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#### THE URBAN RENEWAL MOVEMENT

IN OMAHA, 1954-1970

A THESIS PRESENTED TO THE DEPARTMENT OF HISTORY AND THE FACULTY OF THE GRADUATE COLLEGE UNIVERSITY OF NEBRASKA

IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE MASTER OF ARTS UNIVERSITY OF NEBRASKA AT OMAHA

> BY DONALD LOUIS STEVENS, JR. AUGUST, 1981

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### THESIS ACCEPTANCE

Accepted for the faculty of the Graduate College, University of Nebraska, in partial fulfillment of the requirements for the degree Master of Arts, University of Nebraska at Omaha.

Thesis Committee Depar Name С

Chairman Chairman Date // 16, 198 A AL

## TABLE OF CONTENTS

### ACKNOWLEDGMENTS

#### CHAPTER

I	INTRODUCTION AND A REVIEW OF GOVERNMENT INTERVENTION INTO THE PROBLEMS OF LOW- COST HOUSING AND SLUM CLEARANCE
II	FROM SLUM CLEARANCE TO URBAN RENEWAL : OMAHA'S HOUSING PROBLEM AND THE EMERGENCE OF THE URBAN RENEWAL BAND WAGON
III	A DOUBLE REJECTION : THE URBAN RENEWERS TURNED AWAY BY THE VOTERS AND THE LEGISLATURE
IV	THE OMAHA CHAMBER OF COMMERCE WINS A "WORKABLE" URBAN RENEWAL LAW
V	BUSINESS ELITE VERSUS A CITY HALL IN CONFLICT : THE PEOPLE'S CHOICE CRIPPLES RENEWAL HOPES
VI	THE FINAL GASP OF URBAN RENEWAL
VII	CONCLUSION
	SELECTED BIBLIOGRAPHY

## LIST OF ILLUSTRATIONS

		PAGE
1.	Omaha, Nebraska	13
2.	Most Severe Area of Residential Deterioration in North Omaha, 1946 (following page)	19
3.	Area of Substandard Housing, 1956 (following page)	32
4.	Substandard Housing in the Near North Side, 1965.	127

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#### CHAPTER I

INTRODUCTION AND A REVIEW OF GOVERNMENT INTERVENTION INTO THE PROBLEMS OF LOW-COST HOUSING AND SLUM CLEARANCE

By 1954, the year President Dwight D. Eisenhower signed a national housing act, one hundred years had passed since a group of Iowa businessmen crossed the Missouri River and surveyed Omaha City. The townsite formed the only metropolis in Nebraska at the midpoint of the twentieth century. Suffering from age and neglect, sections in and around the downtown core of Omaha became the object of a controversial crusade by civic leaders. A variety of business, labor, professional and government interests accepted the Eisenhower legislation as a practical way to rebuild the deteriorated areas. The law contained a slum clearance scheme called "urban renewal" that provided federal funds to municipal governments, which could hire private contractors to redevelop an area in compliance with a federally approved plan. The urban renewal concept met stiff, angry opposition from the Omaha public. A majority of the voters, believing that it trespassed on individual property rights, rejected the The vocal opponents expounded the argument that the renewal program. method misused the power of eminent domain by reselling seized property to private developers. Proponents stressed that numerous state courts upheld the law as beneficial to the common good, but they failed to arouse a community spirit\_supportive of redevelopment. Urban renewal

frightened many Omahans, who distrusted the complicated program so avidly pursued by business and labor organizations.

Some of the groups pushing for renewal, especially the Chamber of Commerce and the real estate interests, had not always favored federal intervention in the housing industry. Although new to Omaha in the 1950's, government involvement in land clearance and low-cost housing, developing from a concern for the urban slums that spread during the industrialization of the United States, had evolved over a number of decades. The evolution of government responsibility in housing up to the urban renewal program of the Eisenhower administration illustrates a shift in emphasis which eventually benefited private business interests. Until World War II, the initiative of state and federal government reflected the ideology of the late nineteenth and early twentieth-century social reformers who denounced the practices of the private housing industry for neglecting the needs of the low-income workers. Business groups did not support federal slum clearance until the establishment of area redevelopment and urban renewal in 1949 and 1954.

The 1954 housing law was the culmination of a longstanding interest which originated in the nineteenth century. The first sign of concern for the health conditions of poor urban districts appeared in a report made by the New York City sanitation inspector in 1834. He attributed an increasing death rate to the dirty and congested slum areas of the city. The observation went unheeded and the deterioration of the poorly constructed New York tenements continued as the housing supply adjusted inadequately to provide for the increasing number of poor wage earners and foreign

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immigrants. New York City became the stage for the start of housing reform. Before the end of the Civil War a group of physicians formed the Council of Hygiene. They began documenting the epidemics which swept through the tenement districts and periodically emphasized the unhealthy environment of the crowded slums. The physicians contributed significantly to housing reform since they introduced methodical, scien-2 tific studies that laid the foundation for future housing regulations.

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Also appearing in the late nineteenth century, a number of lay and professional reformers saw improved housing as a necessary element in the poor laborer's belief in the abundant opportunities to be had in America for the self-reliant individual. Better housing, then, would attach the worker to the American Dream and prevent class discontent. Foremost among the reformers were Jacob Riis and Lawrence Veiller. They bemoaned the social upheaval involved with industrialization and urbanization and criticized the moneyed class for neglecting the housing needs of the growing number of urban laborers. Riis, an immigrant who gained wealth and fame as a journalist and spokesman for the poor, encouraged private entrepreneurs to create neighborhoods with good housing, playgrounds and

Roy Lubore, <u>Progressives and the Slums: Tenement House Reform in</u> <u>New York City 1890-1917</u> (Pittsburgh: University of Pittsburgh Press, 1962), p.4 (hereafter cited as Lubore, <u>Progressives and the Slums</u>). Timothy L. McDonnell, <u>The Wagner Housing Act: A Case Study of the</u> <u>Legislative Process</u> (Chicago: Loyola University Press, 1957), p.3 (hereafter cited as McDonnell, The Wagner Housing Act).

<sup>2</sup> Lubore, <u>Progressives and the Slums</u>, pp.11-23; for more details on the health problems associated with slums see Charles E. Rosenberg, <u>The Cholera Years</u>, <u>The United States in 1832</u>, 1849, and 1866 (Chicago: University of Chicago Press, 1962); John Duffy, <u>A History of Public</u> <u>Health in New York City</u>, vol. 1, (New York: Russell Sage Foundation, 1968).

public schools. Such surroundings, he felt would be conducive to healthy 3 child development. Lawrence Veiller, a professional reformer, was the driving force behind tenement reform in New York and housing reform nationwide. He and other reformers helped to improve the housing conditions of the poor through the promotion of restrictive legislation which imposed minimum standards for lighting, ventilation, sanitation and safety upon 4 new and existing dwellings.

A number of states with serious housing problems adopted minimum standards laws in the early twentieth century, and by the start of World War I reformers, such as Edith Elmer Wood, began to promote a national housing program. Statistics from state and municipal surveys estimated that one-third of the United States' population lived in substandard dwellings. During the war, organized labor pushed for government action when a shortage of homes for workers hindered the production of war goods. The Federal Government investigated the problem and decided to finance the construction of housing in areas important to the war industry. In the post-war years, some reformers believed that the time was ripe for permanent legislation. They said the Federal Government should supplement the states' efforts with constructive legislation which "creates the mechanism through which the community itself undertakes to provide suitable houses at cost." Local surveys described the problem but legislation other than the restrictive minimum standards type did not develop. The professional housers continued to insist that substandard dwellings caused a number of social evils. They blamed substandard

Lubore, Progressives and the Slums, pp.43,58,104.

<sup>4</sup><u>Ibid</u>., pp.118-120, 136-145.

housing for the increasing American crime rate, including juvenile delinquency. Also, they indicted the overcrowded house for inflicting mental anguish on children through deficiencies in fresh air, restful 5 sleep, quiet surroundings and privacy.

The proponents of a federal housing program basically regarded the housing problem as economic in nature and mentioned the race implications only in passing. Reference to black Americans usually occurred with statistical statements that noted a much higher proportion of the minority population\_resided\_in\_substandard housing than the one-third figure attributed\_to\_the\_general public. The neglect of the racial discrimination dimension can be partially explained by the recent development of black belts in the urban North. The migration of Negroes from the rural South to the urban North in search of economic opportunity did not begin until the early twentieth century, and their plight did not receive a comprehensive review until after World War II.

The exodus increased after World War I, as many black war veterans joined in the northern trek with those dissatisfied with life in the South. The large influx of Negroes into northern cities intensified racial segregation. By 1930, in Chicago and New York, Negro populations that two decades before lived in mixed neighborhoods, resided in districts that contained a majority of black residents. In 1910 two-thirds of black Chicagoans lived in neighborhoods with a majority of white inhebitants. Twenty years later, almost two-thirds of the city's minorities lived in

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Edith Elmer Wood, The Housing of the Unskilled Wage Earner: America's Next Problem (New York: The MacMillan Company, 1919), pp.3-6, 20. Her use of the term, "substandard" refers to the definition in municipal minimum standards laws; Edith Elmer Wood, Recent Trends in American Housing (New York: The MacMillan Company, 1931), pp.1-3, 283, 287-295 (hereafter cited as Wood, Recent Trends.)

areas where 90 percent of the population was black. The migration angered white northerners whose neighborhoods felt the encroachment, and racial violence became common. The use of racially restrictive covenants by realtors, real estate boards and financial institutions abated the turbulence. The race restrictions helped produce a heavy concentration of blacks in the inner cities at the time of the Great Depression in 1929.

A demand for economic stimulus during the depression pushed the Federal Government toward establishing a comprehensive housing policy along the lines advocated by Edith Wood and other professional housers. In the decade between World War I and the start of the Great Depression, federal housing construction turned full circle. The Wilson government had immediate;y terminated the construction of war housing following the armistice in 1918, and by 1930 the United States Housing Corporation had sold much of its war housing and had reclaimed 48 percent of its investment. President Franklin D. Roosevelt, however, re-introduced the national government into the housing business with the Emergency Housing Corporation of the Public Works Administration. The temporary legislation allowed for the "construction, reconstruction, alteration or repair under public regulation or control of low-cost housing and slum clearance projects." For a time, however, a District Court decision threatened federal involvement in slum clearance. The court ruled as unconstitutional sections in the emergency housing law that dealt with federal condemnation and ownership of land. The decision enjoined the use of the eminent domain by the national

Robert C. Weaver, <u>The Negro Ghetto</u> (New York: Russel & Russel, 1948), pp.18-20,39,49, 66-69; for more details on the forced segregation of black Chicagoans see Allan H. Spears, <u>Black Chicago: The Making of a Negro</u> Ghetto 1890-1920 (Chicago: The University of Chicago Press, 1967).

government in the condemnation of land for "public use" because the Constitution left expropriation as a state power. Still, the reformers continued to pursue a permanent federal law since the court ruling did not prevent local agencies from condemning deteriorated dwellings and 7 constructing federally funded housing projects.

Before they succeeded in establishing the housing program which eventually developed into the urban renewal policy of the 1950's, the advocates of federal intervention encountered stiff opposition from rural Congressmen, private builders and real estate interests. The National Association of Real Estate Boards, the National Retail Lumber Dealers Association and the United States Chamber of Commerce opposed public housing legislation. The Chamber of Commerce opposed public housing legislation. The Chamber of Commerce disliked any long range public program which might interfere with private enterprise. The real estate and lumber interests however, recognized an increasingly favorable atmosphere in Congress for a housing bill and worked to diminish the negative influence 8

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McDonnell, The Wagner Housing Act, pp.54-62.

Lawrence F. Schmeckebier, <u>New Federal Organizations: An Outline</u> of Their Structures and Functions (Washington D.C.: The Brookings Institution, 1934), pp.40-48; McDonnell, <u>The Wagner Housing Act</u>, pp.45-47; Wood, <u>Recent Trends</u>, p.80. The first slum clearance effort financed by the Public Works Administration was in Atlanta, Georgia. Mark B. Lapping, in "The Emergence of Federal Housing: Atlanta's Teckwood Project," <u>The American Journal of Economics and Sociology</u>, 32 (October 1973): 379-385, analyzed the project. He noted that the local opponents mainly focused their criticism on Washington D.C. and secretary of the Interior Harold Ickes, not on Charles F. Palmer, the local realtor who inaugurated the development. The Atlanta Apartment Homeowners Association, a strong opponent of Teckwood, forgave Palmer who they believed merely had taken advantage of a profitable situation.

The business groups befriended influential Congressmen, including Representative Henry Steagall, chairman of the House Banking and Currency Committee, who helped to defeat housing bills in 1935 and 1936. Senate and House disagreement over which agency should administer government housing contributed to the failure of the 1935 proposal. The next year, a strong faction of rural Representatives blocked another attempt. Congressional committee positions, based upon seniority, enabled southern rural Congressmen to block legislation of urban progressives. The imbalance of power in favor of rural regions, hindered the passage of urban legislation and misrepresented the character of industrial America 9 in the 1930's.

President Roosevelt endorsed housing legislation in the 1937 inaugural address. This commitment helped to overcome southern Democratic opposition, and a comprehensive housing bill was passed in 1937. The law, sponsored by Senator Robert F. Wagner, Democrat of New York, established the Federal Housing Authority and empowered it to loan up to 90 percent of the cost of public housing projects. The Act had a slum clearance section which required that for each public dwelling built a substandard dwelling must be eliminated unless the area suffered from a serious housing shortage. Building and real estate interests supported the slum clearance restrictions 10 and other measures which complicated the building of public housing.

The outbreak of war in Europe temporarily abated most concerns that business interests had about the prolification of public housing. Government housing never developed its full potential as attention switched from domestic issues to foreign affairs. During World War II, housing reformers

Ibid., pp.88-114, 168-171, 220-225.

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Ibid., pp.306, 393-395.

initiated an extensive campaign to educate the public on the housing question, and Americans were more house-conscious in 1946. A bipartisan effort to pass a second comprehensive housing bill began in Congress after the war. The government's return to housing legislation was a response to a paradox that dominated American society as interests shifted to the home front. The public, living through the Great Depression and then World War II, expressed a strong desire for home ownership, but a post-war housing shortage frustrated their aspirations.

As with the first law, Congress passed a housing bill in 1949 after several years of failure. Senator Wagner again emerged as a sponsor along with Senator Robert A. Taft of Ohio, a conservative anti-New Deal Republican, and Senator Allen J. Ellender of Louisiana, a protege of Huey Long. In 1946, the senate approved the bill. President Harry S. Truman urged the passage of the legislation, but a coalition of Republicans and southern Democrats killed the bill in the House Banking and Currency Committee. Although the Republicans won control of Congress, the following year Senator Taft and the GOP supporters of a comprehensive housing bill had no more success than had the Democrats. The 1947 Congress, while rejecting the bill with public housing, allowed, against the will of the real estate lobby, the creation of the Housing and Home Finance Agency as a permanent department designed to maintain an ongoing housing policy. The approval of the agency by a Republican Congress showed that housing was an important topic in Washington, yet the Republicans 12

Richard O. Davies, <u>Housing Reform During the Truman Administration</u> (Columbia, Missouri: University of Missouri Press, 1966), pp.3-12 (hereafter cited as Davies, <u>Housing Reform</u>).

<sup>&</sup>lt;u>Ibid.</u>, pp.30-35, 50-65, 77, 80-81, 93-94.

The Democrats regained control of the Congress and again won the Presidency in the 1948 election. The Taft-Ellender-Wagner bill finally passed in 1949, and its enactment revealed a growing influence of urban liberalism in Congress. Although apportionment still favored the rural areas, 169 of the 193 Democrats and 33 Republicans voting for the legislation came from the urban districts. The 1949 law differed little from the 1937 law. Public housing remained the central focus since the act provided for the construction of 810,000 public units in six years. The Taft-Ellender-Wagner act dropped the 1937 slum clearance provision that required the razing of a deteriorated dwelling for each public unit built. It also began the area redevelopment program, concentrating on the rebuilding of residential areas which developed into the urban renewal 13 concept of the Eisenhower administration.

The emphasis on public housing, however, diminished in the 1950's. The housing shortage of the post-war period abated quickly, and the Korean conflict redirected the priorities of the Federal Government. By 1965 14 less than 400,000 public units had been built. In 1952 Dwight D. Eisenhower regained the Presidency for the Republican party, and in 1954 the President signed a housing law that emphasized a new slum clearance program called urban renewal. The 1954 Housing Act gave witness to a greater acceptance of the involvement of the Federal Government in private housing by groups

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<sup>&</sup>lt;u>Ibid.</u>, pp.112-113, 130-131, 136; Scott Greer, <u>Urban Renewal and</u> <u>American Cities : The Dilemma of Democratic Intervention</u> (New York: Bobbs-Merrill Company, Inc., 1965), pp.15-18 (hereafter cited as Greer, <u>Urban Renewal and American Cities)</u>.

Davies, Housing Reform, pp.130-142.

that previously opposed such intervention. Responding to President 15 Eisenhower's vague "dynamic conservatism" theme, the Chamber of Commerce, real estate and building interests reacted more favorably to the new law than they had to its predecessors in 1937 and 1949. The 1954 act broadened the redevelopment provision and allowed 10 percent of the federal grant-inaid to finance non-residential development. The new program, stressing the removal of slums and the revitalization of central business districts, turned 16 away from the public housing emphasis.

Realtors replaced professional reformers as the principal promoters 17 of federal aid to cities. The diverse interests of the businessmen led to inconsistencies in the purpose of renewal. In one city the program might seek to build skyscrapers in the downtown district while in another it could connote "Negro removal" and increased segregation of the black population. Yet the goal could center on establishing integrated neigh-18 borhoods. Urban renewal became a cure-all program to rejuvenate the old portions of cities and to eliminate the many health, crime and other social problems that existed there.

Greer, Urban Renewal and American Cities, pp.19, 113.

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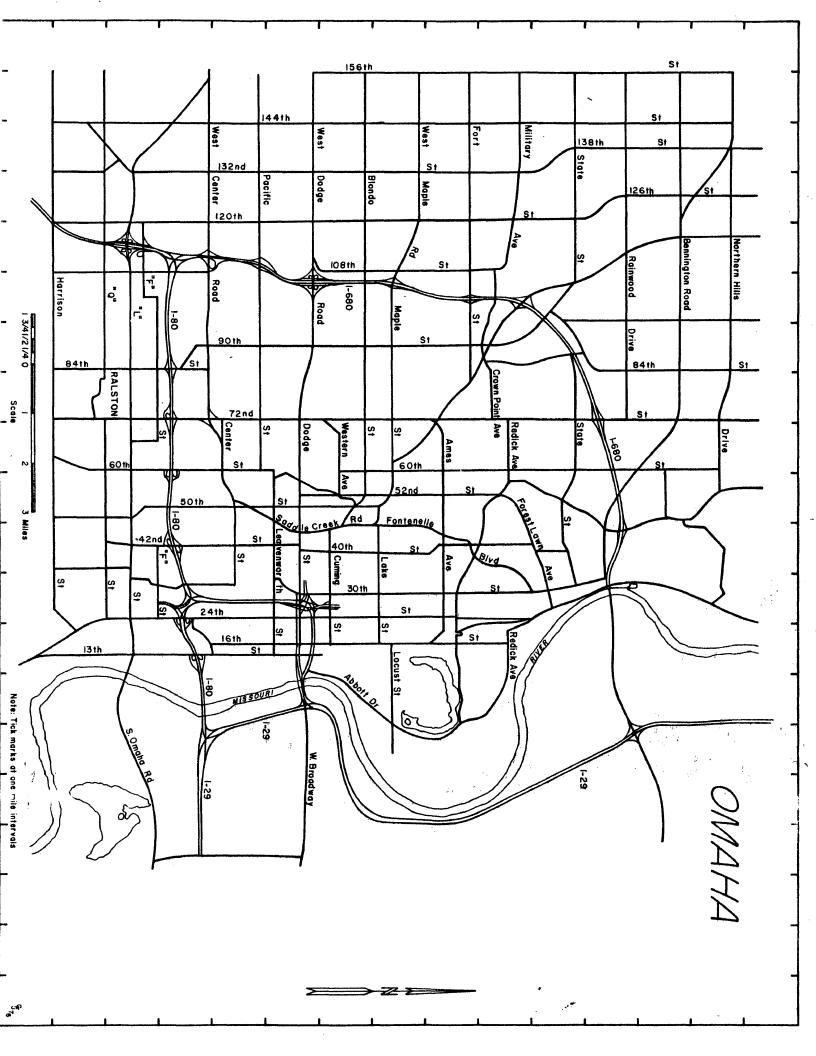
Mark S. Gelfand, A Nation of Cities: <u>The Federal Government and</u> <u>Urban America</u>, 1933-1965 (New York: Oxford University Press, 1975), p.285.

18 Greer, <u>Urban Renewal and American Cities</u>, pp.19, 113, 120-132; J.P. Madgwick, "The Politics of Urban Renewal," <u>Journal of American Studies</u>, 5 (December 1971), pp.265-270.

Eric F. Goldman, <u>The Crucial Decade and After: America, 1945-1960</u> (New York: Random House, 1956; reprint ed. Vintage Books, 1960), pp.280-282. 16

In one respect, however, the Omaha situation resembled the conditions of other cities. For example, the area of North Omaha which housed most of the city's minority residents contained the highest percentage of dilapidated dwellings. The growth of Omaha's black population and their concentration in the old neighborhoods of the city mirrored the national trend. Between 1910 and 1920 the number of Negro Omahans increased twofold, from 5,143 to 10,315. The minority residents enjoyed unrestricted movement throughout the city before the migration. After the world war, however, competition in a tight job market caused friction between the races. In 1919, the tensions peaked with the lynching of a black man

Howard P. Chudacoff, "Where Rolls the Dark Missouri Down," <u>Nebraska</u> <u>History</u> 52 (Spring 1971): 13. The "dumbell" label refers to the twentyfive feet by one hundred feet multi-story tenements which in the mid and late nineteenth century New York builders constructed to house the many immigrants and poor industrial laborers. Deficient in light, ventilation, space and sanitary facilities, the narrow apartments were cheaply constructed and became breeding grounds for disease and criminality.



accused of raping a white woman.

During the twenties many Negro deaths appeared closely related to poor living conditions and an ignorance of health care practices. The families living in alley houses and rear tenements had a higher than average infant mortality rate between 1925 and 1927. <u>In 1928, an</u> integrated group founded the Omaha Urban League which worked to upgrade the social and economic status of blacks. The Urban League stressed improved housing as a major goal along with better health care, education 21 and employment.

The business and political leaders of Omaha were apathetic toward the deteriorating housing conditions. Yet after World War II, the Mayor of Omaha appointed a citizens committee to study the substandard housing and slum conditions of the city. The group discovered appalling living conditions in an area of North Omaha and recommended immediate action to renew the neighborhood. They asked financial institutions to provide the poor residents with mortgage loans for home improvements. The committee instructed city government to administer more diligently the basic municipal services in the area. The neglect, however, continued. The redevelopment of deteriorating areas did not receive widespread support among community leaders until after the passage of the 1954 urban renewal law. The offer of federal money to finance private building in blighted districts enticed a variety of business groups to promote compulsory urban redevelopment. Plans to bring urban renewal to Omaha began in late 1955, but the program did not become a political issue until 1958 when

20 <u>Ibid</u>., pp.24-25.

<sup>21</sup>T. Earl Sullenger and J. Harvey Kerns, <u>The Negro in Omaha</u>: A Social <u>Study of Negro Development</u> (Omaha, Nebraska : <u>University of Omaha and Omaha</u> <u>Urban League</u>, 1931), pp.14-16, 30.

the electorate voted on a redevelopment proposal and rejected it. For six years after the first defeat, the promoters of federal redevelopment touted the program as the only practical means to reverse urban blight and tried to convince the public of its community benefits. The controversy climaxed in 1963 with the City Council's failure to override the veto of an ordinance that created an urban renewal authority. Twice more, in 1965 and 1970, proposals to establish an authority, which could administer a renewal program, went before the voters and were defeated. The city never adopted a federal area redevelopment program.

The purpose of this study is to examine the evolution of the urban renewal movement in Omaha and to learn why this program failed. Although the federal program received broad support from various business, labor, civic and political organizations, the promoters could not erase the fears underlying the voters' disapproval. The opponents expressed two principal objections to the establishment of area redevelopment: (1) they disliked government using the eminent domain power to seize private property to be resold to private developers and (2) they distrusted the motives of the promoters and believed a program would merely serve to enrich the business elite.

Vigorous promotion of federal redevelopment came from leaders of different interest groups. The Omaha Chamber of Commerce was a major force behind the renewal movement and aggressively solicited other organizations to promote the program. The long list of supporting organizations included the Real Estate Board, the Associated Retailers of Omaha, the AFL-CIO of Omaha, the Omaha Central Labor Union, and the League of Women Voters. The City Planning Department and the City-County Health Department offered constant support for the issue. Until late in 1963, the Omaha Urban League favored the program, but it then began to emphasize fair housing over the urban renewal issue. The elected officials of Omaha were either divided or out of touch with public opinion during the crucial stages of the movement. The number of organizations favoring urban renewal failed to abate the apprehension of a majority of the voters. Beginning in 1946 with an urgent warning from a few civic leaders about the housing problem in Omaha, the debate for slum clearance and then urban renewal never resulted in substantive action.

