prevents the arched sidewalk from continuing to 18th Street. Instead, a series of grass terraces would climb towards the upper level retaining wall and provide natural seating spaces.





3. **Upper-story Improvements.** The development program includes adaptive reuse of upper levels for residential and office development. Housing is a key element of most downtown revitalization programs and is important to this plan's vision of the future of business corridor as a lively mixed use neighborhood. Residential development makes downtown a living, 24-hour neighborhood.

Many upper-level units will initially be rental, although some may provide owner-occupied apartments for people who live over their businesses or otherwise seek equity settings. Existing tax-driven incentives such as the Low-Income Housing Tax Credits and Historic Tax Credits are oriented to rental housing. The housing study anticipates between 12 to 14 units could possibly be adapted.

Public actions and policies necessary to encourage delivery of downtown housing include preservation codes and building permit policies that encourage upper level reuse, production financing programs including the use of available federal tax credits, and dedication of some spaces in off-street parking lots for residential use.

4. **Rehabilitate and Reuse Buildings.** The life and economy of downtown takes place in its buildings. Underused or vacant buildings should be rehabilitated to provide marketable space for offices and housing.
- **Facades.** Falls City has many exemplary cases of rehabilitation. In general, façade upgrades should restore windows to original scale, replace inappropriate storefronts, and include awnings, doors, and other features that add scale. However, diversity is important in an eclectic

district, and absolute uniformity is neither necessary nor authentic.

- **Business Types.** Falls City does not have a café or community gathering space in the downtown area, aside from the restaurants. Atmosphere, management and quality of the business will lend to its success if one were ever established.
- **Masonic Temple.** Restoring the Masonic Temple is a strategic investment for downtown development. Establishing a reuse for this building continues the rehabilitation of Falls City's iconic buildings, the first beginning with the Grand Weaver Hotel. Access to the upper-stories of the building is critically important for tenant improvements, yet retrofitting the interior with an elevator is a significant obstacle – functionally and financially.

An alternative to an interior elevator is attaching an exterior elevator on the northside of the building. However, the modification may compromise the historic integrity of the structure and eliminate parking stalls along the street. Rehabilitation should lend priority to retrofitting the interior with an elevator inside the structure. The sidewalk near the elevator's landing should extend around the elevator and could include space for landscaping and seating. Accents of the buildings architecture should be incorporated into the elevator.

- **Hoy's Ideal Cleaners.** The beautiful art deco building on Harlan Street between 18th and 19th Streets should be rehabilitated and preserved.

- **Business Signs.** Desirable signage includes wall-mounted signs with individual letters, awning signs, and carefully designed projecting signs. Typically, flush-mounted cabinets, pole signs, and other "auto-strip" signs are not appropriate in the downtown district. Signs should not obscure large areas or major façade design features.

Financing incentives to encourage façade improvement and restoration should be part of the downtown program. However, these incentives work most effectively when building owners see an economic return from these investments. Often, improvements in the public environment create conditions that make these incentive-driven investments more attractive to owners.

- **Energy Efficiency Audits and Improvements.** Energy efficiency improvements may include insulation, window upgrades, ceiling repairs, heating and ventilation system upgrades, and lighting. NDED encourages communities to consider programs to improve the functional and ongoing use of the facility.
- **Public Art Installation.** Intersections and planned open spaces throughout downtown provide spaces for public art, including sculptures, mosaics, wall art and two- and three dimensional installations, similar to the installation at the Library. The art that is installed should somehow relate to the surrounding environment, culture and history therefore adding to the sense of place.

Figure 3.5: Possible Facade Improvement for Antique Mall



Figure 3.6: Possible Facade Improvement for Chaney's





5. **Parking Improvements.** Parking is invariably seen as a top priority, particularly for businesses along Stone Street. Parking lots tucked behind businesses could be expanded to provide additional stalls and landscaping and free up on-street parking for customers along Stone Street. The walking experience between the lots and the businesses fronts should be pleasant and convenient. The plan recommends several strategies to improve the efficiency and accessibility of the system. These include parking lot design, defined pathways between destinations, and wayfinding signage. Specific improvements include:

- **Shared parking (Chase Street 1800 Block).** Parking for the Grand Weaver Hotel is available directly east of the building. Additional overflow parking could be constructed across Stone Street, behind the business fronts, and shared with area businesses. Identifying a more direct connection between the hotel's west entrance and the parking would help the use of the lot. A midblock crossing would guide people to a covered passageway, connecting to the parking lot.
- **Main Street Parking and Passageway (Chase Street 1600 Block).** The primary off-street parking lot used by downtown patrons is the Chase Street lot between 16th and 17th Streets. This lot could provide more parking by combining the City's existing parking lot and the phone company's vacant property to create a larger parking lot with about 25% more stalls. Access to the parking could be improved by converting a storefront as a passageway between Stone Street and the alley. A small plaza at the building's rear entrance would indicate the connection. The lot should provide landscaping islands to break up the pavement space and provide shade for parking.
- **Prichard Parking (Chase Street 1700 Block).** Stalls are marked to wide in this lot. The parking lot east of the Prichard Auditorium could be resurfaced and restriped to improve the efficiency of available parking. The northside of the lot could be upgraded with a landscaped path that connects the parking to downtown and the auditorium.
- **Elks Lodge Parking Lot.** The parking design could be significantly improved with the resurfacing of the lot, adding landscaping, and restriping of the stalls. A pedestrian pathway between Stone Street and the front door of Pamida extends the length of the downtown district.
- **17th Street Diagonal Parking.** Moving the curb on the south side of the Courthouse to the north would allow for diagonal parking on both sides of the street. This is managed by moving the sidewalk back to the retaining wall, which takes out the 8-foot green space. Establishing more parking along this route provides necessary parking in an area that experiences high demand, despite the present vacancy.



6. **Falter Museum Visitor Center, Public Market, and Public Restrooms.**

- **Mini-Park Site (Public Market).** The mini-park site is underused and is currently planned to be the site for the future Falter Museum and Visitor Center. An alternative concept is a mini public market that could provide temporary retail uses or used for public gatherings. A walkway north of the market shelter would connect Stone Street to the parking lot behind the Stone Street businesses.

- **Vacant Lot Site.** Preferably, the Falter Museum would develop on the opposite side of the mini-park, across from the library. The plaza space could orient to the library and provide a view from the library looking towards downtown. The grade change from the alley to Stone Street could allow for sheltered parking accessed from the alley. With the available parking, the structure could be two-stories tall for possibly a second-story tax-generating use.

Both the public market and vacant lot sites could be developed with public restrooms.





7. **Prichard Path.** This concept provides a continuous landscaped path along 18th Street from Stone Street to Barada Street, connecting the downtown to the Prichard Memorial Auditorium. Upgrading the sidewalk and planting trees along the path effectively creates a linear park that can be visibly seen from downtown. The space could be expanded by setting the retaining wall further back.
8. **Elks Lodge Parking Lot and Musuem Path.** The surface parking lot south of the Elks Lodge interrupts the continuity of downtown, separating the Richardson County Museum from the rest of the district. The lot should be upgraded with marked stalls, landscaping and paths that guide pedestrians from the downtown core to the front entrance of the Richardson County Museum and the front entrance of Pamida. A splash pad at the corner at 14th Street would be a place for children to play across from the library.
9. **Movie Theater.** Falls City is a large community without a theater. A new 3-screen theater could be on developed in the space across from the Grand Weaver Hotel, where tires are currently being stored. Land behind the building could be used for new parking that would supplement the theater, hotel and surrounding businesses.
10. **Wrigley Alley.** Upgrading the alley to the north of the Grand Weaver Hotel, will connect pedestrians between parking lots and businesses along Stone Street. The alley should have sidewalk paving and ornamental lighting.

Figure 3.6: Elks Lodge Parking Lot and Fountain





11. **Depot Relocation.** The Falls City Depot is one of the City's hidden treasures, tucked away near 7th and Stone Streets. The privately owned building is deteriorating and could be lost altogether. The City could acquire the building and relocate it to the vacant lot at 15th and Chase Streets, behind the Elks Lodge.

The facility could be used for private or public use. Many communities have converted depots to alternative uses. Bemidji (MN) converted their mu-

seum to a private restaurant, Adel (IA) uses theirs as private offices, and Rawlins (WY) uses theirs as a community meeting space.

The depot's proximity to the Richardson County Historical Society Museum, Falls City Library and Art Gallery, and the proposed Falter Museum and Visitors Center lend the facility to becoming part of an emerging Historical Cultural District. A flag plaza in front along Chase Street makes a visual connection from the museum. A streetcar behind

the depot could be an outdoor exhibit for people to peer into, which was done in Rawlins, Wyoming. Alternatively, the streetcar could be converted to a small diner.