#### CHAPTER II

# FROM SLUM CLEARANCE TO URBAN RENEWAL: OMAHA'S HOUSING PROBLEM AND THE EMERGENCE OF THE URBAN RENEWAL BANDWAGON

After the second World War, private citizens and public officials in Omaha, Nebraska looked closely at the conditions of the city and began to plan for future development. In Omaha, and across the country, the neglect of domestic improvements during the war years stimulated a desire to work . out an orderly plan for the city's future. The resulting self-analysis drew attention to the city's housing problems that included an expanding section of deterioration around the downtown business district and a general shortage of affordable housing for returning veterans.

The housing shortage in Omaha, immediately following the war, reflected the national problem. An ad in the city newspaper, stating "Big Ice Box, 7 by 17 feet. Could be fixed up to live in," vividly expressed the desperation 1 of the shortage. In March of 1946 Omaha's American Legion Post No. 1 responded to the problem by initiating a drive to raise \$50,000 for emergency housing construction. But money did not flow in as readily as the chairman of the drive, Robert Fitch, had hoped, so he conjured up a number of fund-

2 <u>Omaha World-Herald</u> (Morning), 16 March 1946.

Richard O. Davies, <u>Housing Reform During the Truman Administration</u>, (Columbia, Missouri: University of Missouri Press, 1966), p.41.

raising schemes. A Central High School drama group gave a benefit performance of "The Hasty Heart," which Fitch welcomed "out-staters" to 3attend. And to dramatize the money needs, he announced in late April that veterans would be selling apples on street corners for a dollar apiece. He bemoaned the public's stingy response to the housing problem 4 and regretted having to take these humble methods.

While the American Legion panned the city for money, a city improvement committee published its report that same spring. Inspiration for a general improvement plan originated from a luncheon meeting conceived by Henry Doorly, publisher of the <u>World-Herald</u>, in June of 1945. Doorly, using a city-factory analogy, expressed a desire to make Omaha attractive to outside industry. He said, "Omaha has let its plant run down. Any business man knows that a business that lets its plant deteriorate is 5 going to be by-passed. The next August, Mayor Charles W. Leeman organized fifteen committees to make improvement recommendations on a variety of 6 municipal needs. The Mayor's City-Wide Planning Committee delivered its recommendations, in a report titled "Improvement and Development Program Recommended for the City of Omaha," the following March.

Hailed by the World-Herald as "comprehensive," "unbiased," and

3 <u>Omaha</u>	World-Herald	(Evening),	18 April	1946.
4 <u>Ibid</u> .,	25 April 194	46.		
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Sunday World-Herald (Omaha), 17 March 1946.

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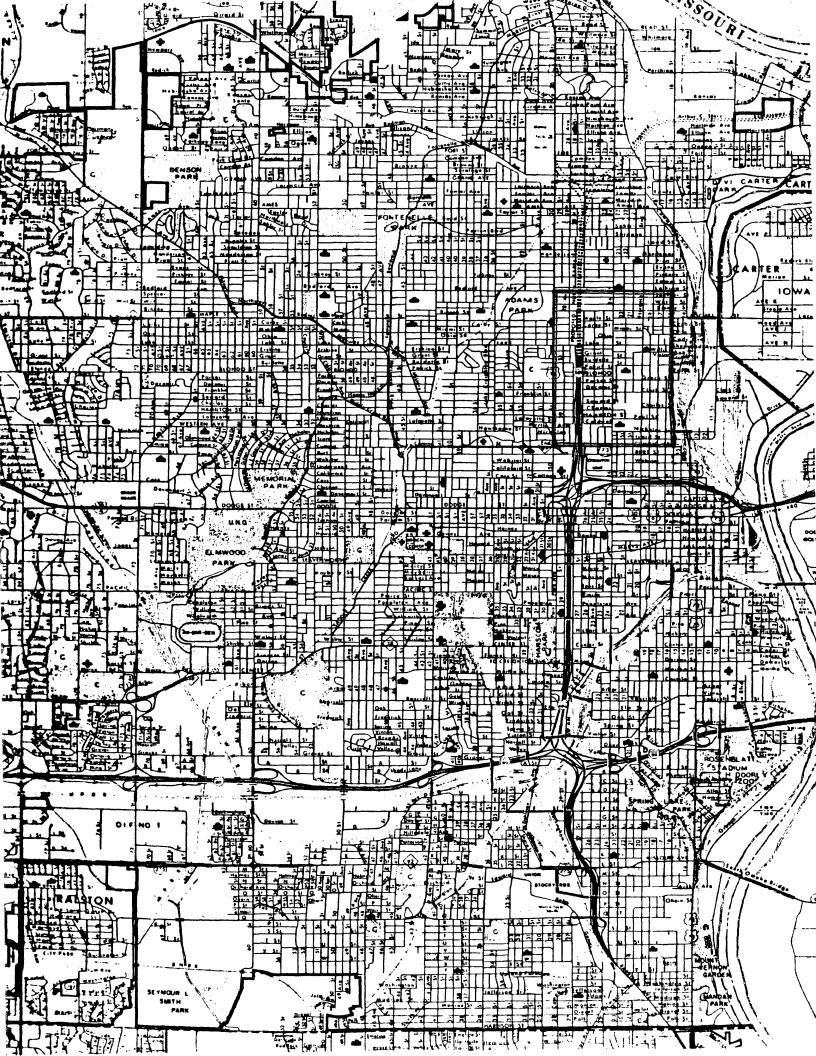
Omaha (Nebraska) Chamber of Commerce, Minutes of Meetings of the City Improvement Council, 1945-1946, meeting of 30 August 1945. (Typewritten), located in the basement of the First National Bank Building, Omaha. "business-like," the report contained a section on housing and slum area elimination written by a committee of business executives, small business 7 owners, and professional people. Alfred C. Kennedy, vice-president of the real estate company, McFarland & Kennedy, Inc., acted as project chairman of the thirteen-member Housing and Slum Area Elimination Committee. The committee constituted an active group that included Theodore H. Maenner, president of T.H. Maenner Co., Alan McDonald, of the well-known McDonald & McDonald architect firm, and Arthur L. Coad, president of Packers National 8 Bank.

The group found that several scattered residential areas of dilapidated housing existed around the downtown core of the city. The two worst areas, which the group claimed required "urgent" action, lay north of downtown from Cuming Street to Bedford Avenue and from Sixteenth Street to Thirtieth Street; south of downtown they designated another area, bounded by M and Q Streets and west of South Omaha's business district between Twenty-fifth Street and the packing plants, as being in urgent need of action. Cleanup of the south section, however, presented little concern to the slum elimination committee since the area had been zoned industrial, and they advised that those homes be condemned and torn down. The north side problem area constituted a more complicated situation.

Sunday World-Herald (Omaha), 17 March 1946.

8 Sara Mullin Baldwin, ed., <u>Who's Who in Omaha 1928: Biographical</u> <u>Sketches of Men and Women of Achievement</u>, (Omaha: Robert M. Baldwin Corporation Publishers, 1928), p.129; John Faris, ed., <u>Who's Who in Nebraska</u>, 1940, (Lincoln, Nebraska: Nebraska Press Association, 1940), pp.316-317, 348, 359, 361-362.

<sup>9</sup>Mayor's City-Wide Planning Committee, "Improvement and Development Program for the City of Omaha" (Omaha, Nebraska: N.P. 1946), pp.55-56, a copy in possession of the Greater Omaha Chamber of Commerce, see map on following page.



With help from area residents, the Mayor's Housing and Slum Committee surveyed all 2,490 homes in the north district defined as blighted. As a result of the survey, they decided 375 homes should be condemned and that 232 required major repairs. Over twice as many, 635, needed minor repairs. Many of the dwellings were built shortly after the turn of the century and suffered from old age. Crowded conditions existed in terms of housing construction, where one lot often contained two homes, and in terms of cramped living quarters, where more than one family occupied a house. The housing committee also noted that the residents' inability to get mortgage loans intensified the difficulties of repairing the structures, 10 and they called for a corrective plan.

Although they found nearly one-half of the homes surveyed in disrepair, the investigators foresaw an optimistic future. They said the north area could be restored into a residential section with homes of "satisfactory" value. The business group advocated no radical changes for the area. In fact, they commented that its residents had initiated improvements during the last four years. Still, the committee argued that more support from the Omaha community and municipal government would encourage residents of this district, who often owned their property, to improve their housing and maintain it properly. The report stressed the need to promote home ownership in the area in order to reverse the trend towards tenant occupancy. In some cases, the committee noted, landlords, who by leaving their properties in disrepair, squeezed costly rents from the tenants and pocketed a tidy 11 profit.

10 <u>Ibid</u>., pp.55-56, 160, 162. <sup>11</sup>Ibid. Not directing their disapproval solely at the slum landlords, the study group strongly criticized the Omaha city government for neglecting the area. The north side showed little benefit from basic municipal services such as street repair, adequate sewers, utility services, and school maintenance. The section also needed better police and fire 12 protection.

As with these tangible problems, which they felt contributed to blighted conditions, the committee perceived the solution to the sensitive process of condemning irreparable structures and the settlement of displaced persons in terms of monetary compensation. They said that the condemnation of property necessitated dealing with two factors: (1) owner occupants of condemned homes should be compensated in cases that caused severe hardship, and (2) homes should be provided for the dislocated. They felt that houses then could be built on the vacant lots and sold for a price that would pay for the construction. These new homes, the committee confessed, would be unattainable by the neighborhood's displaced residents, who then could move into the aged homes left by the purchasers of the new The committee logic here seemed unduly optimistic. First, housing. the displaced people would merely move from a run down home into what the report termed "some other older house," which offered little incentive to sustain a better living environment. Possibly the committee members assumed that the older home acquired by the evicted persons would be in better shape than the condemned homes, but they failed to consider whether or not these people could afford this assumed better house. The business leaders avoided another problem, racial discrimination. They never mentioned that black

<sup>12</sup> <u>Ibid</u>., p.162.

families removed by condemnation and forced, by the closed Omaha housing 14 market, to move into older homes in the same or a nearby area only perpetuated the conditions the group sought to eliminate.

Another proposal by the Mayor's improvement committee called for the development of a neighborhood park on Bedford Avenue. The Bedford Park issue also arose at a meeting of the Chamber of Commerce's own City Improvement Council. The Council's discussion further emphasized the city's neglect of the north area mentioned in the improvement study and revealed a positive, though paternal, attitude held by some civic leaders towards aiding the black residents concentrated in that part of Omaha.

Just prior to the publication of the Mayor's City-Wide Improvement Committee report, Rachael K. Gallagher, president of the Improvement Council, brought to the attention of the Chamber a proposal by the Coca-Cola Company for construction of a bottling plant on five-and-one-half acres of the fifty-acre Bedford site. Gallagher explained that for a number of years city officials had discussed developing a park on this land for the Negro community. Several of the Council members scoffed at the City's procrastinating on the issue and favored supporting the bid of Coca-Cola for the land. George Morton, an old advocate of comprehensive city planning and the chairman of the first City Planning Commission in 1916, noted that the Planning Board for years had debated building a "colored hospital" at this location on Thirtieth Street but had never initiated the proposal. Since the municipal government had not acted, 15 Morton favored the bottling plant's construction. He was accustomed

New York Times, 6 July 1966, p.21.

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<sup>15</sup>City Improvement Council, 1945-1946, Minutes, Meeting of 8 March 1946.

to city planning inaction in Omaha. As a pioneering planner in the early 1900's, Morton had led a successful effort to establish a planning commission, and he had directed Omaha's City Planning Commission, whose progress the city and the state had continually hampered with budget 16constraints, until the 1940's.

Another improvement Council member, however, spoke up in a paternal manner about "a real need for doing something for the colored people." She feared that approval of the Coca-Cola project would make the Planning Board look bad. The Improvement Council decided to table the proposal 17 until after the Mayor's Improvement Committee published its findings.

In March, Russell J. Hopley, president of Northwestern Bell Telephone Company and general chairman of the Improvement Committee, delivered the much awaited plan to Mayor Leeman. The Mayor applauded the committee's work claiming that, "No group of citizens has ever contributed so much to the future of Omaha." "I am sure," he continued, "the results of your 18 efforts will be seen in your city within a few years." The words proved excessive as the net result of the approved recommendations created confusion.

Omaha citizens did approve eight of the sixteen proposed City-Wide Improvement Plan projects in an election on 5 November 1946. The accepted

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 City Improvement Council, 1945-1946, Minutes, Meeting of 8 March 1946.
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Omaha World-Herald (Morning) 23 March 1946.

Howard P. Chudacoff, "Where Rolls the Dark Missouri Down," <u>Nebraska</u> <u>History</u> 52 (Spring 1971): 22-23.

projects allowed for the issuance of \$10,233,700 worth of bonds, but this had no influence on the housing situation described by the report since 19 it did not consider bond expenditures for slum elimination.

The Housing and Slum Area Elimination Committee's findings received little consideration during the City's extensive promotional campaign that preceeded the November election. While the "Omaha Plan" campaign chairman, E.F. (Gene) Agee introduced a slogan contest in the public schools and other promotional activity, the World-Herald questioned the legitimacy of several Housing Committee recommendations. The newspaper wrote that the housing report called for urgent action but did not ask for public funds. It went on to call the condemnation proposals "over-zealous," claiming that many of these homes could be repaired, and suggested that the present housing shortage influenced the committee's findings. One proposal of the Housing and Slum Area Elimination Committee, the creation of a citizen advisory group, did succeed partially through the creation of the Omaha Improvement Commission. This commission, like four others established to spend the bond money, consisted of citizens, who served without pay, appointed by the Mayor. Poorly conceived, the commission held duties other than the administration of the bond money and often conflicted with the functions of the elected commissioners. This led to much confusion in municipal administration. The confusion influenced leading citizens in Omaha to review the city's charter and eventually adopt

Omaha World-Herald (Evening), 6 November 1946.

20 Ibid., 29 March, 29 April 1946.

a new charter in 1956. The same confusion, along with Mayor Leeman's disapproval of public tampering in housing construction, contributed to 22 the ineffective effort to rejuvenate the dilapidated residential areas.

Between the time of the Mayor's Improvement projects of 1946 and the adoption of a new charter in 1956, the city government and concerned citizens did make some attempt to confront the problem of urban blight. The Chamber of Commerce Improvement Council reported that the Mayor's Housing and Slum Area Elimination Committee denied the need for any state legislation in the area of slum clearance. The Slum Area Committee felt that the city possessed adequate condemnation powers for the razing of 23 decayed dwellings; however, this did not promote rebuilding. Prior to the Mayor's report, the Improvement Council of the Chamber sponsored slum clearance enabling legislation introduced in the 1945 state legislature, but the bill's hasty preparation caused it to be withdrawn. The Chamber of Commerce pursued slum clearance legislation to complement its efforts in developing a civic center in the Joslyn Memorial - Creighton University district. In 1946, F.J. Adams suggested to the Chamber that work should begin immediately to draft another area rehabilitation bill for submission to the 1947 legislature. Two members of the Chamber's City Improvement Council proposed that the Creighton University Law School be asked to

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Harold J. Muir, "The Formation and Adoption of the 1956 Omaha Home Rule Charter 1954-1956," (M.A. thesis, University of Nebraska at Omaha, 1969), pp.6-8.

<sup>22</sup> <u>Omaha World-Herald</u> (Evening), 7 May 1951.

<sup>23</sup> 

City Improvement Council, 1945-1946, Minutes, Meeting of 19 June 1946.

provide counsel for such legislation. The Council then hesitated on 24 attempting the legislation and decided to discuss the matter further. Before the City Improvement Council could reach a decision, it stopped meeting after the members complained that it was being confused with the new City Improvement Commission.

Mayor Leeman's successor, Glenn Cunningham, encouraged slum removal legislation and created a Slum Clearance Committee in 1950 to study the problem and to propose action. The committee unanimously called on the city to apply for federal slum clearance funds. It then endorsed enabling legislation, introduced by State Senators Charles F. Tvrdik, John Adams, Sr., and John J. Larkin, Jr., when the federal government approved the request from Omaha for funds, alloting just under \$1,200,000. Omaha's Slum Clearance Committee, wooing the support of business interests, stressed that the bill entitled private industry to construct any housing authorized 25 The incentive of federal money united Omaha's by the Housing Authority. real estate interests and the city government in support of slum clearance legislation although they differed over its content. An Omaha Real Estate Board representative, Lloyd M. Peterson, participating in a City Council discussion of the bill, explained the board's view. He said the board would favor the act upon the acceptance of the following amendments: (1) a slum clearance authority other than the Omaha Housing Authority should administer rehabilitation programs, (2) voters must approve any bond issues, and (3) the authority could only initiate projects within the city limits

Ibid.; Omaha World-Herald (Evening), 30 January 1945.

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Omaha World-Herald (Evening), 27 March 1951.

rather than ten miles beyond the boundaries as stipulated in the original 26 bill.

The Mayor's Slum Clearance Committee and the real estate interests came to terms over the legislation after agreeing on two compromise amendments. The committee gave in to the requests that authorized a new government agency to administer slum clearance and that confined the 27 authority's jurisdiction to Omaha's city limits. The bill, however, received additional overhauling on the floor of the legislature. Senator Larkin of Omaha, whose father was a member of the Omaha Housing Authority, successfully introduced an amendment that established the Housing Authority as the administering body. Moreover, Senator Earl Lee of Fremont amended the bill so that it required a City Council ordinance to approve slum  $\frac{28}{29}$ the Slum Clearance and Redevelopment Act which passed by a 31 to 5 vote.

The law defined slum areas as deteriorated sections of a city "conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, and is detrimental to the public health, safety, morals or welfare." Likewise it defined an area of blight as a "menace" to public health, safety, morals or welfare; the definition included tax delinquencies that surpassed the property values and confused titles of ownership. Blight, said the Act, generally hindered "the sound growth of the

26 Ibid., 29 March 1951.

28 <u>Omaha World-Herald</u> (Evening), 15 May 1951.

29 Ibid., 26 May 1951.

<sup>&</sup>lt;sup>27</sup>Ibid., 25 April 1951; Legislature of Nebraska, Committee on Labor and Public Welfare, <u>Committee Report</u> 26 March 1951, Legislative Bill 469, 62nd Session.

community; [it retarded] the provision of housing accommodations or 30 [represented] an economic or social liability."

Passage of the slum clearance bill did little to accelerate Omaha's municipal government towards aggressive action. The law required that a "general plan" for the city's entire future development be established before the authority could embark upon a redevelopment plan, and Omaha's Planning Commission at this time did not have such a "general plan." Also, the Omaha Housing Authority could not begin a slum clearance project without the cooperation of the City Council. The Council did pass an ordinance authorizing the Housing Authority to conduct a program in 1951, but it refused to approve a resolution designating the project areas that the Authority wished to renovate. The inaction of the City Council deterred 31 use of the slum clearance law.

In the years following the enactment of the slum law, a number of private and city groups attempted redevelopment activities that left very little imprint upon the rundown portions of the community. A committee founded by the Omaha Real Estate Board in 1953 directed a volunteer program of rejuvenation in the North Omaha neighborhood of Twenty-seventh and Hamilton Streets. That same year a number of civic groups, with the Junior Chamber of Commerce showing the most enthusiasm, busied themselves with "paint-up and clean-up" operations. The City Council set up a Neighborhood Conservation Board in 1954, but, having little power to do anything of substance, it proved ineffective. The board members, explained Charles

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31 <u>Ibid.</u>, section 6; Interview with Charles Peters, N.P. Dodge Company, Omaha, Nebraska, 19 April 1980; David E. Beber to A.V. Sorensen, 11 February 1958, A.V. Sorensen Papers, Public Library, Main Branch, Omaha.

Legislature of Nebraska, <u>Slum Clearance and Redevelopment Law</u> Legislative Bill 469 (1951), 62nd Session, sections 1, 3.

Peters, then Sales Manager of N.P. Dodge Company and a member of the Conservation Board, forestalled any hopes of progress by continually arguing amongst themselves. Arthur J. Hanson, member of the Small Property Owners Association and a City Commissioner in 1954, responded negatively to most of the important suggestions of the Conservation Board and, in Peter's opinion, contributed greatly to its ineffectiveness. The City Council abolished the Neighborhood Conservation Board after a year and a new Urban Renewal Office in the Public Property Department 32 took over its function with minimal progress.

In 1955, the Omaha-Douglas County Health Department tried to enhance knowledge of the conditions of problem housing. Cooperating with the U.S. Public Health Service, the department sponsored a seminar that instructed Health officials and the Director of the Urban Renewal Office, Joseph Mangiamele, on the technique of housing surveys and redevelopment work. A year later, the Urban Renewal Director and a citizen's group prepared a minimum standards housing ordinance which the City Council adopted. Shortly thereafter, Mangiamele left Omaha for Cornell University where he received a scholarship and a position as assistant to the director of housing research. He severely criticized City Hall politics before 34 departing, and lamented the absence of city planning.

Slum Clearance became an obsolete term as the federal government initiated the Urban Renewal program in the Housing Act of 1954. Emphasis

33 Committee on Area Redevelopment, pp.3-5.

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Omaha World-Herald (Evening), 1 August 1956.

Committee on Area Redevelopment, "City of Omaha Report of the Committee on Area Redevelopment" (Omaha, Nebraska: N.P. 1956), personal copy of Charles Peters, pp.3-5; Interview with Charles Peters.

on renewal by the Republican administration marked a turning point away from the Roosevelt and Truman era concentration on public housing toward a federally subsidized redevelopment of deteriorated sections which, along with residential renewal, could be applied to the rejuvenation of downtown areas. Application for the urban renewal program required the development at the local level of a "workable program." Describing the workable program concept, a Housing and Home Finance Agency pamphlet blamed, to a large degree, local mismanagement for the growth of urban blight, and it said local communities, as a whole, shouldered the res-35 ponsibility for redevelopment.

The urban renewal section in the 1954 act allowed the federal government to pay two-thirds of the cost of projects. The federal government required communities to meet seven prerequisites before they could claim to possess a workable program, and thus become eligible for funds. An aggressive enforcement of effective housing and health codes topped this list constituting a workable program, which also demanded the formulation of a master plan forecasting city growth. The community initially needed to review areas of deterioration for the purpose of determining methods of treatment. It also had to create a body to administer the program. Substantial finances at the local level for perpetuating improvement, housing for displaced persons, and support and participation from all parts of the community in the renewal effort completed the federal government's workable 36 program checklist.

Housing and Home Finance Agency, <u>The Workable Program</u> (Washington, D.C.: U.S. Government Printing Office, September 1955), personal copy of Charles Peters, pp.1-2.

Sometime in 1955 Milton Livingston, owner of a wholesale appliance company and strong supporter of the new Mayor, John Rosenblatt, lunched with Charles Peters and discussed how to get the City of Omaha started on urban renewal. Peters brought up the qualifications demanded by the 37federal workable program guidelines and related them to Omaha.

The meeting between Livingston and Peters led to the creation of another study group, the Area Redevelopment Committee. The Committee became one of many ad hoc citizen's groups that made up the Mayor's Planning and Development Committee. A.F. Jacobson, the president of Northwestern Bell Telephone Company, acted as the general chairman of the committee, which studied the general improvement needs of the city. Livingston became the chairman and Peters the vice-chairman of the Area Redevelopment Committee, comprised of sixteen city officials and business leaders. The membership included Joseph Mangiamele, David E. Beber, attorney for the Omaha Housing Authority, Claire E. Oneal, chairman of the Chamber of Commerce's Urban Development and Planning Committee, and Dr. Edwin D. Lyman, Omaha-Douglas County Health Director. The new committee attempted to bring the findings of the 1946 Improvement study up to date and determine the present condition of blight in Omaha. They found patches of deterioration in an area, north of the central business district, that roughly included Bedford Avenue to Cuming Street, and Twentieth to Thirtieth Streets; Cuming Street to Dodge, and Fourteenth to Twenty-fourth Streets. To the southeast of the central business district there was significant deterioration from Sixth Street east to the Missouri River and from the Union Pacific Railroad bridge south to Riverview Park.

Interview with Charles Peters.