Acquiring the facility could be by financial transaction or trading the facility for the construction of adequate storage on site. Owners of the depot site could expand the storage use by constructing additional units, thereby creating an income for the owners.



Figure 3.7: Depot Relocation to Downtown



## POLICIES

The previous elements of this vision plan establish the physical parameters of the Development Concept. This section addresses policy considerations for key issues and components of the plan, including:

- Regional Tourism
- Retail and Service Development
- Historic Preservation and Restoration Policy

Some of these principles repeat concepts that have been discussed earlier. In these cases, they will simply be restated.

### REGIONAL TOURISM

#### *Overall Policy*

- Attract visitors from the regional area and metro areas of Kansas City, Omaha and Lincoln. Consider recommendations published in the Heritage Tourism Plan for Southeast Nebraska.
- Adopt a regional marketing campaign strategy to invite people to explore Falls City, Brownville, recreational experiences at Indian Creek State Park, and Kansas communities of Hiawatha and Sabetha.
- Consider grand entrance features near the approaches to Falls City. Participants in the planning process proposed constructing arches over the highway. Less expensive strategies may include roadside plantings or thematic and historic markers.

### RETAIL AND SERVICE DEVELOPMENT

#### *Overall Policy*

- Consolidate and strengthen the existing retail and service environment, stabilizing existing retailers, expanding the number of people who come Downtown for activities, filling available space, and expanding the supply of space.
- Concentrate new businesses in areas of demonstrated potential strength for the downtown: specialty retail, clothing stores, gifts, and restaurants.
- Increase the demand for retail space in the market by increasing the number of people who use Downtown as a destination, and creating spaces for people to gather.

#### *Actions and Program Directions*

- Identify special niches and help put projects together that responds to these concepts. The clustering of cultural projects towards the south half of downtown may attract business types that complement these uses, such as gift shops and miscellaneous retailers.
- Encourage retail, restaurant, and personal services in downtown storefronts with street exposure. Preferably storefronts are not converted to office uses.
- Continue participating in the Main Street Community. Falls City became a Main Street community in 2010. This program provides low-cost consulting services that advise retailers on marketing, window display, and merchandise presentation.
- Aggressively market and recruit retailers in the Downtown area, matching needs with available space. The tenant space on the first floor of the Grand Weaver Hotel is an incredible space for a restaurant. Recruiting for this space may involve recruiting successful restaurant operators in the region, encouraging them to open a new location in Falls City.
- Focus on areas of demonstrated potential for Downtown and in-town retailing, including opportunity "gaps" where local retail spending exceeds the locally-based sales.
- Reinforce the City's program of events with other special themes and promotions. Provide high quality ongoing events that complement traditional celebrations, and extend fun and festivity throughout the year.

- Promote high standards of customer service to strengthen the district's identification with local consumers. Publicize these standards through a Customer Commitment Contract, prominently posted in all retail and consumer service businesses. Assure that the most convenient parking in the area is reserved for customers.
- Take extra steps to put fun and festivity into the Downtown shopping experience. New amenities should enrich the experience of living and working in the District. Expanding the John Falter's "Falls City, Nebraska at Christmas" theme to the entire district and surrounding corridors.

## HISTORIC PRESERVATION AND RESTORATION POLICY

Historic preservation and adaptive reuse are important to downtown. This plan recommends a building development policy that encourages preservation and adaptive reuse.

Components of this policy include:

- Adopting flexible building codes that encourage upper level residential adaptive reuse. Housing development has been a foundation of successful downtown revitalization around the country and has also been important to Falls City. Federal tax incentives, construction costs, the nature and preferences of residents in urban districts, and knowledge of successes in other Nebraska cities and historic districts can encourage residential use of upper levels. Falls City should review building codes to ensure that they encourage adaptive reuse without compromising health, safety and welfare. In addition, helping downtown property owners to rehabilitate

downtown structures. The city should also consider reasonable design standards to guide reuse and rehabilitation projects.

- Using design guidelines. The Secretary of the Interior's Standards provide an excellent starting point for evaluating downtown rehabilitation projects. Particularly important is restoration of buildings that have been "modernized" or severely modified with unsympathetic facades. New development in the downtown core should preserve the scale, materials, and character of traditional architecture in the District. Figure x.x shows potential retrofits for a building facade, as an example. Priority elements include display windows, upper-story window installations, restoration of façade materials, and awnings. The possible installation of an exterior elevator on the \_\_\_\_\_ should be completed with great care as to not diminish the district's historic quality.
- Providing gap financing for major rehabilitation projects. Appropriate historic rehabilitation may not be economically feasible without financing assistance or participation. Elements of a potential financing program for projects in Falls City include:
  - ♦ Historic tax credits. The historic tax credit provides a 20% investment tax credit against passive income for certified rehabilitation projects.
  - ♦ Tax Increment Financing. The city should consider TIF to leverage substantial rehabilitation efforts. Alternatively, a portion of other, energy-related revenue sources may be used to assist with financing of downtown projects.
  - ♦ Community Development Block Grants. CDBG funds can be used to provide gap fi-

ancing for projects that meet statutory requirements for the program.

- ♦ HOME Housing Investment Partnership funds may also be used for projects, including new construction ownership developments that are targeted toward low and moderate income households.
- ♦ Preservation Easements. Donation of façade easements can provide meaningful tax advantages to building owners and can open some avenues of public financing for façade restoration. Typically easements expire after 7 to 10 years, returning the facades back to the owners. Establishing a façade easement would enable the city to pursue costly improvements, such as replacing upper-story windows. Rawlins, Wyoming and Belle Plaine, Iowa are two communities working towards establishing a façade easement.
- ♦ Other local public and private resources. The public and private sectors could collaborate to offer financing that provides a real incentive to participants. The result could have major benefits to both property owners and the community's business community.
- Infill development that respects the existing character of the district. Sometimes, rehabilitation is not feasible because of structural deterioration or economic issues. Downtown growth is a process, and natural growth includes change as well as preservation. However, new downtown construction should retain a strong street orientation between the 1500 and 1900 blocks, and preserve the fabric and patterns of traditional Downtown buildings.





chapter  
**FOUR**

Implementing the Plan

The Falls City Downtown Revitalization Plan presents an ambitious and varied program that helps the district take advantage of its potential. This chapter considers several factors critical to implementing the Plan, including:

- ORGANIZATIONAL STRUCTURE
- PRIORITY CRITERIA
- OPINION OF PROBABLE COSTS
- FUNDING TECHNIQUES

The Plan and its scheduling will inevitably change over time. Some projects may advance as opportunities or demands open, while others appear less important over time. This planning project, initiated by the City of Falls City from funding received from Nebraska Department of Economic Development's Phase I Revitalization Program, identifies projects that may lead a combination of implementation projects.

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## ORGANIZATIONAL STRUCTURE

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This section considers organizational aspects of the business district and offers recommendations that can strengthen the support structure for the Downtown. Successful development efforts require successful organizations and public/private partnerships. The City of Falls City can be a catalyst for major development efforts. Downtown also has a Main Street Organization, which is just beginning.

### STAFF AND ORGANIZATION

The Downtown Development Program should operate under the Chamber of Commerce/Main Street Director. The Main Street Director, in association with the City Administrator, should continue to be responsible for overall project administration and coordination. This ambitious redevelopment program has many moving parts – managing public improvement projects, marketing and administering redevelopment sites, coordinating transportation improvements, doing development deals, and seeking financing, to name a few. The focuses of this Main Street Director should include:

- Business and retail recruitment efforts, in concert with Falls City Edge.
- Maintaining and managing Downtown improvements.
- Coordinating efforts of the other agencies playing a role in downtown development.

- Preparing requests for proposals and administering the developer selection process for development sites.
- Writing grants for downtown projects, including transportation projects, and performing other necessary jobs.
- Developing marketing material directed to attracting patrons to downtown.
- Developing joint marketing materials and expanding the program of events. Downtown should offer regular programming during the course of the year to maintain district activity.

### PRIORITY CRITERIA

The Downtown Plan establishes two project categories, including Mobility and Access and Project Areas. The plan includes many projects that will be developed incrementally over time, and requires setting priorities, completing initial steps, and evaluating new conditions along the way. Falls City is fortunate to become a recipient of a \$350,000 of Phase II Downtown Revitalization financing from the Nebraska Department of Economic Development.