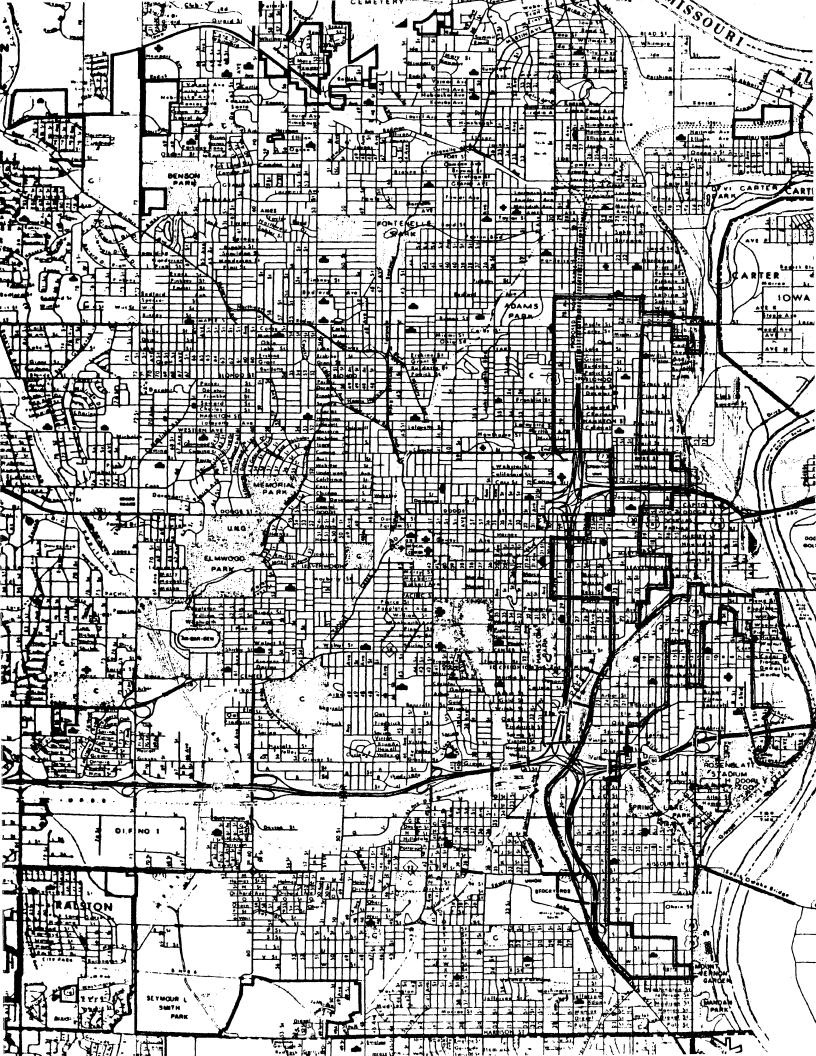
Spreading to South Omaha, the traces of blight stretched from Twelfth Street west to C.B. & Q. Railroad tracks to Mason Street south to Vinton Street. Scattered blight also surrounded the old South Omaha business district; it reached from Vinton Street north to Q Street, Twenty-fourth Street west to the railroad tracks. U Street south to Y Street and from the Missouri River west to the railroad tracks. Relying on 1950 census reports and on Urban Renewal Offices surveys, the committee considered 47 per cent of the houses in these areas substandard. The group judged a dwelling substandard if it had one of six deficiencies, relating to the absence of indoor plumbing, over crowding, 38 or structural damage.

The committee recommended a number of actions that the city government and private citizens should undertake to meet the workable program qualifications that would enable Omaha to apply for federal money. They commended the City Council's passage of a Minimum Housing Standards Ordinance that set a minimum standard to be followed in repair and maintenance of dwellings which authorized regular inspections of existing and new dwellings to enforce the law; they called for immediate inspection of the areas mentioned in the report. Other recommendations included the need for a professional planning staff, a city-wide-master plan, and the active cooperation of city officials and citizens. The report also bore a warning to the landlords of rundown property, as it advised the Douglas County Assessor to consider the owners' incomes from rent when assessing

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Committee of Area Redevelopment, pp.9-11; Mayor's Planning and Development Committee, "Omaha Plan" (Omaha, Nebraska: N.P. 1957), a copy in possession of the Greater Omaha Chamber of Commerce, see map on following page.



value to such property. This they hoped would help counteract the profitable practice of landlords accepting rent for property they left 39 in disrepair.

The sensitive nature of government intervention in the realm of a person's home became evident after the Area Redevelopment Committee reported its findings. Voices from the black community in Omaha declared that the areas named in the report as deteriorated reflected a racial bias. But the committee members, claiming they merely considered the "housing-stock," refuted the discrimination charges. More criticism came from the Small Property Owners Association, represented by an attorney Peter Marchetti, which filed suit against the minimum housing standards 40 ordinance and kept the law tied up in court for over two years.

Interest in urban renewal increased during 1956. While the Area Redevelopment Committee prepared its report, Omaha business leaders held an "All-Day Conference" on urban redevelopment attended by close to two hundred Nebraskans. E.F. Pettis, secretary-treasurer for the Brandeis store in Omaha, organized the gathering, which met 9 February 1956 at the Fontenelle Hotel, and A.F. Jacobson, continuing an apparent tradition among Bell presidents of leadership in urban redevelopment, acted as chairman of the conference. The Telephone Company president explained the object of the conference in three parts: first to make known the problems involved with urban renewal, second to find out what other cities were doing in this realm, and third to gain a better grasp of the services

<sup>39</sup> <u>Ibid</u>., pp.12-16.

<sup>40</sup> Interview with Charles Peters; Omaha (Nebraska) Chamber of Commerce, Minutes of the Meeting of the Urban Redevelopment and Planning Committee, 1957-1958, meeting of 17 December 1957. (Typewritten).

available to aid renewal. Following Jacobson's opening statement, speakers from Nebraska and other states gave presentations on a variety of urban renewal issues. Robert Mayer, Assistant to the Executive Vice-President and Director of Public Relations of the National Retail Dry Goods Association from New York City, talked on the "Rebuilding of Downtown." Downtown, he acclaimed, represented the nation's social and cultural center as well as the crossroads of our economy. He supported his promotion of downtown redevelopment with examples of projects in other cities like Philadelphia that had a development plan, encompassing 10,000 41 acres, including the entire downtown area. His speech illustrated well the trend to tie the revitalization of downtown business districts to the urban redevelopment program.

An Omaha attorney, Ralph Svoboda, also spoke at the conference. His theme, "Land Assembly," touched upon the sensitive area of government involvement in an assumed private area. He argued that society had evolved in such a fashion as to create problems in urban centers beyond  $\frac{42}{42}$  the ability of private enterprise to remedy. In short, private enterprise did not find area redevelopment immediately profitable; thus, the federal government needed to provide an incentive.

Svoboda then criticized the term, "slum clearance," because of its derogatory connotations that insulted the residents of the specified locale and talked of different degrees of blight. He claimed that the term, "slum," might describe the conditions of eastern cities where the authors of federal law resided, but the term exaggerated the extent

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Legislature of Nebraska, Committee on Government, <u>All-Day Conference</u>, included in hearing records of 6 March 1957, Legislative Bill 431, 68th Session, Office of the Clerk, Nebraska State Legislature.

of Omaha's blight. In addition, he addressed the criticism of the power of eminent domain:

The present properties are owned by people, many with pride in their possessions. Therefore, in order to evolve a composite, over-all plan which will apply to everybody without discrimination, you have to resort to the sovereign right of eminent domain, condemnation or expropriation. That has the aspect of socialism. But the law is not socialistic. After the acquisition is accomplished, then the law returns the subject to free enterprise. Thus the composite is a combination of a socialistic law and a return to the principles of free enterprise.<sup>43</sup>

The question of equity and the propriety of allowing private developers to realize a profit from the development of condemned property never surfaced in Svoboda's speech. Using the power of eminent domain for area redevelopment had not yet become a public issue.

A third speaker, Dr. Edwin Lyman, gave evidence for the need of removing urban blight by relating these conditions to physical and mental health. Dr. Lyman did not discuss the difference between slums and blight, nor did he correlate different degrees of health problems to one or the other. He discussed Health Department maps that traced the incidence of infectious diseases like hepatitis, venereal disease and tuberculosis and showed these diseases derived from the blighted areas and spread to the other parts of the city. He also noted the detrimental influence of living 44 in poor housing on the mental state of the residents.

In an editorial reporting on the conference, the <u>World-Herald</u> pointed to the unity among the group of public servants and business leaders in attendance. The newspaper also wrote that revised state legislation would be necessary to begin an urban renewal program, and considering the response of the people at the meeting, its passage was assured.

The World-Herald's prediction proved accurate as the 1957 state legislature amended the earlier slum clearance law to conform with the federal urban renewal law. The new state bill, now called the Urban Renewal and Redevelopment Law, pertained to cities of primary and first class status in addition to metropolitan cities. Also the word, "substandard," replaced the term, "slum," as a defined area. The definition of substandard areas included specific language, which the 1951 law did 16 not contain, relating to nonresidential areas. One change from the old law, an amendment that required a vote of the people to establish an urban renewal authority, became a major point of contention between the supporters 47 and opponents of urban renewal in the years to come. This section of the law received much attention after the voters in Omaha rejected the creation of an authority along with the other proposals of the multi-million-dollar Omaha Plan of 1958.

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During the ten years after World War II, civic leaders discussed often the need for corrective action in the deteriorating section in Omaha. The acknowledgement of the problem, however, failed to evolve into constructive action, and as the studies of 1946 and 1956 showed, the conditions worsened. In 1946, the members of the Housing and Slum Area Elimination Committee recommended urgent action to reverse the deterioration in some neighbor-

Omaha World-Herald (Evening), 11 February 1956.

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Legislature of Nebraska, <u>Urban Renewal and Redevelopment Law</u> Legislative Bill 431 (1957), 68th Session, section 1-4.

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Urban Development and Planning Committee, 1956-1957, Minutes, Meeting of 25 April 1957.

hoods north and south of the central business district. They asked financial institutions to formulate a mortgage plan which would enable the poor residents to obtain funds for home improvements. Also, they noted that the municipal government had neglected the North Omaha area, which housed most of the city's black population, and urged the City Commissioners to provide better services. Yet no altruists emerged to undertake the corrective measures.

In 1951, two years after the federal government introduced area redevelopment, the Nebraska Legislation passed a slum clearance bill. The Omaha City Council, in the same year, accepted redevelopment as a government responsibility and authorized the Omaha Housing Authority to initiate clearance programs. The politicians, however, blocked concrete action by refusing to approve the Housing Authority's selection of areas for redevelopment. By late 1955 and early 1956, a large number of area leaders welcomed the new urban renewal program as a good opportunity for the community and for business. Unlike the 1946 proposals, the federal redevelopment program did not appeal solely to an unselfish sense of community; it also offered financial gain for businessmen. The Chamber of Commerce, many realtors and downtown business interests enthusiastically accepted urban renewal, and the Housing Authority, avoiding publicity, began preliminary plans for a program east of Creighton University.

## CHAPTER III

## A DOUBLE REJECTION: THE URBAN RENEWERS TURNED AWAY BY THE VOTERS AND THE LEGISLATURE

The first public confrontation over urban renewal originated with a multi-million dollar bond election held in the spring of 1958. The bonds supported a city improvement package called the Omaha Plan that overawed the voters who totally rejected it. A heated debate surrounded the urban renewal section of the proposal and fogged the issue in an emotional furor that was perpetuated with each new attempt by the promoters to develop a program. Renewal in the Omaha Plan witnessed a shift away from the concern expressed by the Slum Area Elimination Committee in 1946 for the clearance of substandard residential areas towards the redevelopment of an area closer to the downtown. A greater interest in urban renewal by the Omaha Chamber of Commerce accompanied this shift.

Between 1956 and 1958 Omaha's urban renewal efforts gradually increased as the Rosenblatt administration moved to comply with the federal government's workable program requirements. A fear of opposition from the public and special interest groups persuaded the Omaha Housing Authority to begin discreetly the preparations for redevelopment. The Housing Authority, in October of 1956, petitioned the national government for funds to conduct a preliminary study of a deteriorated area designated in the Mayor's Area Redevelopment Committee report. Federal approval of the study led to a contract with the Leo A. Daly Company, which surveyed the project area that encompassed Sixteenth to Twenty-fourth Streets and Dodge to Cuming Streets. This comprised part of the central business l district and territory immediately to its north. The Daly report counted 53 percent of the area's housing substandard and concluded that nearly 2 80 percent required some improvements.

A month after the federal government provided funds for the study, Omaha adopted a new city charter, and the Mayor, after the new form of government went into effect the following spring, directed his department heads to study the needs of the city and make recommendations to conform with the six-year capital improvements plan required by the Chamber. Much of the improvement study burden went to the newly created Planning Department headed by Alden Aust. The Rosenblatt administration, following the provisions of the charter, tried to develop a competent professional aplanning staff to coordinate the many facets of urban growth.

Completion in June 1957 of the "Omaha Plan" report by the Mayor's Planning and Development Committee contributed to the capital improvements initiative of the city. The findings of the Area Redevelopment Committee, which presented data and recommendations on substandard areas

Omaha (Nebraska) Chamber of Commerce, Minutes of the Meeting of the Urban Development and Planning Committee, 1956-1957, Meeting of October 11, 1956, (Typewritten) located in the basement of the First National Bank Building, Omaha; Leo A. Daly to A.V. Sorensen, 17 January 1958; David E. Beber to A.V. Sorensen, 11 February 1958, A.V. Sorensen Papers, Public Library, Main Branch, Omaha, Nebraska.

<sup>&</sup>lt;sup>2</sup>A.V. Sorensen Scrapbook, clippings of the <u>Omaha World-Herald</u>, 13 February 1958, hereafter indicated by S.S., located in Public Library, Main Branch, Omaha, Nebraska.

<sup>&</sup>lt;sup>3</sup>A.V. Sorensen, "A Report on Omaha Housing Conditions, Substandard Housing Facilities and Urban Renewal," (Omaha, Nebraska: N.P. 1960), p.10, personal copy of Charles Peters; Evening World-Herald (Omaha) 10 March 1958.

in 1956, furnished the basis for redevelopment suggestions under the "Omaha Plan." The report attributed the perpetuation of blight to overcrowding, structural deterioration and unwise land use. Some dwellings even displayed damage caused by the 1913 tornado. The committee listed three objectives to slow, stop and reverse the spread of blight: 1) the conservation of standard areas, 2) the rehabilitation of areas in the early stages of regression, and 3) the redevelopment of areas deteriorated beyond repair. The document also urged that the Omaha Urban Renewal Director be given adequate authority to provide the interdepartmental coordination necessary to deal with the multiple aspects of renewal and preservation. Again the redevelopment group's emphasis on the energetic enforcement of the minimum standards ordinance appeared along with a recommendation for \$50,000 to be budgeted annually for its administration.

Addressing the Chamber of Commerce's Urban Development and Planning Committee on 19 December 1957, Charles Peters, vice-chairman of the Area Redevelopment Committee, explained the importance of the minimum standards housing ordinance. He said that the litigation over the ordinance presented a serious obstacle for any federally funded redevelopment plan. But, referring to a conversation with City Attorney Herbert Fitle, Peters assured the committee that the legal objections blocking the enforcement of the ordinance could be overcome by minor amendments. The City Legal Department, however, decided to delay drafting the corrective amendments until the Mayor appointed an Urban Renewal Director as provided under the

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Mayor's Planning and Development Committee "Omaha Plan" (Omaha, Nebraska: N.P. 1957), pp.11, 13, a copy in possession of the Greater Omaha Chamber of Commerce; Interview with Charles Peters.

new city charter. Mayor Rosenblatt eventually appointed Harold Kort as Director of Urban Renewal in April of 1960. The position had remained vacant since the resignation of the embittered Director, Joseph Mangiamele.

Content with tentatively shelving the minimum standards housing ordinance, the Mayor and leading businessmen concentrated on the capital improvement projects in the Omaha Plan. The plan encompassed a variety of municipal improvements that included the customary civic interests in streets, sewers, parks, police and fire departments as well as the more controversial undertaking of urban renewal. The Omaha Plan, as offered to the voters in its final form, differed from the "Omaha Plan" report presented to the Mayor in the spring of 1957. Department heads of the city government and the Omaha Development Council, a private volunteer group of leading businessmen led by A.F. Jacobson, combined their labors to produce the 1958 Omaha Plan and the thirteen bond issues proposed to 7 finance it.

In response to Mayor Rosenblatt's call for capital improvement recommendations, city officials developed an 82 million dollar Cabinet Plan. The Omaha Development Council, after reviewing the 1957 report, presented its own Omaha Plan proposals to "give city government freedom to plan ahead for . . . badly needed facilities with continuity . . . " The programs closely corresponded, and the two groups coordinated their

Urban Development and Planning Committee, 1957-1958, meeting of 19 December 1957.

<sup>&</sup>lt;sup>6</sup>Omaha World-Herald, 16 June 1960, S.S.

Omaha World-Herald (Evening), 10 March 1958, 15 April 1958; Omaha World-Herald, 18 June 1958, S.S.

efforts during the winter and spring of 1958 to perfect the final Omaha 8 Plan.

Mayor John Rosenblatt portrayed urban renewal as a reimbursement of federal tax dollars to inspire public support. He tried to impress upon the people that their tax money paid for renewal projects in other cities and that Omaha should wake up and take advantage of the federal program. Three of the bond proposals, \$4,480,000 for public libraries, \$2,700,000 for urban renewal, and \$1,000,000 for a cultural center, formed the Omaha Plan's redevelopment portion. The Omaha Housing Authority. especially through the efforts of Attorney David Beber who worked closely with the Chamber of Commerce, prepared the groundwork for the urban renewal project. Throughout the early planning of the redevelopment scheme, the sponsors mistakenly believed that the Omaha Housing Authority could administer an urban renewal program upon its approval by the City Council. Under Nebraska's original slum clearance legislation of 1951 this assumption was correct. But, unknown to urban renewal planners of Omaha, a 1957 bill, not introduced by Douglas County Senators, changed the enabling legislation to require a vote of the people to grant authority to administer redevelopment.

Unaware of the new legislation, the Omaha Housing Authority continued to coordinate the preliminary plans before the bond election. The federal government approved the initial proposal based on the Daly Company survey and agreed to provide \$5,600,000, or two-thirds of the project cost. The

Omaha World-Herald (Evening), 10 March 1958, 15 April 1958.

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Omaha World-Herald, 1 June 1958, S.S.

<sup>10</sup>Legislature of Nebraska, <u>Slum Clearance and Redevelopment Law</u> <u>Legislative Bill 469</u> (1951), 62nd Session, section 2, 4; <u>Urban Renewal and</u> <u>Redevelopment Law Legislative Bill 431</u> (1957), 68th Session, section 3.

City of Omaha was to pay the remaining third. Next, the Housing Authority began to formulate the project details as required by the federal government. This included an appraisal of all the properties in the area, a plan for overseeing acquired property before razing and a relocation plan for people displaced. Urban renewal guidelines also demanded that the City Planning Department describe how the redeveloped 11 district would fit in with Omaha's overall development.

The Omaha Housing Authority arranged a contract with Robert C. Hastings to appraise, within ninety days and at a cost of \$39,000, the nearly five hundred buildings in the area. And, for an additional \$17,300, the Housing Authority hired the Leo A. Daly Company to continue its planning efforts. The Housing Authority paid the firm of Beber and Richards for 12 legal aid and employed Wurgler and Company to photograph each building.

In the tentative plan, an interstate highway, stretching between Chicago and Cass Streets, immediately north of the central business district, and cutting through the whole area, divided the sixty-four block renewal territory. South of the interstate the planners envisioned a complex of public and cultural buildings, and to its north they perceived a residential and a commercial district with parks and primary school facilities. The plan projected twenty-two acres of apartments for residents and restricted 13 occupation to the elderly and families without children. During the Omaha Plan's preparation, the area housed 750 families and a thousand

Il Urban Development and Planning Committee, 1957-1958, Minutes, Meeting of 20 February 1958; <u>World-Herald</u> (Omaha) 13 February 1958, S.S. 12

Omaha World-Herald, 13 February 1958, S.S.

<sup>13</sup>Ib<u>id</u>., 13 February 1958, 27 April 1958, S.S.

individuals, and according to the Chamber of Commerce's Urban Development and Planning Committee, "non-whites" made up close to fifty 14 of the families.

For the most part, the urban renewal advocates did little to explain how the program would influence black residents, and they avoided the question of discrimination. This avoidance of the issue illustrated the slow response in many northern cities to the growing civil rights activities in the South. Still, black Omahans did have spokesmen like George H. Robinson, executive secretary of the Urban League, who bemoaned the peculiar housing problems of his race. After attending a Regional Urban Renewal Conference in Kansas City, Robinson informed the Urban Development and Planning Committee of concerns expressed by minorities about the inadequate maximum mortgages, \$7,600 to \$8,600, insured by the federal government ro help displaced persons. Some participants at the conference believed the low amount would lead to the creation of slums. In addition, he told the committee that often the "emotional displacement" inherent with relocation caused more harm than the "physical displacement." During the year that followed Robinson's report on minorities and urban renewal, the Chamber's committee on Urban Development seldom addressed the topic and never mentioned the issue of open housing during its promotion of the Omaha Plan. Although the proposed redevelopment area

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Omaha World-Herald, 1 June 1958, S.S; Urban Development and Planning Committee, 1957-1958, Minutes, Meeting of 20 February 1958.

Urban Development and Planning Committee, 1957-1958, Minutes, Meeting of 21 February 1957; Gilman G. Udell, ed., <u>Home Owners' Loan Acts and</u> <u>Housing Act</u> (Washington: United States Government Printing Office, 1966), p.492.

contained a few minority families, it was located south of the heart of the black community. The territory formed a transitional businessresidential district.

Near the time that debate over the Omaha Plan began, George Robinson stated the realities of new housing opportunities for black residents in The Omaha Star, a weekly newspaper in the largely black Near North Side. He said, "In the past decade two dozen major private housing sub-divisions were developed in the Omaha areas -- none were open to Negroes. Between 1952 and 1957, 13,293 new homes were built -- only 32 . . . were available In spite of his concern for the limited housing to Negro buvers." supply for minorities and the personal anguish suffered by residents put out of their homes by urban renewal, Robinson and the Urban League, which was headed by "white liberals," supported the Omaha Plan as did This newspaper, which concentrated on national minority The Omaha Star. news, only once mentioned the capital improvement plan and never described the urban renewal project prior to the week of the bond election. A May issue reported on a national Urban League program, the sponsoring of a periodic Urban Renewal Institute, that had begun two years earlier and had become one of the chief interests of the organization. The institute in 1958 reviewed the housing problem of blacks while it pointed to the hardship 18 on all people undergoing relocation. The story reflected a recent but growing awareness for civil rights and a concern for the welfare of the country's poor citizens.

The Omaha Star, 28 February 1958.

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<sup>17</sup>Interview with Dr. Claude Organ, Physician, Omaha, Nebraska, 20 November 1980.

<sup>18</sup>The Omaha Star, 14 March 1958, 9 May 1958.

Turning to local news, four days before the bond election, an editorial in <u>The Star</u> gave support to the total Omaha Plan. The endorsement came in general terms that commended the efforts to improve the environment of the city, and in a somewhat vague paragraph, it alluded to the significance the plan would have for the North Side residents.

Will all of Omaha benefit by the Plan? No community can progress beyond any segment that helps to make the total community. North, South, East, West Omaha comprise the whole. Any improvement in either section and all the rest benefit too. Granted, the benefits are in varying degrees. There are peculiar aspects working acutely against the degree of benefit in certain areas. The Omaha Plap can make significant contributions to this situation.

In the same issue, the Omaha Development Council sponsored an advertisement that quoted Charles Davis, a black attorney, who referred to the new jobs and the recreation benefits the Plan would create. The business elite, promoting the bonds, stepped up their campaign in North Omaha several weeks before the election. The Urban League and the Omaha Metropolitan Community Council arranged a public meeting in the Near North Side to "more thoroughly acquaint" the residents of the area with the Plan's benefits. The results of the meeting were never mentioned in <u>The Omaha</u> Star.

City-wide promotion of the Omaha Plan and its redevelopment proposal started months before the June election. Omaha Housing Authority Chairman, John Larkin Sr., who, in February, introduced the preliminary urban renewal 21 plan, assured the people that the project included no public housing. Most of the dialogue about the improvements centered around the \$40,492,000

19 <u>Ibid.</u>, 13 June 1958. <sup>20</sup><u>Ibid</u>., 6 June 1958. 21 <u>Omaha World-Herald</u>, 13 February 1958, S.S. bond proposals. A.F. Jacobson, speaking for the Omaha Development Council, explained that passage of the plan would increase the mill levy from 5 to 6 1/2 mills, which would be within the 7 mill limit set in the city charter. There would also be a 50 percent increase in the sewer use fee to be used to fund part of the Omaha Plan. The City Council, led by President A.V. Sorensen, unanimously passed a resolution that accepted the "broad scope" of the Omaha Plan. Then a month later on April 15, the Council heard the first reading of an ordinance for the bonds and only briefly discussed them after the presentation of a letter from the Omaha Development Council. The letter, signed by notable Omahans such as Dale Clark, Leo A. Daly, Robert H. Storz and Peter Kiewit, attested to the 22 careful preparation over several years of the improvement recommendations.

Omaha's daily, the <u>World-Herald</u>, supported the bonds and published excerpts of a brochure prepared by the Friends of the Omaha Plan, a campaign group that included George Robinson among its members. Noting Omaha's population increase of 50,000 people in the last decade, it related the importance of a physical housecleaning to the ability of the city "to <sup>23</sup> compete as a first-class community." William Coibion, a representative of the Daly Company, described the financial soundness of the urban renewal proposal that would allow Omahans to "lift the face" of aged, rundown sections of town. Coibion appealed to potential tax benefits to induce popular acceptance of renewal. He predicted that the revenue would increase from \$170,000 a year to a minimum of \$500,000 after development of the area, and as a result, the redevelopment project would pay for itself

Ibid., 9, 18 March 1958; 15, 16 April 1958; <u>Sunday World-Herald</u> Magazine, 2 May 1958.