The City with coordinating agencies should maintain a five year Downtown capital program, updated annually, much as city and state governments do with their capital improvement plans. Table 5.1 identifies individual projects and provides a conceptual schedule for implementation. However, market demands and opportunities will inevitably affect this schedule. Annu-



ally, the Downtown capital development group should update the schedule, based on priority criteria. These evaluative criteria may involve applying the following questions to specific projects at the time of consideration:

- Does the project respond to specific or high-profile community issues or needs?
- Does the project generate maximum private market response?
- What is the project's potential to transform the image of the area and community?
- Does the project attract both local residents and visitors, increasing business traffic and creating new reasons for people to be downtown?
- Does the project support the growth of existing businesses?
- Does the project capitalize on established, but unmet, market needs?
- Can the project be realistically implemented within a reasonable time frame with potentially available resources?
- Does the project generate substantial community support or consensus?
- Does the project incorporate and leverage outside funding sources, such as state grants or charitable contributions?

## OPINION OF PROBABLE COSTS & IMPLEMENTATION SCHEDULE

Financing of elements of Downtown projects will require both public and private participation. This section describes available funding sources and techniques. Project staging is also likely to manage capital requirements.

An initial schedule is presented here to guide the public and private agencies in the process of making this plan a reality. The schedule establishes five time frames: Ongoing, Within 3 Years, 3-10 Years, 10+ Years. Priorities and opportunities will inevitably shift the schedule for some of some projects.

Table 4.1: Opinion for Probable Costs - MOBILITY AND ACCESS

Description	Cost Range	On-going	<3 Years	4-10 Years	>10 Years
Harlan Street Section Improvements	\$25,000				X
Gateway Feature at Harlan Street	\$30,000-\$100,000		X		
Public Art and Outdoor Screening	\$40,000-110,000			X	
Upgrade Harlan Street Traffic Signals	\$70,000		X		
Establish Uniform Landscaping Pattern (simultaneous with Harlan Street Section Improvements)	\$100,000 PER BLOCK		X		
Convert one-way street to two-way circulation (policy)	NA		X		
Replace traffic signals with stop signs	SAVINGS		X		
Light Tubes and Public Art	<\$70,000				X
Upgrade entrances at 17th and 18th Streets (\$200,000 - \$400,000 per intersection)	\$400,000- \$800,000			X	
Community Wayfinding System (design and installation)	\$15,000		X		



Table 4.2: Opinion for Probable Costs - MAJOR PROJECT AREAS

Description	Cost Range	On-going	<3 Years	4-10 Years	>10 Years
Stone Street Streetscape Upgrades I (prototype block)	\$300,000+		X		
Stone Street Streetscape Upgrades II (remaining blocks)	\$250,000-\$350,000		X		
Stone Street Traffic Systems	SAVINGS		X		
Courthouse Lawn Improvements	Requires study		X		
<b>Building Rehabilitation</b>					
Upper-story improvements	Requires study	X	X		
Building Façade Improvement Program (\$25,000-\$40,000 per façade)	\$25,000	X	X		
Masonic Temple Reuse (\$40-\$70 SF)	Requires study			X	
Empire Cleaners Rehabilitation	Requires study (\$200,000+)			X	
Business Signage Program (20 storefronts at \$4,000 each)	\$80,000		X		
Energy Efficiency audit and recommendations	\$0.20 -\$0.35 PER SF	X	X		
<b>Parking</b>					
Shared Parking - 1800 Chase Street	\$280,000				X
Main Street Parking and Passageway - 1600 Chase Street (\$25 SF)	\$235,000		X		
Prichard Parking - 1700 Chase Street	\$100,000-\$130,000			X	
Elks Lodge Parking - 1400 Stone Street	\$236,000- \$350,000		X		
17th Street Diagonal Parking (simultaneous with Masonic Rehab)	\$175,000 - \$250,000			X	
<b>Falter Museum and Visitor Center</b>					
HBA Concept (\$200 SF)	-			X	
Alternative Public Market (\$100 SF)	\$640,000			X	
Vacant Lot Redevelopment - 1500 Stone Street (\$200 SF)	\$1,236,000			X	
Prichard Path	\$85,000			X	
Elks Lodge Parking Lot and Museum Path	\$236,000-\$350,000			X	
Movie Theater (\$150 SF @ 10,000 SF) - requires study	\$1,500,000				X
Wrigley Alley	\$13,000			X	
Depot Relocation	Requires study			X	X

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## FUNDING TECHNIQUES

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Available financing tools to help realize the vision for the downtown plan include:

### LOCAL TOOLS AND TECHNIQUES

- Business Improvement District
- Building Façade Easements
- Building Façade Loan Program
- City General Revenue Funds
- Downtown Bond Issue
- Estate Taxes
- Land Sale Proceeds
- Local Option Sales Tax
- Private and Foundation Philanthropy
- Revenue Bonds
- Revolving Loan Program
- Tax Increment Financing

### STATE & FEDERAL SOURCES

- Community Development Block Grants
  - ◆ Phase II Financing
- Historic Tax Credits (HTC)
- National Trust Main Street Program & Loan Fund
- ReTree Nebraska
- Rural Local Initiatives Support Corporation
- Small Business Administration
- Transportation Enhancements
- USDA Grants
  - ◆ Business
  - ◆ Energy conservation and renewable energy
  - ◆ Housing
  - ◆ Community Facilities
  - ◆ Rural Water and Waste

The following discusses the application of these individual techniques and how they apply to specific recommendations in the plan.

## LOCAL TOOLS AND TECHNIQUES

### *Building Façade Easements*

Buildings fronting Stone Street could be candidates for establishing a building façade easement. Façade easements could be dedicated to the City, protecting the façade from unsympathetic modifications and providing a tax benefit to the donor. In addition, various forms of public financing, including TIF, may be available as a result of permanent public easements. Typically, these easements last for 7 to 15 years, and then return to the owner of the property.

### *Building Façade Loan Program*

Buildings in the downtown could be eligible for a façade loan program where owners can apply for up to known amount with a matched percentage. A similar program was initiated in Gothenburg, Nebraska, where owners were able to apply for up to \$7,500 with a \$2,500 match. Their program resulted in 12 improved facades. Additional information available is below under Local Option Sales Tax (LB 840).

### *Business Improvement District (BID)*

Business Improvement Districts (BID) are special assessment districts that permit businesses to finance public capital improvement projects and district management, promotion, and maintenance. BIDs are petitioned and approved by property owners and created by the City following a specific process established by Nebraska State Statutes Chapter 19 §4015 to §4038 and administered by a BID Board. While BIDs are a valuable tool, it is important that assessments not be so large that they create a burden to property owners. This plan recommends that the City adopt a policy of public financing of major capital projects, with required BID funding of maintenance and district management and promotion.

Omaha's Benson Neighborhood Business District successfully adopted a BID for upgrades and maintenance of the area. A similar BID could be adopted by business owners in the downtown area.

### *City General Revenue*

General revenues, appropriated through the city's annual budget process, can finance services, improvements, facilities and development projects. These appropriations are separate from general revenues devoted to debt service on bonds. Common uses of general revenues in downtown development programs include funding staff and organizational expenses, or projects that can be divided into smaller phases, such as streetscape improvements.

### *Downtown Bond Issues*

General obligation bond issues are appropriate to finance major public projects or improvements, and are secured by general city revenues. These revenues typically include property taxes or, potentially, local option sales taxes. General obligation bonds require majority voter approval. In the downtown concept, bonds are most appropriate to finance all or part of the streetscape project.

Shenandoah, Iowa refinanced a maturing bond to pay for the reconstruction of their streetscape.

### *Estate Taxes*

Estate taxes are collected by the county and may be appropriately be used to help finance capital improvement projects for gateway and corridor enhancements.

### *Land Sale Proceeds*

Proceeds from sale of land to development projects, such as the mini-park, could be allocated back to central city improvements and acquisition for other redevelopment activities.

### *Local Option Sales Tax (LB 840)*

Falls City voters could approve a local option sales tax for economic development. Under LB 840, these funds can be used to finance public and private projects that support local development objectives. Falls City should use a portion of these funds to sustain Downtown as a major community asset. LB 840 proceeds may be used to help finance bonds for downtown public improvements, but should also be used to

establish an enterprise fund to assist desirable private investment in the district – “a Downtown Fund.”

- Equity investments in targeted new businesses.
- Zero interest loans, blended with loans at prime rate from local lenders, for approved rehabilitation/ storefront restoration projects.
- Loan guarantees for storefront rehabilitation and restoration.
- Loans for residential conversion/adaptive reuse projects on gap finance basis.

It is essential that such a Fund be administered with strong fiduciary accountability and careful project review.