<sup>&</sup>lt;sup>23</sup>Omaha World-Herald, 23 April, 16 May 1958, S.S.

in three and one-half years. More tax dollars for the city from the refurbished district then could be used to undertake renewal in other deteriorated sections. And, he concluded, if voters defeated the Omaha Plan, the revenue received from the area would shrink and residents in 24 other portions of the city would have to cover the additional cost.

Attorney James F. Green, vice-chairman of the Friends of the Omaha Plan, underplayed the high cost of the Plan in a speech to the group's women's division at the Sheraton-Fontenelle Hotel. He warned the women not to despair over criticisms of the cost because the benefits gained 25 justified the price, which did not jeopardize the city's finances. The money issue, however, raised considerable opposition.

Opponents of urban renewal voiced objections to the Omaha Plan at a boisterous public hearing held in the City Council Chambers. Over three hundred people listened for three-and-a-half hours to pro and con arguments over the Plan. A <u>World-Herald</u> report noted that most of the people speaking against the bonds lived in the area selected for urban renewal. The first to speak, Brian Reilly, charged that the renewal planners had not fully disclosed the project's cost and denounced them for trying to tax the people into debt. He also lashed out at the <u>World-Herald</u> for giving a one-sided view, and he bemoaned the absence of other daily papers that would stimulate a fuller presentation of the facts of the Omaha Plan. Tempers at the meeting heated up when members of the audience booed a speaker arguing for the educational and cultural benefits

24 Ibid., 27 April 1958.

<sup>25</sup>The <u>Omaha Star</u>, 6 June 1958.

<sup>26</sup>Om<u>aha World-Herald</u>, 23 April 1958, S.S.

offered in the proposals. The heckling prompted a man to stand and ridicule the crowd for belittling the educational opportunity. His outburst, as reported in a newspaper story promoting the cultural center, incited a burst of applause louder than any other response that 27 evening.

Robert Hastings, the appraiser hired by the Omaha Housing Authority, again explained that higher tax returns after redevelopment would defray the expense of the program. He also sought to refute the opposition at the hearing which contended renewal would bankrupt the city. The landlords of the old properties, Hastings said, not the tenants, sounded most of the discontent at the meeting. "The big, old homes in the area, some of them 75 to 78 years old, have many rooms and they bring in much rent, even at low rates." He said the high total rent income enabled the landlords to demand high prices from the developers who had tried to implement better uses for the land. Hastings noted that the land would be opened for bids after the Housing Authority acquired it and that the  $\frac{28}{28}$ 

Not long before the public hearing, City Attorney Herbert Fitle, said the <u>World-Herald</u>, "found that the state enabling laws were amended in 1957 requiring . . . voter approval before participating in urban renewal projects with the Federal Government." The discovery of the revised legislation precipitated a quick change in wording of the proposed bond ballot. Fitle explained that along with the urban renewal bond

27 Ibid., 1 June 1958.

28 Ibid., 24 April 1958. Omahans would be asked to vote on the authorization of urban renewal.

The Omaha Plan came up for a final reading of the City Council the week after the public hearing. The Council voted five to two in favor of the Omaha Plan. The majority included Council President A.V. Sorensen, Warren Swigart, William P. Garvey, Harry Trustin and N.P. Dodge. Councilman Dodge had become one of the most vocal supporters for urban renewal after his appointment to the Council following Sam W. Reynolds' resignation in March. An aspiring realtor, Dodge headed his own company which concentrated on subdivision developments. Councilmen Albert Veys and James Dworak delivered the no votes. A second vote, approving the special election, passed with a slimmer margin. In a four to three split the Council set the special election for June 17. Dworak, Veys and Swigart voted no because they preferred to put the bond proposals on the general election in November. Councilman Veys, expanding upon his negative vote a week later, said he opposed the Omaha Plan in its present form and specifically criticized the urban renewal section. Rather than an authority, Veys wanted elected officials to operate the renewal program. Councilman Dworak supported Veys in asking for a postponement until November for the bond elections; he added that the cost needed considerable trimming. Over a week before the June 17 election Dworak publicly pledged himself against the total Omaha Plan. Conceding that the plan contained some needed improvements, the young, brash Councilman claimed to have an improvement plan of his own that would cost \$20,000,000 less than the 30 proposed plan.

29 Ibid., 15 April 1958.

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Ibid., 30 April 1958, 12 March 1958; 6, 9 June 1958.

The electorate shared Dworak's misgivings about the total Plan. Voters defeated the bond issues by almost a five to one margin. Every section of the city rejected the bonds; only two precincts, at Omaha University and at Dundee Presbyterian Church, tallied votes in favor of all the proposals. The urban renewal bond proposal lost by a vote of 56.880 to 12.046, and the voters similarly turned down the Cultural Center, which would have been built in the redevelopment area, 57,954 31 to 10.645. In South Omaha the urban renewal bond lost by the greatest margin, thirteen to one. The old inner city districts voted more heavily against the renewal bond than did the newer fringe sections. North Omaha ranked second with a defeat ratio of six to one, while the Dundee and West Omaha area voted two to one against it. The fourth area, Benson, defeated urban renewal by a four to one margin. Commenting on the results, Alfred C. Kennedy, a partner in the real estate firm McFarland & Kennedy, Inc., believed the people voted against the size of the Omaha Plan. Kennedy, who represented the third generation of his family in Omaha real estate, faulted the strategy of the bond promoters for using "too and not enough . . . ordinary citizens in many big names . . . 32 speaking for the bond issues.

Omaha Housing Authority Attorney David Beber and City Planner Alden Aust concurred with Kennedy's interpretation of the election outcome. Attorney David Beber lamented the loss of the federal capital grant and declared the urban renewal project dead. Yet, he said, the preliminary plans made prior to the election would aid any further attempts to revive

31 <u>Ibid., 18 June 1958.</u>

<sup>&</sup>lt;sup>32</sup> Urban Development and Planning Committee, 1958-1959, Minutes, Meeting of 25 September 1958; John Farris, ed., Who's Who in Nebraska, 1940 (Lincoln, Nebraska: Nebraska Press Association, 1940), p.348.

the issue. Members of the Urban Development and Planning Committee favored another try at urban renewal sometime in the future, and Kennedy mentioned that a representative from ACTION, a national private service organization that promoted good environmental development for cities, offered to help Omaha establish a redevelopment program at a more ad-33 vantageous time.

Mayor Rosenblatt also expressed regret over the loss of \$6,855,000 in federal funds offered to develop an urban renewal program and to help finance an air terminal. The airport and sewer bond issues, two of the Omaha Plan proposals, reappeared on the ballot of the November general election. This time the Mayor and City Council successfully impressed the people with the need for better sewers and the bond passed. The airport bond, however, lost though by a slimmer margin and once again jeo-34 pardized Omaha's claim to over a million dollars in federal money. The City Council did not consider placing the urban renewal issue on the fall ballot, and a city improvement plan, 20 million dollars cheaper than the Omaha Plan, alluded to by Councilman Dworak the previous spring never materialized.

Soon after David Beber proclaimed urban renewal dead, Mayor Rosenblatt and the City Council put the issue in Omaha's lobbying program in the Nebraska Legislature. Among the proposals city officials drafted was an amendment changing the redevelopment law of the state to designate the City Council as the urban renewal authority. The change would eliminate the need of a direct vote of the people to allow city participation in

Urban Development and Planning Committee, 1958-1959, Minutes, Meeting of 23 September 1958; Sorensen, "A Report on Omaha Housing," p.36.

<sup>&</sup>lt;sup>34</sup>Omaha World-Herald (Evening), 5 November 1958.

urban renewal. The proposed amendment further encouraged private development with a tax incentive that would freeze for ten years the assessment value of land purchased by redevelopers at the value assigned to the property the year before its acquisition. The bill also provided for an additional fifteen year period in which developers would be taxed only on half of the increased value of the land and the improvements. Looking forward to acceptance of the proposal, the City Planning Department selected three areas in North Omaha within the boundaries of Sixteenth to Thirtieth Streets and Cuming to Nicholas Streets for urban renewal projects, and one section just southeast of the downtown and west of the Burlington 35and Union railroad stations.

A more optimistic David Beber told the Chamber of Commerce Urban Development Committee on 12 March 1959 that, "urban renewal was here to stay." His encouragement stemmed from the introduction of the urban renewal legislation, LB 345, and its revision which would transfer the administration of redevelopment from an authority to the municipality, thus eliminating the need for electorate approval. If accepted, the bill would still require a vote of the people on bond issues. The Urban Development and Planning Committee moved to support the legislation after Chairman Claire Oneal, implying that Omaha was missing out, said that thirty-eight states had begun urban renewal programs. Trouble, however, accompanied the renewal legislation from the start.

Late in January 1959, Mayor Rosenblatt, frustrated over the Douglas County legislator's delay in introducing a majority of the Omaha proposals,

Omaha World-Herald, 21, 28 December, 1958, S.S.

<sup>&</sup>lt;sup>36</sup>Urban Development and Planning Committee, 1958-1959, Minutes, Meeting of 12 March 1959.

sent a three man delegation to Lincoln. Arthur D. Bradley, Jr., the City Council's administrative assistant, and two Assistant City Attorneys met with the Omaha legislators and persuaded them to introduce all but one of the bills. Senator Michael Russillo sponsored the urban renewal bill. The Home Builders Association then pressed the city to amend the legislation to satisfy their objections. The Omaha Chamber of Commerce, because of its support for LB 345, received a series of complaints from the builders. David Beber, without explaining the details of the objections, notified the Urban Development and Planning Committee that city and building representatives had solved the differences through compromise amendments. What proved to be a fatal objection to the bill 37 came from a powerful state senator from Scottsbluff, Terry Carpenter.

The opposition of Senator Carpenter contributed to the early death of the bill in the Government Committee. Lobbyists for the Small Property Owners Association won Carpenter's help in 1957 when he pushed through the amendment that required voter approval before a city could embark on urban renewal. Threatened by the possible development of urban renewal in Omaha if the City Council gained administrative powers, the Small Property 38 Owners Association (SPOA) again sought Carpenter's aid. The Senator was the first opposition speaker during the public hearing of the Government Committee for LB 345. Arguing that "there is only one section that

<u>Omaha World-Herald</u>, 20, 21 January 1958, S.S.; Urban Development and Planning Committee, 1958-1959, Minutes, Meeting of 12 March 1959; Interview with Peter Marchetti, Attorney, Omaha, Nebraska, 7 May 1980.

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38 Legislature of Nebraska, General File Amendment to LB 431 by Senator Terry Carpenter adopted 23 April 1957, clipping attached to Legislative Bill 431, Library, Nebraska Legislature; Interview with Peter Marchetti.

has any meaning and if that section were stricken then the city wouldn't want the bill," he implied that the city officials of Omaha only sponsored the bill to eliminate the voters' control over the enactment of urban renewal. Attorney Peter Marchetti, representing the SPOA, followed Carpenter. Marchetti delighted in organizing flamboyant presentations at the legislature. Almost a decade earlier, in an attempt to stir the emotions of the Nebraska state senators, he displayed a veteran with a Seeing Eye dog at the legislative chamber during a successful attempt to remove rent controls. In 1959, he again showed a flair for the dramatic by proclaiming his group attending the hearing, "the people's opposition to the city hall's organized bill." The SPOA proved an effective pressure group at the state level; however, it spent little money or time can-39 vassing the electorate when urban renewal appeared on the ballot. The people, as the vote against urban renewal in the Omaha Plan showed, needed little convincing to defeat the proposal.

After Marchetti described himself and his troops as the champions of the people against the powerful city government, he attacked the use of eminent domain, under the guise of urban renewal, as a horrible abuse of the police power. He called the legislation a give away and said, "it strikes at the fundamental sacred right of the ownership of private property." A number of speakers, many of whom Marchetti staged, gave emotional pleas against the bill. A Lincoln missionary, labeling the bill, "pernicious," hailed private enterprise as the source of America's greatness. The

Legislature of Nebraska, Committee on Government, Minutes of public hearing on 18 March 1959, Legislative Bill 345, 69th Session, Offices of the Clerk, Nebraska Legislature, p.2; Interview with Peter Marchetti.

missionary also indulged the committee with a story of a widow, the mother of two children, who might be in danger of losing her hard 41 earned home if the bill succeeded.

Much of the criticism of the bill pointed to the powers it awarded the governing bodies of metropolitan, primary and first class cities. Arthur Hanson, a close associate of Marchetti and President of the Small Property Owners Association, said the bill took power away from the people and gave it to a majority of the City Council. Armed with eminent domain, the City Council, he warned, could seize land "from good honest hard-42 working citizens."

Several other opponents offered personal objections that touched on concrete difficulties with the bill. Two Omahans criticized the insufficient compensation paid to persons displaced by eminent domain. A man who had lost property by eminent domain complained about having to accept government's dictated price. Omahan, Pauline Brandenburgher, testified that she owned a small beauty shop in an area selected for renewal and would be unable to replace it with the compensation the government would pay. Eugene Blazer, an Omaha lawyer, saw the bill as "a gimmick for the 43 benefit of downtown at the expense of the rest of the city."

The Omaha city officials and business leaders supporting the bill primarily emphasized the financial benefit the city could expect with an amended redevelopment act. Ben Wall, an Assistant City Attorney in Omaha, argued that without a "workable urban renewal act" federal money would bypass Nebraska. He explained the proposed bill would permit selective

41 Legislative Bill 345, public hearing, p.2. <sup>42</sup><u>Ibid</u>., p.3. 43 Ibid. renewal whereby the city would acquire only the substandard buildings in an area. The 1957 law, he said, required that the city seize every piece of property in the project area. Another Omahan, City Planning Director Alden Aust, commented on the amendment to establish the City Council as the authority; he said the city wanted "the authority to go back to . . . the elected representatives of the people." This, he claimed, would render the law more "responsible to the will of the people." James Green, speaking as a private citizen, said urban renewal would benefit the community by raising land values, and Ernest Zschau, City Affairs Manager of the Omaha Chamber of Commerce, added the Chamber's support of the bill, which he thought offered a "tool" to " improve . . . 44 cities."

The Government Committe rejected the Omaha proposal and, following Senator Carpenter's wish, killed the bill. In the opinion of a majority of the committee, the 1957 law satisfied the renewal needs of cities while the proposed legislation would have granted the municipalities 45too much power.

Recovering from the legislative defeat, the Chamber and other urban renewal promoters let the issue rest until 1960. With the beginning of the sixties, the renewal interests approached the issue with an increased vigor that started with the appointment of Harold Kort as Urban Renewal Administrator and continued for three years.

<sup>44</sup> <u>Ibid</u>., pp.1-2.

<sup>&</sup>lt;sup>45</sup>Legislature of Nebraska, Committee on Government, Statement on LB 345, 19 March 1959, Office of the Clerk, Nebraska Legislature.

## CHAPTER IV THE OMAHA CHAMBER OF COMMERCE WINS A "WORKABLE" URBAN RENEWAL LAW

Still frustrated over the rebuff of the electorate of urban renewal in the Omaha Plan, the promoters believed that only by removing the vote requirement in the enabling legislation could the city hope to establish a redevelopment program. The effort to amend the state law, which the Chamber of Commerce sponsored, dominated the activities of the renewers during the first two years of the sixties. The main thrust of the revision gave the City Council power to create an urban renewal authority that, with Council approval, would administer area redevelopment programs. The Omaha Chamber of Commerce accelerated its urban renewal activities in the early 1960's, as did local Chambers in other cities, even though the National Chamber of Commerce officially opposed the federal program. The local organizations viewed federal aid as a practical way of revitalizing depreciated areas. In 1960, Robert Peterson, an attorney and chairman of the Chamber's subcommittee considering the redevelopment legislation, echoed the words of progressive housing reformers from the early 1900's when he said, "... urban renewal cannot be accomplished by voluntary methods . . . it must be done by compulsory methods."

Less than one year after the 1959 legislative defeat, Omaha city officials and Douglas County legislators reviewed the likelihood of

Omaha (Nebraska) Chamber of Commerce Minutes of the Meeting of the Urban Development and Planning Committee, 1960-1961, Meetings of 20 October 1960, 28 September 1961, (Typewritten) located in the basement of the First National Bank Building, Omaha (Nebraska).

passing urban renewal legislation in 1961. Among the city politicians, Mayor Rosenblatt and Councilman Dodge supplied most of the enthusiasm for renewal. They thought it ironic that Omaha, being one of the fastest growing cities in the country, had not yet joined the many other developing cities participating in urban renewal. The Mayor predicted that with federal assistance East Omaha could be transformed into a leading industrial tract, but he suggested that the city should first undertake a smaller more concentrated project to show the people what urban renewal could do. State Senator Michael Russillo, who introduced the 1959 redevelopment bill, agreed that the initial project should be kept small. He, however, saw little chance for passage of a renewal bill in the 1961 legislature.

Referring to an adversarial relationship between the city and the rest of the state, Councilman Dodge and Senator William Moulton also doubted that the legislature would pass an Omaha renewal bill. N.P. Dodge warned that success at the state capitol depended on the Council members solving their differences and presenting a united effort in favor of the legislation. Senator Moulton saw the relationship of Omaha with the remainder of the state as "poor and getting worse." He advised city officials to <sup>3</sup> limit the 1961 legislative proposal to a few noncontroversial bills. Faced with the rural/urban polarization in the legislature and the division within the City Council, the urban renewal legislation issue smoldered until late summer of 1960.

Meanwhile, on 1 April 1960, Mayor John Rosenblatt, exercising a prerogative the city's urban renewal advocates had waited on since the

A.V. Sorensen Scrapbook, clippings of the <u>World-Herald</u> (Omaha) 2, 5, 11 February 1960, hereafter indicated by S.S., located in Public Library, Main Branch, Omaha (Nebraska).

<sup>&</sup>lt;sup>3</sup> <u>Ibid</u>., 5, 11 February 1958.

enactment of the 1956 city charter, appointed Harold Kort as the Omaha Urban Renewal Director. Kort had been the chief milk sanitarian for the Omaha-Douglas County Health Department. The appointment came several days after the Small Property Owners Association presented the City Council with a resolution that asked to eliminate the position. The SPOA had stated "this is one bureau that could well be disposed with for a time at least." The Charter authorized the director to develop conservation. rehabilitation and renewal programs for run down and deteriorating sections of the city. The duties also included the enforcement of the minimum standards housing ordinance. The new director, with the aid of the city's Legal Department, immediately moved to revise the the housing ordinance that the SPOA helped render impotent by litigation initiated in 1956. The revision, in the form of six corrective amendments, clarified the enforcement authority of Kort and the inspectors, allowed the inspectors to enter homes if the occupants consented, or by court warrant if they refused. The amendment also provided for an appeal board and altered the law to conform with code regulations. In August, two months after Kort completed the changes, the City Council unanimously passed the minimum standards amendments.

The Chamber of Commerce requested that the city supply Kort with a competent staff, but, inherent in the renewal issue, a controversy soon arose over the qualifications required of applicants for the jobs. To

Omaha World-Herald, 25 March 1960; North Omaha Sun, 16 June 1960, S.S.; Omaha (Nebraska) Chamber of Commerce, Omaha Profile, July 1959-June 1960, 23 June 1960, located in the basement of the First National Bank Building, Omaha, Nebraska; <u>Dundee and West Omaha Sun</u>, 1 December 1960, A.V. Sorensen Papers, Public Library, Main Branch, Omaha, Nebraska.

begin with, Kort had felt that after Council acceptance the enforcement of the minimum standards amendments would require a staff of four inspectors; however, after the amendment passed, Mayor Rosenblatt authorized him to hire only two inspectors. Then the job qualifications Kort drew up triggered objections from Dr. Edwin Lyman and the City-County Health Department. The health officials, preferring the requirement of a college degree, opposed the minimum requirements which demanded applicants have two years of college and two years of experience. Dr. Lyman, in a letter to the City Personnel Director, specified that the qualifications should require knowledge of the relationships between housing and health. He expected that the inspectors be familiar with certain diseases such as infectious hepatitis, tuberculosis, venereal and mental diseases. He wrote that the Health Departments in many cities, including Lincoln and Denver, directed the inspection under their housing laws. The World-Herald noted, "His letter made clear the Health Department's continuing concern that urban renewal be recognized primarily as a public health problem." The Personnel Board, not accepting the wishes of the Health Department, accepted the original qualifications which Kort drafted.

City officials resumed discussion of the redevelopment legislation shortly before the passage of the housing amendments. Mayor Rosenblatt, in greeting an official of the Housing and Home Finance Agency, declared that "the city's official family" supported the development of urban renewal, but in truth not all of the City Councilmen shared his enthusiasm.

Omaha World-Herald, 6 September, 25 November 1960; North Omaha Sun, 16 June, 25 August 1960, S.S.

Councilman James Dworak continued to balk on renewal legislation and undermined the influence of the Council as a lobbying force for the bill. Further complicating the legislative planning, several Douglas 7 County legislators opposed renewal legislation.

The Mayor and Council President Sorensen, at a City Council meeting in August, restated the importance of full Council support to insure the success of an urban renewal proposal. The political split on federal urban renewal present during the Omaha Plan vote continued, and Councilman Veys, who voted "no" in 1958, stalled Council discussion when he asked for more information about the legislative intentions of the city. Councilman N.P. Dodge, a solid urban renewal backer, declared redevelopment the "biggest undone job in Omaha." The deterioration circling the downtown district could be corrected, the realtor said, but the expense of renewal prevented civic action without the help of federal funds. Debate in the council chamber about the issue provoked a clash between Dodge and James Dworak. Councilman Dworak criticized the federal program as a "giveaway" and a further stimulus to inflation. He also pressed Dodge for a response about the charges of corruption in several city's redevelopment programs uncovered in the periodical, Human Events. Dodge, in return, questioned the reliability of the publication and promised an answer after he saw the article. The tension in the chamber prompted Sorensen, fearful of a split decision, to postpone a vote on the renewal legislation.

8 <u>Omaha World-Herald</u>, 10 August, 4 September 1960, S.S. 9 Ibid., 14 September 1960.

North Omaha Sun, 15 September 1960; Omaha World-Herald, 4 October 1960, S.S.

The weekend before the Dodge-Dworak confrontation, Robert E. Garrigan, the regional administrator of the Housing and Home Finance Agency stationed in Chicago, arrived in Omaha on the invitation of Harold Kort. The Urban Renewal Director had arranged the visit early in September with the purpose of gaining more information about the federal program and clarifying the local responsibilities required for participation. On the Sunday that Garrigan arrived, he and Kort drove around the city and made a brief inspection of the housing conditions. The federal administrator considered property deterioration near the inner city serious, but he noted that Omaha did not have a large area of slums. He said the city contained "pockets" of blight that would spread if left unattended. Speaking to the Mayor, the City Council and private citizens interested in redevelopment, Garrigan outlined what the city must do to qualify for federal funds. First the city had to remove the "legal obstacles" by changing the urban renewal law of Nebraska; then, he suggested that steps be taken to educate the public and to begin a small pilot project. He stressed that the success of a program also hinged on the investment of private capital. Sorensen offered the passage of the minimum standards ordinance as evidence of the Council's interest in 10 improved housing and said that body would also support a renewal program.

While Dodge and Dworak battled verbally over the issue, A.V. Sorensen emerged as an energetic supporter of urban renewal. The week after Dworak's outburst, Sorensen traveled to Washington to gather facts on both sides of the issue. The City Council tabled discussion of the redevelopment bill until Sorensen returned; however, not all those attending the Council

Omaha World-Herald, 4, 9 September 1960; North Omaha Sun, 22 September 1960, S.S.

meeting remained silent. George Thomas, editor of <u>The Greater Nebraskan</u>, delivered a lengthy attack on federal urban renewal at the end of the session. Revealing himself as a paranoid super patriot, the editor called urban renewal "a key part of a master Communist plot." Coverage of Thomas' tirade in the North Omaha Sun reported that Councilman Dodge left during the middle of the monologue while the remaining Councilmen sat nervously fidgeting until he finished. The newspaper wrote that "Thomas managed to link urban renewal with the presence of Russian Premier Kruschev and other Red leaders at the United Nations . . ., "and he 11 foresaw a red coup in the making.

Concentrating on the more threatening critics of urban renewal, Omaha's Urban Renewal Administrator addressed the general misgivings of Dworak about the issue and his reference to corruption in redevelopment schemes in other cities. Harold Kort, looking back to the 1949 national housing law, attested to the general acceptance of federal involvement in housing and slum clearance and reminded people that hundreds of other communities received federal aid. As for the charges that corruption would accompany the seizing of the property of a person to be used by someone else, he noted the possibility of abuses in any financial investment, government or private. He denied that any truth existed in the assumption that a redevelopment program would destroy the only low-cost housing stock affordable to the poor people. Some of the rents charged for substandard dwellings, which Kort said were as high as seventy-five dollars per month, could pay for 12 better housing. Kort failed to say what proportion of the substandard

North Omaha Sun, 22 September 1960, S.S.

12 North Omaha Sun, 22 September 1960, S.S.

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apartments rented for seventy-five dollars, nor did he explain why the tenants stayed in these homes if they could afford better living conditions. There was no mention of racial restrictions and nothing was said of the emotional attachment of some people to their neighborhoods, which George Robinson had brought to the attention of the Chamber of Commerce in 1957. The renewal supporters continued, as they had during the promotion of the Omaha Plan, to avoid some of the basic issues related to the urban renewal concept such as the expanded role of government in a complicated society. 13 The people, in turn, continued to spurn the program.

The Urban Development and Planning Committee of the Chamber of Commerce shared the concern of the Mayor and of the Council President about the disunity in the City Council. The committee led the Omaha Chamber of Commerce in a vigorous effort in the fall of 1960 and the spring of 1961 to secure a workable urban renewal law in the legislature. During a September meeting, the Urban Development Committee reviewed its contribution to the Chamber's 1960-1961 "Speak Up Omaha" program, a general promotional campaign, contained a plan to push Omaha forward on urban renewal. Point fourteen of the program, calling on the city to fund the urban renewal department sufficiently, recommended immediate enforcement of the minimum standards ordinance. It also outlined a public education plan that involved luncheon club speakers and seminars for women's groups. Attorney Ralph Svoboda underlined the importance of obtaining a new redevelopment law, which he considered an essential step in saving the downtown as a viable business 14 The preoccupation of the Chamber with the renewal of downtown district.

A.V. Sorensen to author, 23 October 1980.

<sup>14</sup> Urban Development and Planning Committee, 1960-1961, Minutes, Meeting of 15 September 1960.

illustrated a priority difference among the redevelopment promoters, some of whom emphasized residential renewal.

The week after George Thomas informed the Council of the red threat, A.V. Sorensen returned from Washington and expressed a better understanding of federal urban renewal and the regulations it imposed on cities. Sorensen, soon after his arrival, visited for the first time the blighted sections of the city. The tour awakened the Council President to the degree of Omaha's problem and, in his own words, left him "ashamed and heartsick." He urged the Council to take a close look at urban renewal as a method of improving the situation. Acknowledging the improvement of the condition of the poor as a government responsibility, Sorensen said, "We must do something about housing for our poor people. We have a serious and terrible 15 situation." He recognized, however, that dealing with the complexities of the housing problem would take time, and, now better informed of the dimensions of the workable program, he concluded that the city should delay legislation until 1963. The slow progress of Omaha in conforming to the workable program prerequisite warranted the postponement. The city had not yet begun structural inspection under the minimum standard law, nor had the Planning Department completed a master plan. Above all, city officials could not claim to have public support of redevelopment. The Council President explained, "it would be humanly impossible to [comply] . . . in less than 18 months." Preparation could take as long as two or three 16 years.

City Planning Director Alden Aust disagreed with Sorensen's perception

Omaha World-Herald, 26, 28 September 1960, S.S.

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Ibid., 4, 13 October 1960.

of the workable program status of Omaha and the two men debated the issue for a week in early October. Aust maintained that the activities leading to the urban renewal proposal in the Omaha Plan satisfied the federal regulations. The disagreement, which they quickly resolved, sprang from the City Planner associating the Certificate of Approval which the federal government granted in 1958 to fund a planning project, with federal acknowledgment of a workable program. In his own report on Omaha's housing problem and urban renewal, Sorensen notified the Mayor that he and Aust had cleared up the misunderstanding. Aust conceded that conditions in Omaha demanded several years of action before the require-17ments could be met.

Confronting the fundamental question of federal responsibility in housing, the Sorensen report offered a perceptive promotion of urban renewal as it related to Omaha. The completeness of the defeat of the Omaha Plan and its urban renewal provision along with the success of the Small Property Owners Association's "peoples campaign" tactic employed to retain the vote requirement in the Nebraska redevelopment law reflected a conservative attitude in Omaha voters. The people regretted and distrusted government expansion and increased government spending. Sorensen understood the distrust of the people posed a serious, if not the most crucial, barrier to developing a renewal program.

A significant portion of the report outlined in simple terms the evolution of federal redevelopment since the 1949 law and stressed the

Omaha World-Herald, 4, 13 October 1960, S.S.; A.V. Sorensen, "A Report on Omaha Housing Conditions, Sub-Standard Housing Facilities and Urban Renewal," (Omaha, Nebraska: N.P. 1960), personal copy of Charles Peters, N.P. Dodge Company, Omaha, Nebraska.

broad bipartisan acceptance of federal responsibility in housing. Since 1954 urban renewal had become, as described by President Eisenhower, "... a practical way for our citizens, in the towns and cities of America, to get rid of their slums and blight." Congress solidified the role of the government in slum and blight elimination by passing new legislation each year since the first Eisenhower bill. Even in the presidential campaign debates a week prior to the report's completion, both John F. Kennedy and Richard M. Nixon viewed housing and urban renewal as a federal responsibility. Sorensen stressed the reality of the rapidly growing national bureaucracy and said federal intervention must be 18 accepted.

In his support of urban renewal, Sorensen revealed himself as a pragmatic rather than a philosophical advocate of the growth of federal government power. Contrary to a 1955 statement in the workable program pamphlet of the United States Government that municipal mismanagement bore the responsibility for the growth of slums; he said the national government had "usurped" urban financial resources through taxation. The federal government received 75 percent of the taxes paid by Nebraskans. He said that Omaha could not be expected to clear up the blight with the insufficient income afforded by the property tax. Although critical of Washington's dominance in taxation, Sorensen admitted that the national income tax imposed the greatest burden of payment on the corporation and the wealthy -- "those most able to pay." The localities, relying on the property tax, weighted down the middle income groups, or "citizens of average means," which limited municipal revenue resources. He argued

Sorensen, "Omaha Housing Conditions," pp.12-21.

that given access to additional tax sources, Omaha and other cities 19 could resolve their problems alone.

The City Council President next addressed the problem confronting Omaha in the rural-dominated state legislature. The difficulty the city had in getting a fair return on the state gas tax exemplified the problem. Sorensen, urging the Unicameral to give citizens more access to federal assistance, said " . . . if you feel that the Federal Government should not contribute to the well-being of the people living in cities, I would remind you that the Department of Agriculture budget is some six billion dollars annually for less than 20% of the population. The majority of 20the people in Nebraska live in metropolitan areas. . . . "

The Sorensen report, more so than the previous studies, tried to put a face on blight by describing specific cases of human problems or disease outbreaks rather than emphasizing bare statistics on substandard housing. In the report, Sorensen cited old age of dwellings, profiteering landlords and, above all, community apathy as the factors that caused and perpetuated residential blight in Omaha. He criticized city government the least because of the scarcity of funds. Much of the blame he attributed to the indifference of the people, who could force improvements if aroused. Portraying the housing problem as a community health hazard, Sorensen hoped to stimulate people's concern for the issue with evidence of disease and accidents in the poor housing districts. Dr. Lyman provided Sorensen with a list of health incidents which occurred during the fifties. A 1952 hepatitis epidemic, the worst case listed, infected one

19 <u>Ibid</u>. <sup>20</sup>Ibid. thousand persons throughout the city after breaking out around two public housing projects, the Terrace Homes of South Omaha and the Fontenelle Homes of the Near North Side, and in East Omaha. Other cases in the substandard districts included rabid dog bites, rat bites, diptheria outbreaks in 1954 and 1955 which resulted in sixtyeight documented cases and caused five deaths, and several discoveries 21of pulmonary tuberculosis.

Sorensen's report basically defined the housing problem as a health concern and associated urban renewal with residential improvement. The recommendation for a two-year wait before introducing new redevelopment legislation sparked the Omaha Chamber of Commerce, which underplayed residential redevelopment and emphasized downtown rejuvenation, to accelerate its renewal activities. Chairman K.W. Emanuelson, of the Urban Development and Planning Committee, on 20 October 1960, preempted the planned agenda to discuss the recent urban renewal developments. The committee decided to try to pressure the City Council into going ahead with the redevelopment legislation in 1961. A majority of the members, including Robert Petersen, A.C. Kennedy and Ralph Svoboda, favored advancing the legislative efforts with or without the full support of the City Council. At the next meeting, Robert Petersen, chairman of the subcommittee considering the redevelopment legislation, said that amending the present law would have a better chance of success than passage of a new bill. The subcommittee members who worked with Petersen included David Beber, Ralph Svoboda and Claire Oneal. The key amendments, formulated by the subcommittee, would eliminate the popular vote required to create

21 <u>Ibid</u>. a program and would drop the reference to the Housing Authority.

With the Chamber of Commerce determined to initiate urban renewal legislation regardless of the City Council's disposition, Council President Sorensen tried to rally broad support for the proposal. He, again underscoring the fundamental importance of widespread citizen support, petitioned business, professional, labor and political leaders for their "vital" help in establishing a redevelopment program. Sorensen suggested that a citizen's group be created to research the renewal needs of the city and to outline a plan of action. The politicians of Omaha, however, set their priorities to self survival in the upcoming spring election. The Chamber of Commerce continued as the major catalyst behind the urban renewal legislative proposal.

The chairman of the Chamber's Urban Development and Planning Committee described the legislative situation as highly volatile. The sponsors of the legislation had run into a problem with the Lincoln renewal promoters who leaned towards seeking voter approval of a program rather than a change in the law. Chairman Emanuelson cautioned that the ever-changing circumstances demanded that the Chamber carefully plan each step in pursuit of the legislation. By the second week in January the situation improved when the Lincoln Chamber of Commerce gave tentative support to a proposed bill following a compromise arranged with its sponsors. Soon after Lincoln's acquiescence the Omaha Chamber began to draft the legislation. The Lincoln group had agreed to striking the vote provision for cities of metropolitan and first class status in return for retaining the vote

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Urban Development and Planning Committee, 1960-1961, Minutes, Meetings of 20 October, 17 November 1960.

<sup>&</sup>lt;sup>23</sup>Omaha World-Herald, 13 December 1960, S.S.

stipulation for primary cities such as Lincoln.

Comment upon the redevelopment issue from politicians in Omaha came mostly through campaign rhetoric. The Mayoral race attracted considerable attention stirred by the difference between the contestants, James Dworak and James Green. Their conflicting positions on urban renewal stood out in the press coverage as Dworak stuck to an antifederal aid position and proposed to renew blighted areas with the minimum standards housing ordinance and private capital. The Councilman defined his candidacy as an alternative for the "people who are sick and tired of being dictated to by a handful of financial and social giants. . . ." In contrast, candidate Green advocated a three front approach to redevelopment which combined private and public renewal. The first relied on a domino reaction starting with a private investor improving one building on a deteriorating block. Such a redevelopment chain reaction followed the opening of the Cooper Theater in downtown Omaha where six private improvement projects sprang up in the same area. The other private method depended on the city government outlining pilot improvement projects on paper. The city would then offer the plans to private investors or neighborhood cooperative groups to carry out. Green, who had supported actively the renewal section of the Omaha Plan, approved of the federal urban renewal program as the third approach.

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During the political campaign, the Urban Development and Planning Committee steadily gathered support and planned its legislative strategy.

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Urban Development and Planning Committee, 1960-1961, Minutes, Meetings of 13 December 1960, 12 January, 9 February 1961.

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Omaha World-Herald, 13, 19 January 1961; North Omaha Sun, 27 April 1961, S.S.

Attorney Ralph Svoboda spoke to the Real Estate Board and forwarded to the Chamber of Commerce the Board's decision to support the legislation. A long-time supporter of urban renewal, Charles Peters of the N.P. Dodge Company, agreed to represent the realtors at the legislative hearing. At a March meeting, the Chamber committee began orchestrating plans for the legislative hearing on the renewal bill. The members wanted to organize a group of speakers with carefully arranged topics to prevent repetition. They discussed busing a party of three hundred persons, provided with box lunches to ensure an early arrival and space in the hearing room, to demonstrate widespread support. The opponents, Svoboda predicted, would concentrate their attack on the proposed elimination of the people's direct vote. He advised that the proponent speakers be coached to counter this argument with references to the requirement of the bill that the City Council must approve each project at four distrinct stages of development. Also, he said, the right to petition for a referendum was an added safequard against potential abuse.

Omaha's Urban Renewal Director attended the same meeting and fielded questions on the present condemnation powers of the city. Kort explained that when the city condemned and tore down a building, the poor condition of surrounding structures often discouraged rebuilding. The urban renewal approach took in a whole area and lacked the problems of the piecemeal method. The condemnation law also made no provision for relocating the evicted people, although Kort said his department admitted a "moral responsibility" to direct the people to other service agencies. Still, the

Urban Development and Planning Committee, 1960-1961, Minutes, Meeting of the 16 March 1961.

housing situation in Omaha made relocation difficult for people. The few public units of the city fell far short of supplying an accessible alternative because of a long waiting list. Recent federal action shorted the maximum FHA loans from forty to twenty years and further limited the choices of displaced persons. The administrator of the local Federal Housing Administration branch explained that displaced people who wished to remain in the same locale often would be prohibited from obtaining loans because many of these areas were ineligible for FHA approval. The Urban League, coming under the leadership of black presidents such as Dr. A.B. Pittman and Dr. Claude Organ, became dis-27 enchanted with the restrictive practices of the local FHA program.

The Legislature's Government and Military Affairs Committee cancelled the original April date for the hearing of the urban renewal bill introduced by Omaha Senator John Munnelly. Meanwhile, Robert Petersen and the Urban Development and Planning Committee persisted in soliciting various civic organizations to come to the pending hearing on buses which the Chamber provided. Harold Kort announced that the Nebraska Association of Sanitarians supported the bill. Yet internal conflict in the Omaha Urban League tempered George Robinson's offer to organize a bus load of supporters. "Negroes," he said, "needed a guarantee on the availability of alternative housing." The influential realtor, A.C. Kennedy, answered that a crucial housing problem existed on the North Side and that the community must act. Another established realtor, John R. Maenner, thought residential redevelopment attracted too much consideration while the city's rundown industrial and commercial areas

Urban Development and Planning Committee, 1960-1961, Minutes, Meetings of 16 March, 17 November 1960; Interview with Dr. Claude Organ, Physician, Omaha, Nebraska, 20 November 1980.

demanded extensive renewal efforts. He suggested that Omaha select a 28 site along the Missouri river for the first renewal project.

Before the legislative hearing convened, Omaha voters picked James Dworak as mayor in spite of Mayor Rosenblatt's endorsement of James Green. Although Dworak won by a slight margin, 33,450 to 32,834, the results contained grave implications for federal urban renewal in Omaha. Also the voting pattern significantly resembled that of the Omaha Plan. South Omaha, which most heavily voted against the Omaha Plan, showed the strongest support for the Mayor-elect, while Green fared best in the west central area of town, which included strong showing in the University of Omaha precinct. Among the City Council winners, South Omahan Albert Veys, who opposed urban renewal in the Omaha Plan, gained the most votes. Arthur Bradley, administrative assistant of the City Council and urban renewal 29 advocate, finished last of those winning Council seats.

<u>The Omaha Star</u>, the Near North Side weekly newspaper, linked the emergence of a new breed of Negro leaders to the Dworak victory. A young black attorney, Wilbur Phillips, campaigned for the Mayor-elect and, according to the <u>Star</u>, was a popular speaker before white audiences because of his frank, honest presentation of minority problems. The paper perceived the favorable response given to Phillips as a sign that white Omahans respected those who "speak up against injustice." It hoped the example would stimulate the older black leaders, who it accused of accommodation to the status quo, into action that would improve the conditions of their 30 race.

Omaha World-Herald (Evening) 5, 10 May 1961.

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Urban Development and Planning Committee, 1960-1961, Minutes, Meeting of 20 April 1961. 29

The Omaha Star, 12 May 1961.

Only one of Omaha's elected politicians, James Dworak, appeared in Lincoln the day of the Government and Military Affairs Committee hearing on urban renewal legislation. The Chamber's support group was 240 people short of their goal of 300. Still, the advocates of easier urban renewal procedures put on a persuasive performance before the committee. Three urban renewal bills were offered. Omaha Senator Michael Russillo introduced LB 97 that also proposed to eliminate the vote stipulation for creating an urban renewal authority. He immediately withdrew this bill, upon studying LB 433, the legislation sponsored by the Chamber of Commerce, for he determined it to be better. Senator John Munnelly described, in general terms, LB 433 which expanded the duties of the urban renewal authority, omitted the Housing Authority as administrator and adapted redevelopment by private enterprise to the federal urban renewal law. He failed to mention the controversial portion which eliminated the vote of the people. The opponents of urban renewal introduced a third bill that retained a requirement for a vote of the people.

A Lincoln attorney, Charles Thone, led the group of urban renewal supporters gathered by the Omaha and Lincoln Chambers of Commerce and introduced each speaker. Members of the Chamber of Commerce and real estate groups dominated the line up of proponents whose interests varied from the redevelopment of downtown to the reversal of residential deterioration. The testimony, more so than at past hearings on slum clearance, revealed a concern for the housing predicament of minority groups. K.W. Emanuelson blamed the rapid growth in Omaha in the last decade as a

Legislature of Nebraska, Committee on Government and Military Affairs, Minutes of public hearing on 11 May 1961, Legislative Bills 97, 433, 269, 72nd Session. Office of the Clerk, Nebraska Legislature.

cause of problems for minorities. The 1960 Census revealed a 54 percent net increase of the black population of Omaha, while the white 33 population grew by 18 percent. Emanuelson said these problems were "redevelopment and housing requirements" which the proposed legislation could correct. Also, he made it a point to tell the committee that the housing plight was not solely a minority issue since "white people" as well as "engroes, indians and other races" lived in the run down areas. He added that the redevelopment of downtown should be a part of urban renewal, and he spoke at length on the potential of the bill to provide the necessary financial means to accomplish redevelopment. Admitting that private investors avoided such redevelopment because of the high risk involved, Emanuelson said the legislation permitted the city to assign a three-quarter mill levy for redevelopment and allowed the urban renewal authority to accept funds from charities. Letters of support from Carl A. and Eda A. Anderson Foundation and the Eugene C. Eppley Foundation, Inc., potential contributors to renewal projects, complimented Emanuelson's argument. The provision in the bill for local financing 34 then would enable cities to qualify for matching federal funds.

The Chamber of Commerce knew its bill's elimination of the vote requirement would stimulate the most controversy. Emanuelson pointed out to the Committee that the Omaha City Council, as the representative of the

32 <u>Ibid.</u>, pp.2-3. 33 <u>The Omaha Star</u>, 5 April 1963. 34 Legislative Bills, 97, 433, 269, public hearing, p.3. 77

voters and the ultimate overseer of renewal, would safeguard the rights of the people. The legislation gave the Council the option to submit the establishment of an urban renewal program to a vote of the people. It also authorized the city governing body, which would possess power to create an Urban Renewal Authority, to vote approval of selected redevelopment sites; it provided for a City Council vote on any property acquired; and the bill required the Omaha City Council to decide annually whether or not to con-35tinue the three-quarter mill levy.

A representative of the Lincoln Chamber of Commerce, Willard Townsend, presenting a signed statement of support from his community's Development Corporation and Downtown Development of Lincoln, Inc., re-emphasized the potential of the bill for downtown redevelopment. The make-up of the Lincoln contingency at the hearing suggested that the municipal government in the capital city met the renewal issue with more enthusiasm than the Omaha city government. The Mayor of Lincoln had created an Urban Renewal Citizens Participation Committee while Mayor Rosenblatt had yet to act on a recommendation by City Council President Sorensen to establish a similar body. Two members of the Lincoln citizens' group spoke at the hearing. The chairman, Lawrence A. Enerson, submitted a report on Urban Renewal in Lincoln to the committee and noted the Lincoln City Council favored giving its constituents a chance to vote on the issue. Enerson, who along with holding the chairmanship of the Citizens' Committee, said he represented the Chamber of Commerce, the Nebraska Real Estate Association and the Lincoln Board of Realtors. The groups he identified with indicated that 36 similar interests in Lincoln as in Omaha backed the urban renewal movement.

The majority of proponent speakers came from Omaha, and they represented a broader range of interests than did the Lincoln party. Leaders from business, labor and civic groups spoke of urban renewal's benefits to the community and to their own interests. The Very Reverend Carl M. Reinert, President of Creighton University, liked the bill. He voiced a concern for the blight surrounding the school and feared this deterioration would foster a derogatory image of the university and stifle growth plans. In 1962 Creighton officials had decided to keep the school in the area just north of downtown and to try to reverse the deterioration. Because the conditions had not improved, he said that the school had designated six blocks near campus as off limits to students. George F. Wruck of the Associated Retailers of Omaha, Inc., and Richard Nisley of the AFL-CIO offered the support of their organizations to the bill. The job possibilities of urban renewal attracted the labor leader who said the city of 37 Omaha did not have any "decent" low cost housing.

Two other speakers commented on the residential benefits of urban renewal. One, the realtor Charles Peters, who represented the Omaha Real Estate Board, spoke of people's tendency to isolate themselves from broad community problems. He pointed to illness and delinquency, the human problems associated with blight. Dr. A.B. Pittman, the first black president of the Omaha Urban League, believed urban renewal would help the Negroes of Omaha and described the pitiful living conditions suffered by many of his race. In Omaha "less than 10 percent of [the] homes are owned by negroes," and Pittman said there were 15,000 homes housing blocks that lacked "private toilets, running water" and other modern facilities. He praised urban renewal as the answer to minority housing problems and confidently felt that

<u>Ibid.</u>, pp.4-5.

displaced Negroes would obtain better, affordable housing.

Not all black Omahans felt as Dr. Pittman did. State Senator John Adams, Sr., who represented Omaha's Near North Side, denounced the bill for trying to take away the rights and property of black residents. Though co-sponsor of Nebraska's first slum clearance legislation in 1951, Senator Adams called the bill the "most contemptible that has ever been entered into [the] Legislature." A strong critic, Reverend C.C. Adams, who spoke for the Home Owners' Protective Association, referred to a history of restrictive housing in Omaha and asked to see where blacks would be allowed to live after losing their homes. He decried, as perpetuating the status quo, the policy of building housing projects in slum areas. C.C. Adams directly challenged the practice of the Omaha housing industry, saying "pass the bill only if it says he can buy wherever he age wants to buy a house."

The Small Property Owners Association and Attorney Peter Marchetti once again led the bill's opponents, who claimed to be fighting for the American way of life. The Association, as the sponsors of the legislation predicted, concentrated its attack on the amendment which removed a mandatory vote of the people. The removal of the vote and the permission to levy a tax would eliminate all the protections insured the people in the current law. Arthur Hanson joined Marchetti in condemning the encroachment of the federal government. He forwarded a message from Glenn Cunningham, then a United States Congressman, who changed his stance from approval to disapproval of urban renewal. The former Omaha mayor, Hanson said, had become displeased with the misuse of eminent domain in

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Ibid., pp.3-4.

<sup>3₽</sup> Ibid., pp.7, 9.

many programs. The future Mayor of Omaha, James Dworak, restated his view against federal redevelopment. Dworak's position differed from the SPOA, for he thought that enforcement of the minimum standards housing ordinance could clean up Omaha's blight. The SPOA, which appeared to care little about blight, also disliked the housing ordinance, Other organizations united with the Small Property Owners Association in opposing the bill. One speaker, Mike Stefacek of Omaha, claimed to represent fifteen to twenty thousand people belonging to the Association of Civic Clubs of Douglas County, the Better Omaha Club, the Westside Civic Club and others. He cited the vote against the Omaha Plan and the election of Dworak as mayor, after he had denounced urban renewal on television and on radio, as proof of Omahans' unreadiness for the federal Stefacek said that the Association of Civic Clubs of Douglas program. County actually worked now for many improvements recommended in the Omaha Plan. Nevertheless, he disliked the high-handedness of the urban 40 renewal promoters and feared they would ignore the rights of the people.

Several opponents from Omaha and Lincoln emphasized the elite social status of the backers of the bill and viewed the legislative debate as a struggle between the wealthy and the wage earner. A man from Benson district of Omaha said, " . . . the only way we are going to tear down the elite that [control city government] is to stop subsidizing the government." In a clouded perception, the Benson resident viewed urban renewal as a socialistic plot of Omaha's business leaders. A Lincoln woman, Winifred Lewis, who avoided any reference to socialist tendencies, noted the "well-dressed" appearance and the "comfortable . . . good in-

40 Ibid., p.7. comes" of the Lincoln renewal promoters. She read the proclamation of human rights in the State Constitution and then said the power to be 41 granted an urban renewal authority would violate these rights.

The Chamber of Commerce's bill authorized the mayor to appoint the members and the City Council to approve the selections. By contrast, the opponents had their own urban renewal bill, LB 269, which allowed for the people to elect the members of an urban renewal authority. Peter Marchetti of Omaha and Elinor Brown of Lincoln spoke in favor of the bill, which Senator Sam Klaver also of Omaha, had introduced. They explained that it would give the people some direct input in the urban renewal process. Both Marchetti and Senator Klaver noted that LB 269 would be unnecessary if the committee killed LB 433, thus preventing a change in  $\frac{42}{42}$ 

Following three-and-one-half hours of testimony, the Government and Military Affairs Committee adjourned and postponed a decision on the two bills. Committee chairman Kenneth Brown of Red Cloud expected a close vote on whether to kill or to advance LB 433. Moreover, backers of the bill proposed several controversial amendments. One amendment would retain for Lincoln and first class cities the provision which created an authority by a vote of the people. Another revision would permit the Omaha City Council to create an authority with or without voter approval. A front-page story in <u>The Lincoln Star</u> focused on the opposition to LB 433 of Omaha Mayor-elect James Dworak. The former Councilman restated his opinion that the vigorous enforcement of the minimum standards

41 <u>Ibid</u>., p.8. 42 <u>Ibid</u>., p.9. 43

<sup>7</sup><u>Omaha World-Herald</u>, 12 May 1961, S.S.; <u>Omaha World-Herald</u>, 12 May 1961, A.V. Sorensen Papers.

housing ordinance would solve the blight problem.