### *Private and Foundation Philanthropy*

The Plan provides a variety of opportunities for individual or foundation contributions. Private philanthropy, with appropriate recognition and commemoration, is a critical part of the downtown implementation program, and is especially appropriate for park and plaza projects, community attractions such as courthouse plaza could be renamed to recognize an individual or group contributions.

### *Revenue Bonds*

Revenue bonds are debt instruments that are repaid all or in part from revenues generate by the project or by other associated revenue sources. Revenue bonds typically are not secured by the credit of the community.



### *Revolving Loan Program*

Yet to be established in Falls City, a downtown revolving loan program could provide low-interest loan funds granted by the city to cover any portion of costs to convert downtown buildings into more marketable assets. Those eligible to receive funds could include for-profit and non-profit organizations. The City of Gothenburg recently established a revolving loan program with a starting capital of \$100,000.

### *Tax Increment Financing (TIF)*

Local Tax Increment Financing (Local TIF) permits the use of a portion of local property and sales taxes to assist funding the redevelopment of certain designated areas within your community. Projects pay their entire established tax obligation. However, taxes produced by the added value of the property caused by redevelopment or improvements may be used to finance project-related improvements or other public improvements in the district. TIF may be used to pay certain costs incurred with a redevelopment project. Such costs may include, but are not limited to:

- Professional services such as studies, surveys, plans, financial management, legal counsel
- Land acquisition and demolition of structures
- Building necessary new infrastructure in the project area such as streets, parking, decorative lighting
- Relocation of resident and business occupants located in the project area

**Movie Theater.** If the Movie Theater were privately redeveloped, then the added value could be eligible for Tax Increment Financing. The taxes paid on the original value of the building continue to be distributed to all taxing jurisdictions, including the city, county, school district, Natural Resources District and others. However the taxes collected on the added value are used to finance parts of the project that are necessary to make the project feasible, including:

- Façade upgrades.
- Interior renovations.
- Connections to parking areas.

## STATE & FEDERAL

### *Community Development Block Grant*

The Community Development Block Grant Program (CDBG) is administered by the Department of Economic Development. Phase II Downtown Revitalization Funds. The Nebraska Department of Economic Development offers a Phase II grant worth \$350,000 to assist cities with costs for improving downtown. The City of Falls City anticipates receiving this funding to pursue various projects identified in this downtown plan.

### *Historic Tax Credits (Federal)*

The Historic Tax Credit program offers a 20-percent investment tax credit for certified rehabilitation of National Register or National Register-eligible buildings if:

- The building is used for income-producing purposes;
- Rehabilitation work follows the Secretary of the Interior's Standards for Rehabilitation; and
- The project receives preliminary and final approval from the National Park Service.

Property owners, developers and architects must apply for the tax credit through the Nebraska State Historic Preservation Office (SHPO) and are encouraged to work with SHPO staff to ensure that appropriate rehabilitation measures are followed. The SHPO then passes its recommendations on to the National Park Service for approval.

Modifications of the old Bank building for an exterior elevator will likely make the building ineligible for historic tax credits.

### *National Trust Main Street Program & Loan Fund*

Falls City is a Member of the Main Street Program. The local organization is beginning their campaign to improve downtown with the adoption of this plan. The National Trust Main Street Program was established in the 1970's as an approach to the special needs and circumstance of America's traditional downtown commercial centers. The program's innovative approach combines historic preservation with economic development in the revitalization of these districts, and has led to the creation of a network of more than 40 statewide, citywide and countywide programs with more than 1,200 active Main Street programs nationally. While the program relies largely on the efforts of individual communities to help themselves, the statewide program typically offers administrative and technical assistance. The program is based upon four points that work together to build a sustainable and complete community revitalization effort, these are; organization, district/community promotion, design, and economic restructuring.

Tax incentives may be available for your restoration project from the Nebraska State Historic Preservation Office. The National Trust Loan Fund (NTLF) has more

than 35 years of experience in supporting preservation-based community development projects across the country. As a certified Community Development Financial Institution, it has a mission of providing financial and technical resources to organizations that use historic preservation to support the revitalization of underserved and distressed communities.

NTLF specializes in predevelopment, acquisition, mini-permanent, bridge and rehabilitation loans for residential, commercial and public use projects. Eligible borrowers include not-for-profit organizations, revitalization organizations or real estate developers working in certified Main Street communities, local, state or regional governments, and for profit developers of older and/or historic buildings.