The Government and Military Affairs Committee dropped LB 269 and sent LB 433 to the legislature for consideration. The renewal sponsors confronted firm opposition to the bill. Ralph Svoboda, reporting at an Urban Development and Planning Committee meeting after the hearing, said the SPOA organized a strong lobbying effort with Douglas County senators, who wished to defeat the amendments that would eliminate the vote requirement for Omaha. He stressed that the Chamber members could help the situation by contacting different senators. Father Linn of Creighton University proposed to call on prominent alumni throughout the state to pressure legislators for this bill's passage. The Lincoln Chamber of Commerce contributed to the lobbying drive and asked the Omaha Chamber to co-sponsor a dinner for the senators. The position of the new Mayor troubled some of the members and Maenner urged that they ask Svoboda about courting Dworak's support with a compromise. The group then created a subcommittee with Charles Morton as chairman, Alden Aust, A.C. Kennedy and John R. Maenner to consider the potential of industrial urban 45 renewal.

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Coverage of the preliminary legislative vote on LB 433 by the <u>Omaha</u> <u>World-Herald</u> and <u>The Lincoln Star</u> revealed that the threat to the bill rested not with the out-state senators but within the Omaha delegation. Terry Carpenter, who had helped the urban renewal opponents in 1959, was not a senator in 1961. Senator William R. Skarda of Omaha introduced

The Lincoln Star, 12 May 1961.

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Legislature of Nebraska, Committee on Government and Military Affairs, Statement on LB 269, 22 May 1961, Office of the Clerk, Nebraska Legislature; Urban Development and Planning Committee, 1960-1961, Minutes, Meetings of 18, 26 May 1961.

an unsuccessful amendment that also would have required a vote of the 46 people in Omaha to establish an authority. The World-Herald said that Omaha Senator John Munnelly helped defeat the Skarda amendment with a compromise proposal. The Legislature adopted an amendment by Munnelly which altered the provision that allowed the authority to levy a tax up to three-fourths of a mill to pay the local share of urban renewal, by requiring the permission of Omaha voters before such a tax could be imposed. Skandra, although he voted against the bill, conceded that the revision gave voters sufficient protection. The Lincoln Star noted that the Omaha senators dominated the debate which resulted in a thirty to eight vote for advancement of the bill. Three of the seven Omaha representatives voted against LB 433, and a fourth, Senator Sam Klaver, also 48 opposed the legislation; Klaver, however, did not vote. On 23 June 1961 49 the bill survived the final reading by a similar vote, thirty-two to nine.

The only black Nebraska legislator, John Adams, sided with the opposition. <u>The Omaha Star</u>, offering neither praise nor disapproval for the bill, asked for Negroes to be equally treated under the law. The newspaper referred to a NAACP survey that revealed minorities made up the majority of the population uprooted by urban renewal in many communities. In addition, it said that less than 2 percent of the new homes built

Omaha World-Herald (Morning), 7 June 1961; The Lincoln Star, 7 June 1961.

47 <u>Omaha World-Herald</u> (Morning), 7 June 1961.
48 <u>The Lincoln Star</u>, 7 June 1961.
49 <u>Legislative Journal</u> (Nebraska) 1961, 72nd Session, pp.1888-89.

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during the last decade in Omaha were available to Negroes and called 50 for a non-discrimination clause in any redevelopment project.

Coming so soon after the 1959 legislative defeat, the controversial revision of the redevelopment law represented a substantial victory for the renewers. The achievement exemplified the powerful influence of the Chamber of Commerce as a lobbying force. Largely as a result of its ability to mobilize a variety of business, labor and civic organizations, the Chamber successfully conducted the legislative campaign without the strong backing of the Omaha City Council and against the firm opposition of Mayor-elect James Dworak. The intense lobbying activities of the Chamber of Commerce, however, do not explain fully why the 1961 effort succeeded and the attempt in 1959 failed. To understand the different outcomes, it must be remembered that Terry Carpenter, who in 1957 proposed the amendment which required a vote of the people to create an authority and in 1959 contributed to the committee defeat of a redevelopment bill, was not a legislator in 1961.

The Chamber of Commerce and the other urban renewal promoters pleased with the passage of LB 433, which they called a workable redevelopment law, turned their attention to Omaha and the City Council. The elected officials in Omaha now had the power to create an urban renewal authority that in turn could activate a program of redevelopment. The promoters, however, quickly encountered a flaw in the workability of the law. While a <u>North Omaha Sun</u> editorial urged the City Council to move cautiously on redevelopment, but not to delay, the new and still divided Council and Mayor Dworak continued to frustrate the urban

The Omaha Star, 30 June 1961.

51 renewal initiatives. Councilman Arthur D. Bradley, Jr., led the drive in the Council to establish an authority. The issue brewed for several years before again coming to a head, this time in March 1963.

## CHAPTER V

## THE BUSINESS ELITE VERSUS A CITY HALL IN CONFLICT THE PEOPLE'S CHOICE CRIPPLES RENEWAL HOPES

Passage of the state redevelopment bill rekindled the expectations for creating an urban renewal authority. Now, in the spring of 1961, since the Chamber of Commerce succeeded in eliminating the need for voter approval, only the City Council and the Mayor stood as obstacles to the administration of a federally supported redevelopment program. The recently elected City Council contained four new members, and just two of the seven Councilmen solidly supported the issue. Renewal opponents, Albert Veys and Warren Swigart, regained their seats while A.V. Sorensen and N.P. Dodge, the strongest advocate for redevelopment on the previous Council, chose not to run for re-election. Councilmen H.F. (Fred) Jacobberger, Ernest A. Adams and William Milner held a tentative wait-and-see attitude towards creating an authority. The former City Council administrative assistant, Arthur D. Bradley, Jr., and the perpetual City Councilman, Harry Trustin, surfaced as the leading supporters of urban renewal on the 1961 Council. Mayor James Dworak remained firmly against federal aid.

Regardless of the efforts by Trustin and Bradley to adopt an authority, the city government continued to move at a snail's pace and eventually compromised with the creation of an urban renewal advisory board in December, 1961. Given little power, the board worked to educate the Council on urban renewal and to prepare it for an eventual decision on whether or not to establish an authority. Just over a year after the creation of the advisory board the issue climaxed. The City Council voted 4 to 3 in favor of an authority, but Mayor Dworak vetoed the ordinance. The pro-urban renewal faction felt that a fifth vote necessary to override the veto was within grasp; however, their hopes crumbled when H.F. Jacobberger, the Councilman leaning toward the majority, waivered under political pressure and voted a second time against the authority. The vote marked a turning point in the urban renewal campaign, which never regained momentum after the authority defeat.

Controversy greeted Mayor Dworak, after June 1961, at the outset of a stormy four-year term. Urban renewal generated much of the political heat that persistently plagued the Mayor. Dworak, in an abrupt manner, immediately moved to discourage redevelopment activities by ordering a cut back in the City Urban Renewal Department operations. Acting without the consent of Harold Kort, the Mayor transferred the two inspectors, who the Urban Renewal Director hired the previous year, to the Permits and Inspections Division. The action reduced the renewal office staff to just the Director and a secretary. Kort said the change came "as a 1 complete surprise."

To the dismay of James Dworak, stripping the Urban Renewal Director of his staff only intensified the pressure for action on housing and redevelopment. City Council members and City-County Health officials prodded the Mayor to administer the minimum standards housing ordinance and to accept an urban renewal authority. The Chamber of Commerce per-

Omaha World-Herald (Morning), 22, 27 June 1961. All reference to the World-Herald is from the morning edition unless otherwise indicated.

sisted in promoting redevelopment, and even the City Planning Board suggested a project that again focused on the area east of Creighton 2 University.

Before the Nebraska Legislature heard the final reading of the redevelopment bill, Alfred C. Kennedy, wealthy realtor and chairman of the Chamber of Commerce Central Omaha Committee, spoke out on the necessity of establishing an authority as a first step in the process of educating the people on urban renewal. He thought it futile to try to describe the complicated program to thousands of Omahans with paper projects. Instead, he believed the people would not understand federal renewal until they could see a program in action. One day after the passage of LB 433, on 23 June 1961, and prior to Governor Frank Morrison's signing the bill, Councilman Arthur Bradley called on the City Legal Department to draft an ordinance forming an urban renewal authority. Justifying the fast action, he felt the request would force the City Council to confront the issue. Three councilmen, Veys, Swigart and Jacobberger, preferred delaying action until they carefully studied the new bill. Both Veys and Jacobberger feared the law conflicted with the City Charter that required a vote of the people before the city could create any new authority. Councilman Swigart, concerned over the mood of the people, considered immediate action unwarranted. Throughout the period of the redevelopment debate, Swigart never actively worked against urban renewal, but its rejection at the polls apparently conditioned his attitude. He advised the Council to initiate a six month public education campaign and then decide the issue. Arthur Bradley, although enthusiastic,

Ibid., 11 August 1961.

sympathized with the demands for a slow and careful approach; nevertheless, he insisted that the city needed an authority. He proposed that the first project concentrate on "a square block," and that private and 3foundation funds finance it rather than a tax levy or bonds.

The talk of an authority provoked a predictable response from Mayor Dworak. He, too, wanted time to review the law and to see how it related to the Charter vote stipulation. Shortly after Bradley activated the issue, the Mayor promised to veto any ordinance producing an authority. For the moment, the Councilmen chose to abandon the debate on the authority issue.

The City Council, in early autumn, reviewed the enforcement progress of the minimum standards housing ordinance. Renewed interest in housing inspections followed a study, sponsored by the City-County Health Board, State Health Department and United States Public Health Service, that proposed transferring the administration of the housing ordinance from City Hall to the City-County Health Department. A meeting between the City Council and the City-County Health Board, whose membership included Councilman Veys, turned from a discussion of the metropolitan environmental health study into a frank critique of the passive performance of the housing standard inspectors. Councilman Jacobberger doubted the sincerity of the rhetoric which promised to upgrade housing conditions. The Mayor, Jacobberger explained, placed Arthur J. Hanson in charge of inspections under the minimum standards law even though the president of the Small Property Owners Association (SPOA) strongly opposed housing inspections.

<sup>&</sup>lt;u>Omaha World-Herald</u>, 6 June 1961; <u>Sunday World-Herald</u>, 25 June 1961; Interview with Warren Swigart, City Councilman, Omaha, Nebraska, 31 May 1980.

<sup>&</sup>lt;sup>4</sup>Sunday World-Herald, 25 June 1961; <u>Omaha World-Herald</u>, 27 June 1961.

As Jacobberger put it, "That's like appointing the fox to watch the 5 chickens."

Hanson ran for mayor in the 1961 primaries; he received few votes and offered to support James Dworak, the winner. After taking Office, Dworak rewarded Hanson by appointing him an assistant to the Mayor. The <u>World-Herald</u> suggested that he played a major role in diminishing the status of the Urban Renewal Office. The department stayed under-staffed until pressure from the City-County Health Department and the City Council 6 persuaded Dworak to return the inspectors.

Since 1956, when the first minimum standards ordinance became law, the SPOA tried, with much success, to obstruct enforcement. Hanson must have viewed gaining official control of the law as advantageous. Under Hanson's guidance, the condemnation of uninhabited dwellings far 7 outnumbered the condemnation of substandard residences. Whenever Dworak, as a councilman and as a mayorial candidate, objected to a federal urban renewal program, he presented the enforcement of the standards ordinance as an alternative method of solving the housing problem. After the 1961 election, Dworak's rhetoric failed to become an active policy.

Councilman Bradley saw Arthur Hanson behind the Mayor's maneuvers against renewal. He viewed the emphasis Dworak placed on the minimum standards ordinance as a "smoke screen" to appease Omahans who wanted

Omaha World-Herald, 28 September 1961.

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<u>Omaha World-Herald</u>, 22 June 1961; Interview with Arthur D. Bradley, Jr., former City Councilman, Omaha, Nebraska, 20 May 1980.

Omaha World-Herald, 28 September 1961.

deteriorated housing eliminated. Keeping the power to inspect and condemn housing within City Hall enabled the Mayor to control and maneuver municipal activities, therefore avoiding improvement demands on citizens he did not wish to offend. This, Bradley said, would aid Dworak in maintaining the support of his constituents. Yet Councilman Swigart doubted that the SPOA significantly influenced Dworak. The Mayor's comments against federal urban renewal often mirrored the opinions of the Association, but Swigart said he did not actively conspire with the SPOA. The lack of housing reform and the appointment of Hanson, however, caused considerable problems for the Mayor. For Bradley, the position Hanson possessed illustrated that Dworak had come under the influence of the "lunatic element" in Omaha. Bradley associated the SPOA with this element, and, referring to the Association, he said, "all they cared about was getting old properties and converting them and getting all the damn money they could." He considered the SPOA selfish and unconcerned about the improvement of Omaha. The Councilman knew the identity of many SPOA members and called a number of them slumlords. H.F. Jacobberger saw Bradley's assessment of the SPOA as too harsh. He noted that a few of the Association members owned slum property, but he said that some of the wealthy-old-established families in Omaha held title to many of the deteriorated dwellings which afforded handsome profits.

Shortly after the Health Board and the Council met, city officials visited Dworak and discussed the slow progress of housing standards enforcement. The Mayor denied the charges of inaction and defended the

Interview with Arthur Bradley; Interview with Warren Swigart.

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Interview with H.F. Jacobberger, former City Councilman, Omaha, Nebraska, 18 March 1981.

past implementation of the housing law. In support of his defense, Mayor Dworak led a group of city officials on a tour of renovated buildings. Warren Swigart and William Milner, two Councilmen less prone to criticize the Mayor, went on the tour. Mayor Dworak promised to veto any attempt to move the enforcement to the Health Department. He reminded the Council that it took five votes, which might well have accounted for the presence of Swigart and Milner, to override him. Councilman Milner joined the Mayor in opposing the change. Warren Swigart approved of the rejuvenation examples shown, but he considered 10 the minimum standards housing ordinance insufficient for area rehabilitation.

The renewed buildings show arranged by Mayor Dworak did not quiet the critics. Several Councilmen, particularly Ernest Adams, Arthur Bradley and H.F. Jacobberger, refused to let the housing issue or the Mayor rest. Attacking housing problems from two sides, Councilman Adams threatened to press for a vote switching the enforcement responsibilities to the Health Department while Councilman Bradley promised to introduce an ordinance developing an urban renewal authority. Mayor Dworak, remaining on the defensive, echoed the comments of Councilman Swigart. He acknow-ledged the incompleteness of the housing ordinance as a solution to the problem; still, he refused to adopt federal redevelopment. In one of his more thought-provoking statements, the Mayor said, "People make slums. With urban renewal some merely move to another area. If we construct low-linent minimum housing it will be a new slum area in fifty years."

Omaha World-Herald, 12, 13 October 1961.

11 <u>Sunday World-Herald</u>, 15 October 1961.

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No one pointed out to the Mayor that fifty years was a long time. Neither Dworak nor Swigart presented an alternative formula for area rehabilitation.

The City Council accepted a motion by Adams to have the Legal Department draft an ordinance that transferred the administration of the housing standards law to the Health Department. The tension between the Council members and the Mayor surfaced in a sharp exchange between Adams and Dworak at a luncheon preceding a Council meeting. Two Health Department doctors spoke and explained their proposal, requiring a staff costing thirty thousand dollars. After listening to the doctors, Mayor Dworak commented, "I haven't heard any reason why the Health Department can do a better job." Councilman Adams reported briskly, "I'll give you 12 one. Under the present set up the job is not getting done."

Mayor James Dworak, lacking any control over the City Council and showing little ability to control the departments under his direct supervision, moved to head off a Council vote. He reinstated the Urban Renewal office to department status by providing Kort with three inspectors. He also pledged to initiate an enforcement program that would select an area of the city for minimum standards inspections and upon completion in one section would move to another. Councilman Albert Veys complimented the positive action. Promising the Health Department that the Council would monitor the progress, Veys advised Harold Kort to keep in contact 13with the public health officials. The administrative shuffle dissatisfied Dr. Edwin Lyman. Helped by Councilman Adams, he pushed the Mayor for

Omaha World-Herald, 18 October 1961.

13

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Ibid., 2 November 1961.

concessions acceptable to both the City Council and the Health Department. Dworak conceded to a plan that established a City Hall-Health Department enforcement partnership, authorizing two sanitarians to assist the inspectors. Urban Renewal Director Harold Kort would supervise the 14 operation.

The time the Councilmen spent on the minimum standards issue did not distract them from the closely related problem of redevelopment. During August 1961, City Council President Harry Trustin arranged a trip to review the 70 million dollar urban renewal program on the fringes of downtown Des Moines, Iowa. Four Councilmen, Bradley, Veys, Swigart, and Milner accompanied Trustin, and while they all complimented the projects, Milner thought them well suited for Des Moines, but inappropriate for the conditions in Omaha. Councilman Veys envied the Des Moines City Council that acted as the renewal authority; he continued to wish that the Omaha City Council owned this power. The experience convinced Warren Swigart that the city officials must better educate the people on the purposes of redevelopment. It took little encouragement to prompt positive responses from Bradley and Trustin. The Council President said a study of the Des Moines projects could help Omaha rebuild the "twilight zones" around the downtown. A look at the prospective residential, commercial and recreational plans prepared to replace decayed neighborhoods reassured Bradley of the wonders redevelopment would bring to Omaha. Councilman Bradley, one week after the Iowa trip, pledged to introduce an ordinance creating an urban renewal authority in October.

In September 1961, Bradley targeted October 24th as the introduction

<sup>15</sup>Ibid., 18, 24 August 1961.

Ibid., 4, 8 November; 2 December 1961.

date for the authority ordinance. Others joined the Councilmen in promoting immediate redevelopment. Campaigning for the project east of Creighton University, City Planner Alden Aust said the city "must steam ahead now" on urban renewal. He saw the federal program as the only available means of revamping the inner city residential blight and the industrial slums. This must be accomplished to attract customers and to accommodate expansion of industries already located downtown. Father Carl M. Reinert, president of Creighton University, pleaded for the project. He played down the cost, and forgetting the source of the federal purse, he claimed that the government and the university would be "partners," relieving the "taxpayers" of any burden, in sharing the 16 expense.

The City Council divided on the authority proposal and forced Bradley to offer an alternative ordinance for an urban renewal advisory board. He reset the introduction date to 7 November 1961, to allow the Legal Department more preparation time. Mayor Dworak endorsed the proposal, but it discouraged the Chamber of Commerce, which initially saw the board as a powerless token committee accepted by the Mayor to mollify the renewal forces. Unlike an authority, the advisory board could not administer a redevelopment program. The advisors, lacking any substantial powers, would collect information, aid government agencies, and hold hearings on urban renewal. They also would provide the City 17 Council with updated data on the spread of blight in Omaha.

<sup>&</sup>lt;u>Ibid.</u>, 3, 19 October; 21 November 1961.

<sup>&</sup>lt;sup>17</sup>Omaha World-Herald, 19 October, 22 November 1961; <u>Sunday World-Herald</u>, 26 November 1961; Omaha (Nebraska) Chamber of Commerce, Minutes of the Meeting of the Urban Development and Planning Committee, 1961-1962, Meeting of 16 November 1961, (Typewritten) located in the basement of the First National Bank Building, Omaha, Nebraska.

The Bradley ordinance drew out a variety of critics. A zealous opponent of urban renewal, Harry Lobel, in a style reminiscent of the McCarthy red scare during the early 1950's, alleged that redevelopment leaders participated in covert communist activities. Lobel, an electrician and leader of the Citizens Committee to Stop Urban Renewal, said:

If given the opportunity to appear before the City Council, I would like to present proof of suppression of scientific discoveries vital to the defense of America, of the publication of fraudulent scientific claims, and of espionage activities on the part of leaders of urban renewal here in Omaha.

Former City Council President A.V. Sorensen brushed off the accusation as "irresponsible." Arthur Bradley refused a request by Lobel to debate the charges and invited him to disclose the evidence at the formal public hearing. The aroused electrician cried for the impeachment of Councilman 18 Bradley.

The public hearing, which Bradley scheduled to accommodate Lobel, lasted for four hours on the evening of 28 November 1961. A <u>World-Herald</u> account of the proceedings lacked any elaboration on the Lobel charges and merely acknowledged the electrician, naming him in a list of opponent 19 speakers. Moreover, his impeachment threat was mere verbiage.

Over a dozen Omahans spoke against the advisory board at the public hearing attended by 128 persons. Many critics spewed contempt for growing

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<u>Omaha World-Herald</u>, 19 September, 8 November 1961.

<sup>19</sup>Omaha World-Herald (Evening), 29 November 1961; Omaha World-Herald 29 November 1961. federal interference in local affairs. A woman opponent and a "victim" of the Interstate Highway said, "when federal aid is accepted in a community the individual loses." Misrepresenting the local administration of the federal program. Emmet Buckley claimed that Washington bureaucrats would direct renewal. At the same time, interpreting the use of eminent domain as a "land grab," he restated the frequent objection that considered the seizure of private property, when resold to private developers, an injustice. The redevelopment promoters had difficulty in persuasively answering this charge. None of the proponents at the hearing addressed 20 the propriety of the eminent domain power in urban renewal. A.V. Sorensen previously justified this use of eminent domain as the law of the land. The Supreme Court, he noted, had upheld it as a common good for cities. Other critics deplored the avoidance of a vote on the issue and the selfish motives of the promoters. One citizen said that area 22 redevelopment would only push slums to another area.

The newspaper did not identify the opponents as representatives of organizations. In contrast, it associated the proponents with a wide range of civic groups favoring renewal. Robert Danze of the Omaha Central Labor Union and Marvin Schmid of the Chamber of Commerce endorsed the advisory board as beneficial to the entire community. The Chamber spokesman, reflecting Chamber acceptance of the weak board, said slums covered twenty percent of the Omaha area. Listing more figures, he explained that the tax revenue received from these areas fell short of

20 Ibid.

<sup>22</sup>Omaha World-Herald (Evening), 29 November 1961.

<sup>21</sup> 

A.V. Sorensen, "A Report on Omaha Housing Conditions, Sub-Standard Housing Facilities and Urban Renewal," (Omaha, Nebraska: N.P. 1960), personal copy of Charles Peters.

city expenditures there because of high crime and disease rates.

The Urban League president, Dr. A.B. Pittman, supported the advisory board; he hoped that it would formulate action leading to the improvement of housing on the Near North Side where construction of 80 percent of the homes predated 1919. He also criticized the high rents charged for substandard units. The federal workable program required that affordable, "decent, safe and sanitary" dwellings be provided to people relocated because of urban renewal. Dr. Pittman saw this provision as a guarantee that Negroes would obtain better housing and believed a redevelopment program could be a "vital force in redistributing urban population and dispersing racial ghettoes." President Carl M. Reinert provided a written statement, resembling his argument given at the 1961 legislative hearing which noted the benefits Creighton would receive from urban renewal. Representatives of the Omaha Real Estate Board, the Associated Retailers and of the NAACP favored the creation of an urban renewal advisory board. One week after the hearing, the City Council 25 unanimously passed and the Mayor signed the advisory board ordinance.

Although the Council majority favored a board over an authority, members contemplated attempting another revision of the state redevelopment law in the next legislative session. Discontent with the prospects of an appointed authority, Councilman Veys continued to encourage the establishment of the Council as the authority. An attempt to grant

23
<u>Ibid</u>.
24
Ibid., The Omaha Star, 20 December 1961.

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Omaha World-Herald (Evening), 29 November 1961; Omaha World-Herald, 6 December 1961.

authority power to the governing body failed in the 1959 legislature. Several Councilmen, including Bradley, supported trying once again to introduce such a change. The Omaha Chamber of Commerce balked at the idea and argued that under the existing law the Council controlled significant portions of the redevelopment process. The Council went ahead 26 with the idea, but Omaha senators refused to introduce the legislation.

The activities of the Chamber of Commerce Urban Development and Planning Committee emphasized, after the success in the 1961 Nebraska legislature, educating the people on urban renewal. A series of articles in the Omaha Profile, the Chamber of Commerce magazine, explained the general urban renewal concept and analyzed the sections of the new law most often criticized. Titled, "questions and answers," the series first concentrated on the basic question, "What is urban renewal?" which it defined as a cooperative action by government and private entities "to provide for the continuous, sound maintenance and development of an urban area." To accomplish this objective, the concept relied on conservation, rehabilitation, and redevelopment programs. The article tackled a variety of questions: (1) Who would control urban renewal? (2) Is the law constitutional? (3) What will happen to people displaced? (4) How will property owners be treated? Control of redevelopment, as provided in Nebraska law, would pass from the Mayor, to the City Council and to the people at different phases of a program. The Mayor possessed the power to appoint authority members and to veto City Council ordinances. Authority held by the Council included the selection of the areas and the approval of the plans for

Urban Development and Planning Committee, 1961-1962, Minutes, Meetings of 16 November, 22 December 1961; <u>Omaha World-Herald</u>, 31 January, 8 November 1962, 4 January 1963.

redevelopment. Much of the financing power rested with the Council, 27 except for the issuance of bonds, which required a vote of the people.

Noting that twenty-nine state courts upheld renewal legislation, the <u>Omaha Profile</u> covered the issue of constitutionality in a brief statement. The courts had ruled that the clearance of a slum area with the power of eminent domain served a public purpose. Furthermore, they accepted the acquisition of private property and its resale to private developers as constitutional because the urban renewal law provided that redevelopers must conform to a plan formulated to prevent the area from returning to  $\frac{28}{28}$ 

The Chamber pointed to the requirement of a relocation plan as an adequate safeguard for people who lose their homes. Devoid of details, the argument gave an ambivalent promise of a "feasible method" to rehouse people in "decent, safe, sanitary" and affordable housing. The "new" homes, under ideal circumstances, would be located reasonably near the occupant's place of work. Compensation for homes or businesses seized must, as required by law, meet the "fair value" of the property. The Chamber's discussion of the reimbursement terms failed to consider that the amount people received might not be sufficient to purchase better 29 or even comparable housing. The articles, as an educational device, illustrated well the multiple aspects of renewal and surely enlightened a number of Chamber of Commerce members. The <u>Omaha Profile</u>, however, addressed only the people who most likely supported the program.

28 <u>Ibid.</u>, 26 February 1962. 29 <u>Ibid.</u>, 26 February 1962.

Omaha (Nebraska) Chamber of Commerce, <u>Omaha Profile</u>, July 1961-June 1962, 29 January; 12 February 1962.

In May 1962, the Chamber hired an expert, Jason Rouby, to spearhead its redevelopment promotional activities. Rouby, as assistant to the president of the Urban Progress Association, Inc., of Little Rock, Arkansas, first came to Omaha in March 1962 on a speaking engagement organized by the Chamber. The Urban Progress Association, formed by community leaders, assisted private and public agencies with the development of renewal programs. Impressing the Chamber of Commerce members, Rouby said that success required foresight, intelligence, and the ability to instill the people with an understanding of urban renewal. In September 1962, the promotional activities turned to television, and the Urban Development and Planning Committee started the production of an urban renewal motion picture that KETV, a local station, agreed to broadcast. Although the educational efforts increased, the complexities of redevelopment defeated endeavors to inform the general public, and, as A.V. Sorensen noted, the promoters never developed an effective selling 30 pitch.

The urban renewal efforts of the City Council moved rather smoothly for the first month of 1962. The Council, alone, nominated and appointed seven members to the urban renewal advisory board; the appointment procedure lasted just over a month. Controversy in the Dworak administration drifted, for a short time, away from the redevelopment issue to the firing of Public Safety Director Joseph E. Thornton. The <u>World-Herald</u> and the City Council attacked the action. Mayor Dworak, claiming the newspaper

Urban Development and Planning Committee, 1961-1962, Minutes, Meetings of 22 February; 17 May 1962; <u>Omaha Profile</u>, July 1961-June 1962, 12 March 1962; A.V. Sorensen to author, 23 October 1980.

distorted the story, appeared on television and explained that the firing resulted from a disagreement over narcotics law enforcement procedures. Late in the evening of 8 January 1962, three Councilmen dropped in on the Mayor at his home, and, during the meeting that continued into the early morning hours, they persuaded Dworak to re-31 appoint Thornton.

On 31 January 1962, the seven members, Glenn Goodrich, Charles Peters, Dr. Claude Organ, Richard Nisley, Robert Peterson and Robert Selander, of the Urban Renewal Advisory Board met for the first time; they elected Goodrich chairman and Dr. Organ, the only black member, vice-chairman. Education of the City Council and of the public emerged as their primary goals. The board immediately accepted a suggestion from Charles Peters, a real estate executive of the N.P. Dodge Company, to invite the City Planning, the City-County Health and the Urban Renewal Directors to familiarize the board with local redevelopment problems. Also, Mayor Dworak, who usually tried to hamper renewal activities, allowed Harold Kort to work as an assistant to the Advisory Board. Chairman Goodrich, however, doubted the competency of Kort and seldom requested his services to help persuade the City Council and others to 32

Among its duties, the Advisory Board coordinated all the urban renewal educational activities of the city. It also initiated a major community-wide renewal study. The study supplemented the workable program prerequisites imposed by the federal government on cities interested on federal funds. In the late fifties, the Eisenhower administration

Omaha World-Herald, 3, 4, 7, 10, 17 January 1962.

<sup>&</sup>lt;u>Ibid</u>., 1 February; 10 March; 9 May 1962; Interview with Glenn Goodrich, former chairman Urban Renewal Advisory Board, Omaha, Nebraska, 20 November 1980.

changed the regulations required and replaced the workable program with the "community renewal program." The latter entitled cities to federal aid after the preparation of a city-wide survey, the active enforcement of housing standards, and the adoption of a master plan. By the end of February, the Omaha Urban Renewal and Planning Departments neared compliance with two of the federal criteria with the start of housing inspections and the completion of a preliminary land use plan. Only the community survey awaited action, which the Urban Renewal Advisory Board called for in a resolution forwarded to the City Council. The resolution explained that the study would: (1) locate and define the extent of substandard and blighted areas, (2) analyze the municipal responsibilities, including the availability of local funds for public and private redevelopment, (3) outline a program, and (4) educate the public as to the redevelopment needs and benefits. The board estimated 33 the cost at \$75,000, and Omaha would pay one-third or \$25,000.

The entire City Council approved the appropriation for the study. Councilmen Jacobberger and Veys, saying a vote for the survey did not represent a vote in favor of urban renewal, clarified their acceptance. Jacobberger described it as a necessary step toward an ultimate decision on federal aid. Looking to the near future, the Advisory Board chairman saw the study "as a basis for our eventual recommendation to the Council, either for or against urban renewal." Mayor Dworak disagreed, and he quickly vetoed the appropriation. Since he refused to allow redevelopment unless the people authorized it, Dworak considered spending the money a

Omaha World-Herald, 23 March; 27 April; 9 May 1962; Urban Development and Planning Committee, 1961-1962, Meetings of 22 December, 1961, 27 February; 19 April 1962.

"gamble." The Council, again voting unanimously, overrode the veto. Members of the Chamber of Commerce applauded the action. The Urban Renewal Advisory Board, in particular Glenn Goodrich, a newcomer to the campaign, and Robert Peterson, the former chairman of the Chamber subcommittee on the area redevelopment legislation, kept close contact 34 with the Urban Development and Planning Committee.

Fast action on the community study ended with the initial approval. The parties involved in arranging the survey stymied local progress with procedural disagreements. Preliminary acceptance by the federal government came in early August, 1962; however, the Urban Renewal Advisory Board, the Planning Board and the Mayor sparred through the remainder of the year over who should conduct the study. Planning Board member Milton Livingston favored enlarging the Planning staff and letting the City Planning Department, with minimal help from private consultants, direct the survey. Glenn Goodrich disliked the idea. Suspicious of government efficiency, he believed that the city would take too long and would produce a less satisfactory job than would a professional consulting firm. The Chairman of the Advisory Board wanted a private firm to oversee the total project, but he left room for compromise by suggesting that a man could be added to the  $\frac{35}{1000}$ 

The delay of the community renewal study and the absence of an urban renewal authority discouraged many businessmen interested in redevelopment. A.C. Kennedy, chairman of the Chamber of Commerce Central Omaha Committee

Omaha World-Herald, 23 March; 27 April; 9 May 1962; Urban Development and Planning Committee, 1961-1962, Minutes of 22 December 1961, 27 February, 19 April 1962.

and real estate executive, declared that downtown Omaha needed "something drastic" to attract business. The <u>World-Herald</u> reported on heightened yet uncoordinated activities underway to rejuvenate inner city business neighborhoods by private companies. The newspaper praised the expansion venture of Northwestern Bell Telephone Company, the completion of the new Woolworth Building and the expansion and remodelling of the All Makes Office Equipment Company. William J. Fogel, vice president of All Makes, expressed "great confidence in the future of downtown Omaha." Yet under their confident exteriors, downtown businessmen felt threatened by the physical decline of the inner city and by the emergence of suburban shopping centers on the western outer fringes of Omaha. In September 1962, Chamber of Commerce president Marvin G. Schmid announced a major campaign to upgrade the physical plant of the central city, then, possessing 60 per-36 cent of the community's real estate valuation.

Always interested in the benefits urban renewal could offer downtown, the Chamber underscored this priority during the fall of 1962. Its Central Omaha Committee pushed forward the downtown revitalization movement with another study proposal. The committee called for a comprehensive community profile, concentrating on the core area, defining market trends and providing a general plan to prepare downtown interests to take advantage of an expected growth in Omaha. Planners, in both city government and private firms, predicted a population of 555,000 for the city by 1980. If the Omaha business district hoped to compete with other cities, the planners decided that there had better be a plan for locating new businesses and service facilities. The planning director for the Leo A. Daly Company,

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Ibid., 22 February, 21 September 1962; <u>Sunday World-Herald</u>, 19 August 1962.

William H. Coibion, said that in order to cope with future growth,

It is uppermost in importance that economists, planners, and traffic engineers know what sales are going to be in different areas, how much office space will be needed, how many total rooms will be required, and how much and where parking should be located.<sup>37</sup>

Estimating the cost of the study at \$180,000, the Chamber offered to pay \$30,000 and appealed to the city to match the amount. For the remainder of the cost, the businessmen proposed soliciting the federal government for a \$120,000 planning grant. The seldom united Mayor and City Council surprised the Chamber by enthusiastically favoring the proposal. The support puzzled Chairman Emanuelson of the Chamber's Urban Development and Planning Committee. Jason Rouby, during a committee meeting, explained that Dworak liked the downtown study because it made not committment to urban renewal and because any positive improvement coming from 38 it would be credited to his administration. Although Dworak voiced approval of the idea, he slowed its implementation with a scheme to exclude federal funds from the financial arrangement. The preoccupation with the downtown study interfered with the progress of the community renewal study, which city and Chamber of Commerce officials decided to coordinate with the downtown survey.

Trouble fell upon the studies after Mayor Dworak and city planners returned from a trip to Denver, Colorado, where they examined the mechanics of a community study financed mainly with private money. In Denver, the city appropriated \$42,000 for a central business district study, created

Sunday World-Herald, 7 October 1962; Omaha Profile, July 1962-June 1963, 8 October 1962.

<sup>38</sup> <u>Omaha World-Herald</u>, 4 October 1962; <u>Sunday World-Herald</u>, 7 October 1962; <u>Omaha Profile</u>, July 1962-June 1963, 8 October 1962; Urban Development and Planning Committee, 1962-1963, Minutes, Meeting of 17 March 1963.

the Downtown Denver Master Plan Committee as an adjunct to the City Planning Department and raised another \$80,000 from Denver businessmen. The approach impressed Mayor Dworak and members of the Omaha Planning Board, and they elected to reconsider the method of financing the Omaha downtown study. The Mayor, acting in accord with the Planning Board request, withdrew a resolution from the City Council agenda that would authorize the study and the federal planning grant. The World-Herald which Dworak often accused of misrepresentation, noted that he explained the move with the simple statement, "We changed our minds." Because of the challenge to the original proposal, the Omaha Chamber of Commerce members met with city officials to push forward the business district study. An impasse ensued when Mayor Dworak, who wanted the City Planning Department to conduct the study with private funds, and the Chamber, which preferred a federally-financed private consulting firm, failed to reconcile the different methods. Dworak refused to accept the idea of an "outside consultant who will hand [the city] a big book and then be done. We must have a continuing program." Jason Rouby, representing the Chamber, agreed with the latter statement, but had considered contracting the work 39 out to a consultant essential.

While the procedural dispute over the two studies concerned the Chamber of Commerce and the pro-renewal city officials, the primary issue of an urban renewal authority, which for more than five years periodically generated heated debates, engrossed Omaha politics towards the end of 1962 and the beginning of 1963. City Council President Harry Trustin and Urban Renewal Advisory Board member Charles Peters enlivened the controversy after

Omaha World-Herald, 15, 17, 20 November 1962.

insisting Mayor Dworak reverse his anti-federal aid stance and lead the people to accept an authority and a redevelopment program. The Mayor flatly refused to accommodate them. He said, "I have not impeded the progress of urban renewal. Everything that is required under law has 40 been done." A flood of activity followed the comments. A change in the City Council favored the renewal advocates. The Councilmen appointed realtor and Urban Renewal Advisory Board member Stephen Novak to the seat vacated by William Milner, who was elected to the County Board. The Advisory Board and the Chamber of Commerce Central Omaha Committee, chaired BY A.C. Kennedy, held a closed meeting in which they discussed how to win the five Council votes needed to defeat a veto of an authority 41ordinance.

An active Alfred Kennedy also attended the City Council meeting, pertaining to the procedure for the downtown study. Council President Trustin asked Kennedy which organization he preferred to have perform the study: the City Planning Department or a single private consulting firm. The realtor chose the private consultant, which was the original proposal of the Chamber of Commerce. The City Council, by a five to two vote, agreed. Mayor Dworak, though he approved of a study, vetoed 42 the decision, but the Council overrode him.

Just prior to the downtown study decision, the City Council and the Mayor came under heavy pressure to act when the Planning Board and the

40
<u>Ibid.</u>, 12, 13 September 1962.
41
<u>Ibid.</u>, 8, 15, 28 November; 14 December 1962; 11 January 1963.
42
<u>Ibid.</u>, 6, 13 February 1963.

Urban Renewal Advisory Board separately recommended in January 1963 the immediate establishment of an authority. The League of Women Voters, the Omaha Real Estate Board, the Omaha Chamber of Commerce, and television station WOW-TV endorsed the proposal. Expressing strong support, the Omaha World-Herald, under the new ownership of Peter Kiewit and Sons Company, awarded front page coverage to the issue in a number of articles written by James Clemon. The journalist correctly predicted the political turmoil would lead to a "showdown," determining finally the fate of federal redevelopment in Omaha. Listing the different studies on local housing blight, beginning with the first report of 1946, Clemon said they showed that without any counter measures, the deterioration spread as time passed. Expressing more clearly the idea of safeguards, he emphasized that the City Council must approve the redevelopment plans, and he showed how the selection of project sites would undergo public scrutiny at a 43 series of hearings before the Planning Board and the City Council.

For the first time, a break in the urban renewal stalemate appeared near. In January 1963 two Councilmen, Adams and Novak, joined the prorenewal Councilmen Bradley and Trustin. This put the Council at four to three in favor of an authority, yet with the certainty of a veto a fifth vote was necessary. The <u>World-Herald</u> revealed Councilman Veys as the potential swing vote. Bemoaning the misfortunes of the unsponsored legislative bill that sought to empower the City Council as the authority, Veys said, "I'm not sure I wouldn't go along on a pilot project basis." Councilman Adams based his support on the same argument. In an effort to persuade the Council to adopt an authority, City Planner Alden Aust

<sup>&</sup>lt;u>Omaha Profile</u>, July 1962-June 1963; 18 February 1963; <u>Omaha</u> <u>World-Herald</u>, 10, 13, 27 January; 24 March 1963.

and Urban Renewal Advisory Board members tempted the opponents with the idea of a trial pilot project east of Creighton University. The plan appealed to the Council because it avoided the use of local tax money and suggested, after completion, submitting to a vote of the people whether or not to continue federal redevelopment. Advocates of the scheme explained that buildings already slated for expansion at Creighton University in the area could be credited to the cost, thus, meeting the local responsibility. Matching federal funds would pay the balance. Councilman Veys liked the plan; however, the thought of undermining even the slight chance that the renewal legislation might be introduced prevented a firm commitment. If the Council established an independent authority, he feared that the legislators would perceive a bill to grant the City Council authority powers as unnecessary. He never accepted the idea of an appointed authority which was not directly accountable Veys mainly blamed the lack of Chamber of Commerce to the people. support for the legislative predicament. Active in the Chamber of Commerce and on the Advisory Board, Robert Peterson believed the legislative 46 bill "impractical."

The capricious City Council reversed the momentum a week later when Adams and Novak voted for a motion, postponing an authority vote for a year. Councilman Jacobberger sought the delay to allow completion of the downtown and renewal studies. The long inaction on the community renewal survey surprised Jacobberger since the Council approped it the

Omaha World-Herald, 10, 16, 23 January 1963.

<sup>46</sup>Omaha World-Herald, 23 January 1963.

<sup>45</sup> Telephone Interview with Albert Veys, Mayor of Omaha, Omaha, Nebraska, 11 March 1981.

previous May. Robert Peterson called a delay unnecessary and told the politicians that the Advisory Board in a matter of days could submit a list, providing sufficient information to display the need for a program of deteriorated areas. The Councilmen rejected a motion by Bradley who called for a vote in one week. They then accelerated the community study by dropping the Planning Board preference and instead accepted a contract with the planning and engineering firm of Henningson, Durham and Richardson. The decision rested on the belief 47that a private consultant could do a faster job.

Just when the lawmakers seemed to sidestep the authority issue, Councilman Adams, on 22 January 1963, announced a readiness to present an ordinance. In less than one month the Omaha City Council changed directions on urban renewal three times. A sardonic column in the <u>World-</u> <u>Herald</u> illustrated the difficulty in predicting what the Council would do next. Hesitant to predict how the politicians would vote, the perplexed author wrote:

> The usual split is listed at 4-3 in favor. Lately the estimates have varied. . . At one time, Mayor Dworak gauged Council sentiment at 5-2 against the move. There also was a tabulation showing three in favor, two against, and two with ideas of their own that defied classification. The latest estimate . . . [is] 4-3 in favor.

The pliable positions of several Councilmen discouraged Advisory Board member Charles Peters, who accused the body of having no intention of devising a redevelopment program. He charged that the blocking of the whole program over minor details showed the true anti-renewal attitude of the City Council. Chairman Glenn Goodrich, in contrast to Peters, more optimistically viewed the situation which had changed in the last

<sup>47</sup> <u>Ibid., 16, 30 January 1963.</u>

year from two to four favorable votes.

Councilman Bradley in the second week of March 1963 introduced an 49 ordinance to create an urban renewal authority. He felt confident of success because Councilman Jacobberger, in a private discussion, promised to switch in favor of an authority after the expected veto of Mayor Dworak. Political prudence dictated the decision to concede after the veto. Jacobberger, by waiting, would not look like an advocate of the authority.

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Political tension darkened the days leading to the Council's showdown and sparked outbursts of verbal and physical threats. Reporter James Clemon termed redevelopment the "hottest city-wide issue of recent years." Peter Kiewit, whose Company owned the <u>World-Herald</u> and a group interested in renewal held a meeting with the anti-renewal faction of the City Council in the plush Cloud Room of the Peter Kiewit Plaza. As Warren Swigart remembered the confrontation, Kiewit became angry with their persistent refusal and "sharp words were spoken." Two weeks before the vote on an authority, Mayor Dworak received a death threat that stated, "You change mind on urban renewal or get what Noodell got." The note referred to a grocer shot and killed the week before. 52

Somehow word leaked that Jacobberger might be the fifth vote. The

48 <u>Ibi</u>	d., 22 Janu	ary; 10,	15 Februa	ry 196:	3.			
49 <u>Ibi</u>	d., 8 March	1963.						
50 Int	erview with	H,F. Jac	obberger.					
51 <u>Oma</u>	ha World-He	<u>rald</u> , 12,	, 24 March	1963;	Interview	with	Warren	Swigart
52 Int	erview with	H.F. Jac	obberger.					

Urban Renewal Advisory Board, unaware of the argument with Bradley, gained a tentative commitment from Councilman Jacobberger. The politician allegedly told Chairman Goodrich and the Board that if they publicly and persistently lobbied for his support, after a reasonable 53 period of time, he would come around and wote for the authority. Although the exact nature of this agreement never surfaced, throughout the debate Jacobberger emphasized that he favored renewal, but that he wanted the people to vote. The essence of the dilemma lay with the Councilmen finding a way to approve an authority without losing public trust. Possibly, he arranged with the Advisory Board to succumb at the last minute to pressure demanding an authority based on the suggested program, which guaranteed putting urban renewal to a vote after completion of the first pilot project. If the trial project proved successful, Jacobberger would be remembered as the courageous swing vote that produced it. If the redevelopment failed, however, he could publicly demand the promised vote on urban renewal; thus, he would relinquish responsibility and protect his political future. No matter what the scheme entailed, Jacobberger did not act in this manner.

The realtor A.C. Kennedy, an elderly gentleman who Goodrich said "fancied himself the big wheel in town," grew impatient and decided to 54 show the Advisory Board how to push a program through City Hall.

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Interview with Glenn Goodrich, former chairman Urban Renewal Advisory Board, Omaha, Nebraska, 20 November 1980; Interview with H.F. Jacobberger, Mr. Jacobberger could not remember the exact incident described by Mr. Goodrich.

Interview with Glenn Goodrich; Interview with H.F. Jacobberger, Mr. Jacobberger could not remember Kennedy's action. He said that Kennedy was active in the redevelopment issue and probably stressed to the City Council that any further delay would only worsen the situation.

Kennedy, by persuading members of the Planning Board to recommend the establishment of an authority, indirectly disrupted the timetable set 55 by Jacobberger and the Advisory Board. <u>The City Council assigned a</u> public hearing date for 26 March 1963. Symbolic of the tension between friends and foes of renewal, Mayor Dworak, one day before the hearing, became exasperated with the <u>World-Herald</u> and ordered an immediate end of 56 deliveries of the Kiewit newspaper to city offices.

A call for a postponement of the vote came from a civil rights group in Omaha. The NAACP, often critical of the federal program, became more interested in urban renewal after President Kennedy issued an executive order which prohibited discrimination in federally assisted housing. Lawrence McVoy, president of the Omaha NAACP, asked the Council to delay one month until after a seminar, explaining the executive order, 57could be held at the University of Omaha. The City Council did not wait.

The long awaited showdown took place at a stormy five hour hearing, lasting until one o'clock in the morning. The regular company of opponents and proponents attended the public meeting and produced a heated dialogue that caused several officials to fear for their persons. Peter Marchetti, attorney for the Small Property Owners Association, spoke up for his clients and demanded a vote. Another lawyer denounced imposed urban renewal as contrary to the voting rights fought for by the patriots who left "the bloody footprints ... in the snows of Valley Forge." The

Interview with James Clemon, former <u>World-Herald</u> Reporter, Omaha, Nebraska, 1 April 1981.

<sup>56</sup>Omaha World-Herald, 13, 26 March 1963.

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<sup>57</sup><u>The Omaha Star</u>, 22 February; 29 March 1963.

opponents promised the continuation of a previously started referendum petition to ensure a vote on urban renewal. The black Reverend C.C. Adams again argued that redevelopment would merely force Negroes to move into other bad housing. The renewal supporters made their usual plea that there was a desperate need for redevelopment. Dr. Edwin Lyman quoted health studies, relating diseases to blighted neighborhoods. Creighton University and labor representatives expounded the educational and the employment benefits. Early in the morning after the testimony ended, a predicted four to three Council vote passed the authority ordinance. Arthur Bradley, who the Omaha police discreetly escorted 58 home, left the hearing having won a hollow victory.

Mayor Dworak held true to his promise and vetoed the authority authorization. Several days after the vote, the <u>North Omaha Sun</u> reported Jacobberger as saying, "If I think the veto will sound the death knell for urban renewal my present thinking is that I will vote to override." His thinking, however, soon changed. A leading architect and engineer in Omaha approached Jacobberger during a luncheon and told the Councilman that regardless of whether urban renewal benefits the community as a whole, he planned to profit substantially from the federally-subsidized redevelopment. The first hand encounter with the potential abuses of the program along with reports of failure and corruption from other cities unsettled Jacobberger. Then, a number of people, including an elderly widow who lived in a deteriorated neighborhood, influenced him with pleas for a negative vote. The widow said that she would be left with nothing

Omaha World-Herald, 27 March 1963; Interview with Arthur Bradley.

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North Omaha Sun, 28 March 1963.

if an authority took her home because the "fair assessed value" paid for seized property was not enough to buy a house in another area. Also, individual customers of Jacobberger's dry cleaning business applied considerable pressure on the Councilman, as many people threatened to take their dirty laundry elsewhere if he voted 60for an authority.

61 H.F. Jacobberger became nervous under such pressure. On a Saturday morning, he visited Arthur Bradley and explained that the people would ruin him if he voted to override. Bradley released him 62 of the promise. Councilman Jacobberger sided a second time with Veys and Swigart. The Council remained split four to three and sustained a Dworak vote for the first time. Following the vote, Jacobberger appeared to apologize for the decision and said. "this could be the birth of urban renewal in Omaha . . . " He looked forward to the renewal survey completion, which followed by a vote of a better informed electorate, could initiate a welcomed redevelopment program. Councilman Veys called the authority "the most important bit of legislation that has 63 ever hit this Council," and it demanded a popular ballot. The hope of Jacobberger for a rebirth of urban renewal never became reality. Councilman Bradley and the Advisory Board had pursued the authority ordinance because they felt confident of victory. They did not foresee the interference of Alfred Kennedy or the overwhelming reaction of the people against Jacobberger's shift toward the majority. The crux of the problem

Interview with H.F. Jacobberger.