### *ReTree Nebraska*

ReTree Nebraska includes a variety of grant opportunities to communities, as well as specific selected Nebraska communities. Target sites for Falls City are along Harlan Street and areas within the public right-of-way. Nebraska Community Enhancement Program (NCEP) Shade Our Streets (SOS), Trees for Nebraska Towns (TNT), Shade Structure Program, and Green America Awards are just a few.

For more information, visit [www.nfs.unl.edu/ReTree/re-treenebraskafunding.asp](http://www.nfs.unl.edu/ReTree/re-treenebraskafunding.asp)

### ***Rural Local Initiatives Support Corporation (Rural LISC)***

The mission of the Local Initiatives Support Corporation (LISC) is to provide assistance to community residents in transforming distressed neighborhoods into healthy and sustainable communities of choice and opportunity. LISC works to mobilize corporate, government, and philanthropic support to provide local community development organizations with:

- Loans, grants and equity investments
- Local, statewide and national policy support
- Technical and management assistance

LISC's support is geared towards building sustainable communities through the achievement of five goals in their support of local initiatives:

- Expanding investment in housing and other real estate
- Increasing family income and wealth
- Stimulating economic development
- Improving access to quality education
- Supporting healthy environments and lifestyles

For additional information and contact Rural LISC at 202-739-9283, or visit their website at [www.rurallisc.org](http://www.rurallisc.org).

### ***Small Business Administration***

The Small Business Administration (SBA) has financial assistance programs which provide access to debt and equity primarily from banks or other private sources. SBA evaluates each loan application on two levels; the first is for eligibility, which varies by industry and SBA program, and second on credit merits of the application. SBA programs and services support small business owners, connecting businesses to loans, government contracting opportunities, disaster assistance and training programs to help your business succeed.

For more information, visit [www.sba.gov](http://www.sba.gov).

### ***Transportation Enhancements (TE)***

The Transportation Enhancement (TE) program provides 80% federal financing for such projects as enhancements to major transportation corridors, trails and other non-motorized transportation projects, and the preservation of historic transportation structures. The program is administered by the Nebraska Department of Roads with the assistance of a project review advisory committee. TE funds are appropriate for financing such programs as:

- Street improvements, including lane reconfiguration and access improvements.
- Gateway at Harlan and 21st Streets.
- Streetscape Improvements for Harlan Street.
- Intersection and Crosswalk Improvements

### ***USDA Rural Development Programs***

Rural Development, a division of the US Department of Agriculture, has many programs for businesses, energy conservation and renewable energy, housing, community facilities, and rural water and waste.

#### **Business**

- Intermediary Relending Program (IRP) loans are made by Rural Development to public bodies and non-profit community development organizations who then make loans to businesses and communities with the ultimate goal of creating and/or saving jobs. Individual businesses or communities can contact IRP participants for a revolving loan.
- Business & Industry Guarantee Loans (B&I) lenders (banks, etc.) apply for a guarantee from Rural Development in order to make sizeable loans to businesses (up to \$25 million for a business, up to \$40 million for cooperatives).
- Rural Economic Development Loans and Grants (REDLG) loans or grants to utility cooperatives who then can loan to businesses and/or community projects.
- Value-Added Producer Grant (VAPG) A farmer or producer group can apply for a grant to fund their feasibility study or working capital to add value to their raw goods.

### Energy Conservation and Renewable Energy

The Rural Energy for America Program awards grants and loan guarantees to small businesses for renewable energy projects and energy efficiency improvements. Examples projects for downtown businesses include geothermal heating and equipment upgrades.

### Housing

- Direct and Guaranteed loans to purchase a home in a rural area (20,000 pop. or less)
- Loans and grants to repair a home (Grants available to homeowners over age of 62)
- Subsidized rents for apartments or townhouses in rural communities

### Community Facilities

Candidate projects include the Depot relocation project. Loans and grants to nonprofits or public bodies such as counties, cities, community centers, day cares, senior centers, homeless shelters, fire halls, ambulances, fire trucks, emergency equipment, and much more.

### Rural Water and Waste

Loans and grants to help cities replace or upgrade city water, sewer and storm water systems. For more information visit [www.rurdev.usda.gov/mn/](http://www.rurdev.usda.gov/mn/) or contact the local USDA Rural Development office in Kearney (308) 237-3118. Rural Development State Office (402) 437-5551.