61 Interview with Glenn Goodrich.

<sup>62</sup> Interview with H.F. Jacobberger; Interview with Arthur Bradley, Mr. Bradley did not identify Jacobberger as the fifth vote.

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Omaha World-Herald, 3 April 1963.

remained that the people had rejected federal renewal and the politicians feared the wrath of the electorate.

## CHAPTER VI

## THE FINAL GASP OF URBAN RENEWAL

The veto of the authority in 1963 was not the final word on federal redevelopment in Omaha, nor did it initiate a rebirth of urban renewal. One-and-a-half-years passed by before Councilman H.F. Jacobberger carried out his pledge to propose a public vote on an urban renewal authority. The proposal lost at the polls in the spring of 1965 and then was defeated again after yet another resurrection of the issue in 1969. The promotion of federal redevelopment, however, never regained the level of intensity which peaked during the 1963 failure.

The Urban Renewal Advisory Board disbanded soon after Mayor Dworak vetoed the authority ordinance. Unwilling to accept defeat, the Chamber of Commerce continued as a primary promoter of renewal and searched for ways to persuade the people to accept the federal program. The public education activities of the Chamber emphasized the general concept and mechanics of urban renewal and avoided the promotion of specific controversial issues such as an authority and bonds for redevelopment. Chairman K.W. Emanuelson of the Urban Development and Planning Committee participated in one of two local television broadcasts on redevelopment in the summer of 1963. Jason Rouby, the Chamber's redevelopment expert, spent much time soliciting businesses to provide paid time for a thirty-minute presentation to employees. He and other speakers worked to enlighten "industrial" workers with the social and economic purposes of area renewal.

While the Chamber proceeded with its public education plans, the related question of fair housing replaced urban renewal as the hot topic in the Dworak administration. At a time when the federal government showed an increased interest in housing discrimination, civil rights demonstrators marched on City Hall. In late October 1963, two weeks after the City Council allocated money for a housing discrimination study which Washington added as a requirement of the Community Renewal Program, the Reverends Rudolph McNair and Kelsey Jones, both Negroes, led a civil rights protest inside the Council chambers. The demonstrators, organized by the Citizens Coordinating Committee for Civil Liberties, sang and carried signs that denounced racial discrimination before the Councilmen. Many of the placards demanded the passage of an open housing ordinance. Public Safety Director Chris Gugas ordered all police cars to go to City Hall, and the officers moved in and arrested the protesters, who offered little resistance.

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The next day, the Mayor's Bi-Racial Subcommittee, which Dworak created earlier that year, asked citizens to support voluntary fair housing practices and recommended that the City Legal Department investigate open occupancy legislation. Reverend McNair challenged the entire black population of Omaha, about 30,000 people, to attend the next City Council meeting in a silent protest. Two thousand Negroes responded and filled the area in and

Interview with Glenn Goodrich, former chairman Urban Renewal Advisory Board, Omaha, Nebraska, 20 November 1980; Omaha (Nebraska) Chamber of Commerce, Minutes of the Meeting of the Urban Development and Planning Committee, 1963-1964, meetings of 9 July, 6 December 1963, 20 March 1964, (Typewritten), located in the basement of the First National Bank Building, Omaha, Nebraska.

around City Hall during the first half hour of the Council meeting. The quiet demonstration ended without incident, and the police arrested no 3 one.

The Chamber of Commerce's Urban Development and Planning Committee considered the issue at a crisis stage and advised the City Council to City Council President Harry Trustin confront the open housing question. said the Councilmen decided not to request the Legal Department to act on an ordinance. Realtor A.C. Kennedy, during a Chamber meeting, said that he supported the principle but did not believe it could be accomplished through legislation. He and other businessmen were alarmed about the discrimination suits filed against real estate agents in other cities. They considered this action unfair because the realtor was merely an agent of a seller and that discrimination liability should be with the seller. The Chamber members decided not to associate the open housing issue with In reality, some realtors contributed to discrimination. urban renewal. Earlier in the year, when President Kennedy issued an executive order prohibiting racial discrimination in federally supported housing, president of the Omaha Real Estate Board Harold Peterson said, "If a white home owner wished to sell to Negroes, I wouldn't want to handle the business."

As 1964 began, the urban renewal efforts of the city focused on a study known as the Community Renewal Program. The study area stretched from the

Ibid., 23, 24, 25, 30 October 1963.

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Urban Development and Planning Committee, 1963-1964, Minutes, Meeting of 25 October 1963.

<sup>5</sup><u>Omaha World-Herald</u> (Morning) 30 October 1963.

<sup>6</sup>Urban Development and Planning Committee, 1963-1964, Minutes, Meetings of 25 October 1963, 21 February 1964.

The Omaha Star, 22 February 1963.

central business district north and south to the city limits, and it reached westward about two miles from the business district to Fortysecond Street. It did not include the downtown. Conducting a block by block survey, the researchers had begun at the northern boundary of the city and had reached into the neighborhood south of the downtown district by the end of January 1964. Mayor Dworak, in a letter to the Housing and Home Finance Agency, proclaimed the completion of the central business district and Community Renewal studies to be a major goal of the city's  $\frac{8}{8}$ 

Expecting a vote on urban renewal after the conclusion of the Community study, the City Council reactivated the Urban Renewal Advisory Board in April. Attorney Robert Petersen, a former Board member and past chairman of the Chamber's legislative subcommittee which initiated the 1961 revised state redevelopment law, presided over the new Advisory Board. The 1964 Board, working closely with the Chamber's Urban Development and 9 Planning Committee, helped with the urban renewal education campaign. Their activities led to a brief awakening of interest in redevelopment in the fall.

Norbert B. Fritz, City Superintendent of Permits and Inspections, and Harold Kort sparked the urban renewal fire in September with a random survey of housing of the Near North Side. They concluded that a high percentage of the homes were substandard, but the surveyors noted that

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Omaha World-Herald (Morning) 27 January 1964; Sunday World-Herald, 16 February 1964.

Urban Development and Planning Committee, 1963-1964, Minutes, Meetings of 24 April 1964, 29 May 1964.

few structures were deteriorated enough to require condemnation. Fritz and Kort, while presenting the survey results to the City Council, encountered a hostile response from Arthur Bradley, Jr. Councilman Bradley, who thought the random research method inadequate, complained that it overlooked many of the worst sections of North Omaha. He strongly felt that the figures understated that area's housing problems.

The city administration maintained that past statements on the number of absentee ownerships exaggerated the truth. Their survey claimed that absentee ownerships accounted for 45 percent of the homes. This assertion stimulated a reply from the Reverend George P. Stevenson of the Human Relations Board. Stevenson, who attended the Council meeting, presented statistics revealing a higher percentage of absentee ownership. For his part, Bradley took the Dworak administration to task for its 10 lethargic approach to the slum problem.

At the next Council meeting, H.F. Jacobberger said that urban renewal should be placed on the spring ballot. He believed that a majority of 11 the voters would accept an authority. Members of the Chamber of Commerce Committee on Urban Development and Planning lamented the timing of this public statement, for they did not want redevelopment to become 12 a political issue until the public was better informed. Overshadowed by the outbreak of a rezoning scandal in city government, urban renewal suddenly dropped from the political scene. The City Council did not

Omaha World-Herald (Morning) 16 September 1964.

11 Ibid., 23 September 1964.

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Urban Development and Planning Committee, 1963-1964, Minutes, Meeting of 23 September 1964.

vote to place the proposal for an urban renewal authority on the ballot until the following winter.

On September 25, 1964, two days after Jacobberger's urban renewal statement, the World-Herald disclosed "The John Coleman Story" which would lead to an infamous end of the term of the controversial Mayor James Dworak. Coleman, a Chicago real estate developer, exposed alleged political payoffs that resulted in the indictment of Mayor Dworak, Councilman Stephen Novak and Ernest Adams, and Planning Board Member Carville R. (Barney) Buttner. He accused the political officials of soliciting bribes for their part in approving a rezoning application that would enable the construction of an apartment complex in a residential neighborhood of West Omaha. The newspaper, with the aid of transcripts from tape recordings, described in detail the secret discussions between Coleman and several of the involved Omahans. One of the conversations presented in the newspaper revealed Dworak arranging a \$2,500 "campaign contribution" as a payment to him for not vetoing the rezoning. Councilman Adams received a \$5,000 check and Councilman Novak pocketed a \$2,000 payment from Omaha realtor Ronald J. Abboud who had been promised the building contract for the project. Coleman had given Abboud two checks for the same amount. The 13 two Councilmen promised to vote for the rezoning. While under indictment, Dworak ran for reelection in the spring of 1965. He placed second in the primary but lost in the run-off election to A.V. Sorensen. Dworak was eventually acquitted of the bribery charges. During the trial the defeated Mayor said that he only pretended to go along with the deal so that he

Omaha World-Herald (Evening) 25 September 1964.

could investigate these activities. Novak, Adams, and Abboud were tried 14 and convicted for their role in the Coleman affair.

After the corruption incident defused urban renewal in September, redevelopment remained an issue only for those directly involved with its promotion. The Urban Renewal Advisory Board informed the Chamber of Commerce in November 1964 that the central business district study would be finished in two months and that the Community Renewal study would be 15 completed in February. As predicted, the Daly Company's "Economic Survey and Market Analysis of Downtown Omaha" came out first and offered an optimistic quide for the revitalization of the central business district. The report stated that the core business area could "recapture its position of commercial dominance . . . with the revitalization of downtown Omaha" along with a "strong coordinated action program." It noted that the loss of "prestige office space" to the suburbs, the construction of shopping centers, the expansion of freeways away from downtown and the absence of new downtown apartments contributed to the economic decline of the district. Plans to reinstate the economic vitality of the traditional business area included incentives for commercial and convention business as well as recreational and cultural activities. The clearance of obsolete buildings followed by new construction, the report predicted, would stimulate the remodeling of other structures. Although urban renewal would help the rebuilding, the planners did not consider it a necessity for the central business district. Yet they added that the improvement of conditions in

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Urban Development and Planning Committee, 1964-1965, 6 November 1964.

<sup>&</sup>lt;u>Newsweek</u>, 19 April 1965, p.27, in Sorensen Scrapbook, located in Public Library, Main Branch, Omaha, Nebraska, hereafter indicated by S.S.; Interview with Arthur Bradley, former City Councilman, Omaha, Nebraska, 20 May 1980.

<sup>15</sup> 

the blighted neighborhoods around the downtown demanded federal redevelop-16 ment and would help strengthen the core business area.

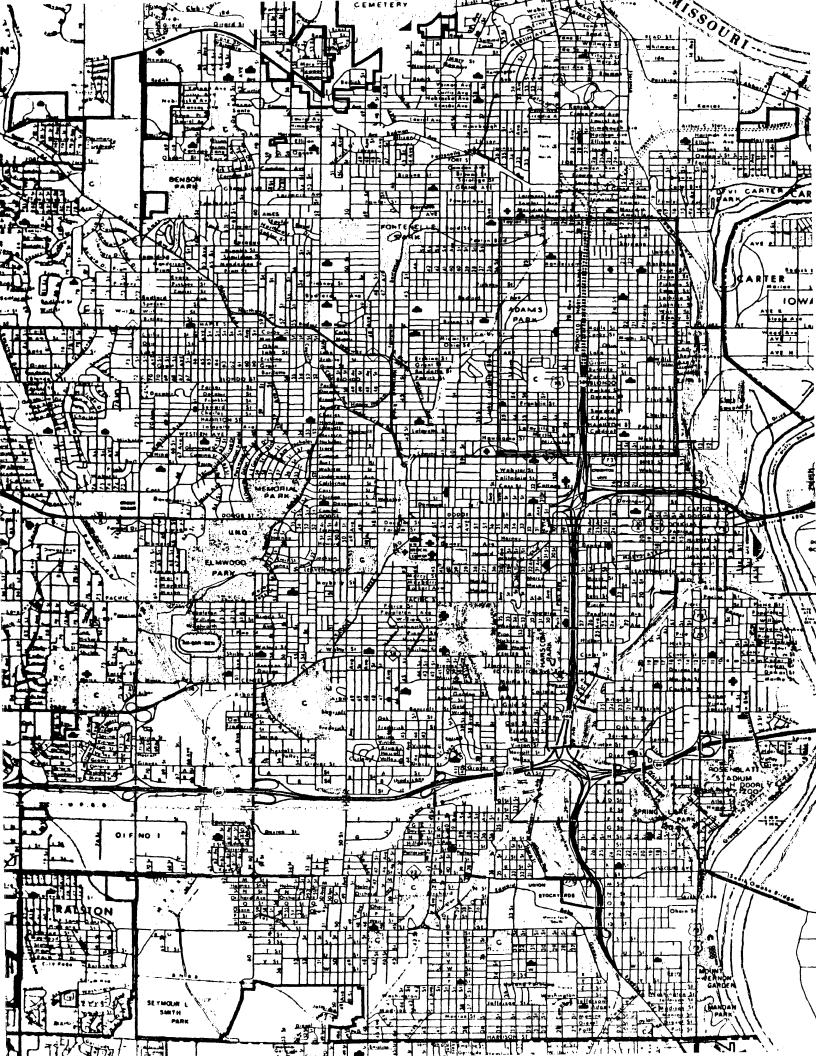
Months after the release of the downtown study, the engineering firm of Henningson, Durham and Richardson, Inc., presented the results of the Community Renewal Program study. The Renewal Survey, appearing in April 1965, judged 15 percent of the Omaha housing supply substandard. In determining a dwelling substandard, the survey researchers used the definition for deteriorating and dilapidated housing established in the 1960 U.S. Census. They found a more striking degree of blight among the homes occupied by "nonwhites." A fraction over 35 percent of the dwellings of minorities were substandard. Most of these homes were concentrated in the city's Near North Side within the boundaries of Cuming Street on the south, Ames Avenue on the north, Sixteenth Street on the east, and Thirtysixth Street on the west. Other heavily blighted neighborhoods existed around the southern and northern edges of the central business district. 17 They represented a mixed business and residential area.

At about the time that the Community Renewal study came out, endorsements for an urban renewal authority appeared in the <u>World-Herald</u>. The business and labor organizations that had shown an interest in redevelopment for several years provided most of the support before the May election. One new, notable plan for urban renewal came from Archbishop Gerald T. Bergan. Public endorsements, which showed some understanding of the problems of the

Leo A. Daly Company, "Economic Survey and Market Analysis of Downtown Omaha, Nebraska," (Omaha: N.P. 1964), pp.2-4, 10-15, a copy in possession of the Greater Omaha Chamber of Commerce.

<sup>17</sup> 

Henningson, Durham & Richardson, Inc., "Economic and Market Studies for the Omaha Community Renewal Program," (Omaha: N.P. 1965), pp.65-66, 74-75, a copy in possession of the Greater Omaha Chamber of Commerce; see map on following page.



poor, by the Reverends James Stewart, director of the Catholic Social Action Department of Omaha, and Edward Stimson of the Dundee Presbyterian Church, immediately followed the Archbishop's announcement. Reverend Stimson, referring to mayoral candidate A.V. Sorensen's emphasis on appointing authority members who would respond to the problems of relocated people, said that a program, if administered by honest and fair people, could benefit both the poor and the community. Father Stewart encouraged the passage of a fair housing bill in the legislature along with his urban renewal support. He felt that improved living conditions for those relocated would result only if legislative guarantees made housing throughout 18

The black community, however, showed little interest in the approaching election. <u>The Omaha Star</u>, the Negro weekly newspaper, never mentioned the coming vote on the authority and instead focused its attention on a fair housing bill before the state legislature. Also, the Omaha Urban League showed a change in attitude by refusing to endorse renewal until the city adopted a fair housing and relocation program. Echoing the same argument, the Reverend Jones and Reverend McNair of the Citizen Coordinating Committee for Civil Liberties urged a "no" vote and declared that redevelopment would only move Negroes into new ghettoes because of the restricted 19 housing market.

In the weeks before the election, the proponents stepped up their campaign. The <u>World-Herald</u> began a nightly service of short statements

18 <u>Omaha World-Herald</u> (Evening), 23, 24, 25 April 1965.
19 Ibid., 28 April, 3 May 1965; The Omaha Star, 7 May 1965.

that explained the function of a redevelopment authority and the purpose of the federal program. Several religious organizations, the Omaha Area Council of Churches and the Synagogue Council of Omaha, added their support. Charles Peters, the board chairman of the Council of Churches and former member of the Urban Renewal Advisory Board, said that a physical change would not sure all of the problems but would create a healthy atmosphere conducive to self-improvement. Spokesmen of the Chamber of Commerce repeated their interests in redevelopment as "a means of attaining outstanding progress for the future of the city." Jason Rouby, the Chamber's renewal expert, continued to stress the old argument that the rights of the people would be protected through the requirement of City Council approval 20 of an authority's plans. In the "Public Pulse," a section of the World-Herald reserved for public editorials, a former Chamber of Commerce member, Dale E. Marr, criticized the organization's policy. He asserted that the pro-renewal position reflected the philosophy of the "inner circle" elite of the Chamber and did not represent the views of its membership. J.L. Hanry, executive vice president of the Chamber, refuted Marr's accusations and said that the position was adopted through normal procedures, stemming from a committee recommendation, four years before.

On the Sunday before the election, K.W. Emanuelson applauded the many speakers who, during the previous twelve months, had described the benefits of urban renewal to more than five thousand people. Lacking any reference to his active membership in the Chamber of Commerce, the newspaper article which reported Emanuelson's comments identified him as the chairman of the

Omaha World-Herald (Evening), 29 April, 4, 12 May 1965.

<sup>&</sup>lt;sup>21</sup>Ibid., 15 April 1965.

Omaha Committee for an Urban Renewal Authority. He said that the audience responded positively at the presentation and explained that most of the people in attendance now saw the government program as "a tool for private 22 enterprise."

As in the past, the Small Property Owners Association took a negative stance. The group invited a speaker from Lincoln who said that urban renewal would destroy property rights and increase taxes. Less predictable, however, was the low-keyed support of Arthur Bradley. As an incumbant council candidate, Bradley remained uncharacteristically silent on the authority issue. He described the restoration of confidence in government as the main campaign issue. In a newspaper article which focused on his position, Bradley only briefly mentioned slum clearance while listing 23 several problems that government must solve.

Mayoral candidate A.V. Sorensen issued a statement on urban renewal just prior to the election. Leaving the fate of the program up to the people, he said that he would not pursue the issue further if the voters again defeated the creation of an authority. Sorensen also promised to veto any ordinance by the City Council which established a renewal agency. The election came on May 11, and the people throughout the city voted down urban renewal, 64,319 to 31,121. Not one of Omaha's fourteen wards tallied a majority in favor of the issue. Only three districts the westcentral ward in the Dundee area and two far western wards on the edge of the city, defeated the authority by less than a two to one margin. South Omaha, where the defeat ratio reached six to one, remained solidly against

Sunday World-Herald 9 May 1965.

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Omaha World-Herald (Evening) 26, 29 April 1965.

the proposal. The North Omaha voters also heavily rejected urban renewal 24 by better than two to one.

Until 1965, the singlemindedness of the business and political leaders, who saw urban renewal as the only possible way to reverse blight, prevented them from accepting defeat and from looking for alternative solutions. Only hours after helping to sustain James Dworak's veto in 1963, Councilman H.F. Jacobberger promised to call for a vote on an authority after the completion of the Community Renewal study. In the spring of 1963, the Chamber's Urban Development and Planning Committee also considered a future vote as inevitable and rushed into a public education campaign. Neither the politicians nor the businessmen stopped to ponder whether or not their struggle for public approval was plausible; they wanted federal redevelopment. In 1965, the perception that a majority of the voters favored the program appears to have been based on high hopes, not careful analysis of the political climate.

Sorensen defeated Dworak who left town shortly after the election. The Mayor-elect said that he would pursue slum elimination with the aid of 25private enterprise and without federal urban renewal. As Mayor, Sorensen replaced the Urban Renewal Office with the Housing and Neighborhood Development Office and appointed Louis Olsen III as director. Harold Kort accepted a position in the Department of Health and Preventive Medicine at 26the University of Iowa and left Omaha in October 1965.

A.V. Sorensen, "A Statement on Urban Renewal," S.S.; <u>Omaha World-Herald</u> (Morning) 12 May 1965; <u>Omaha World-Herald</u> (Evening) 22 April, 12 May 1965.

<sup>&</sup>lt;sup>25</sup> Omaha World-Herald (Morning) 12 May 1965.

<sup>&</sup>lt;sup>26</sup>Urban Development and Planning Committee, 1965, Minutes, Meeting of 1 October 1965.

The 1965 rejection of urban renewal in Omaha was not an isolated case. for the federal program had come under general criticism across the country. Ten years before, a Reader's Digest article had described slum clearance as a booming business which had increased inner city land values, had raised tax revenues and had reduced the juvenile crime rate. In Pittsburgh a federal redevelopment program, which contained public housing, had augmented city land values by 34 million dollars. Cleveland had reported a crime rate of 1.57 percent among children in the city's six public housing projects compared to 2.26 percent in neighboring slums. Objections to the land clearance program, however, increased after the 1964 publication of The Federal Bulldozer by Martin Anderson. Offering the first comprehensive study of federal redevelopment, Anderson concluded that it was a complicated failure that should be repealed. He said the overall results showed that 28 renewal further enriched the wealthy and victimized the poor. Between 1963 and 1965 the popular magazines, Reader's Digest and Saturday Evening Post, did not print a single article that favorably portrayed urban renewal.

Beginning in October 1962 with the "Fallacy of Urban Renewal," the <u>Reader's Digest</u> presented redevelopment as an obstacle to the national development of private enterprise. Omaha City Councilmen Arthur Bradley

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Donald Robinson, "Slum Clearance Pays Extra Dividends," <u>Reader's</u> <u>Digest</u>, November 1955, pp.87-90.

Martin Anderson, <u>The Federal Bulldozer: A Critical Analysis of</u> <u>Urban Renewal</u>, 1949-1962 (Cambridge, Massachusetts: The M.I.T. Press, 1964), pp.228, 230.

Readers Guide to Periodical Literature, March 1961 - February 1963, March 1963 - February 1965, March 1965 - February 1967.

and Warren Swigart commented that this article influenced local opposition, as they heard a number of critics say that the Reader's Digest article 30 supported their fears of the program. Subsequent articles, "The Mounting Scandal of Urban Renewal" in 1964 and "Exploding the Myth of Urban Renewal; Excerpts from the Federal Bulldozer" the following year, concentrated on the abuses of the tax dollars invested in redevelopment. The 1964 article used the Erieview Project in Cleveland as an example of the improprieties. Here, in an old business district, city officials classified 70 percent of the buildings as substandard even though local inspectors had recently deemed most of the structures sound. A desire to obtain 33 million dollars in federal aid inspired the officials' deception. Two Congressional committees began investigating the Cleveland case along with complaints of urban renewal corruption in other cities the year before the 1965 Omaha vote on the redevelopment authority. Stories similar to "Slum Clearance Is A 31 Hoax" in the Saturday Evening Post were common in other national magazines.

In the month before the Omaha election, opponents noted the negative reports in several periodicals. Dale Marr, while decrying the activities of the Chamber of Commerce, referred to the 1965 <u>Reader's Digest</u> antirenewal article. A second "Public Pulse" editorial, in April 1965, quoted a condemnation of federal redevelopment from <u>Barron's National Business and</u> <u>Financial Weekly</u>. Titled, "Bulldozer's Path," the article used Martin Anderson's book as the basis of its reproach which also contained statements

J.C. Sparks, "Fallacy of Urban Renewal," <u>Reader's Digest</u>, October 1962, pp.114-116; Interview with Arthur Bradley; Interview with Warren Swigart, City Councilman, Omaha, Nebraska, 31 May 1980.

<sup>&</sup>lt;sup>31</sup>John Dowdy, "The Mounting Scandal of Urban Renewal," <u>Reader's Digest</u>, March 1964, pp.51-57. Martin Anderson, "Exploding the Federal Myth of Urban Renewal; Excerpts from the Federal Bulldozer, <u>Reader's Digest</u>, April 1965, pp.85-90; David Friedenberg, "Slum Clearance is a Hoax," <u>Saturday</u> Evening Post, 28 August 1965, p.12.

of federal administrators, including the director of the Housing and Home Finance Agency, Robert C. Weaver, and a former director of the Housing 32 Agency, Albert M. Cole, who acknowledged the program's negative aspects.

The push for urban renewal appeared to end after May 1965. None of the 1966 issues of the Chamber of Commerce periodical, <u>Omaha Profile</u>, mentioned 33 federal redevelopment. Then, in 1969, the ardent renewal promoter, Arthur Bradley, tried to stimulate action on city-wide urban renewal. The revival started when the federal government terminated an attempt to develop an abbreviated form of renewal.

In 1967 residents from Omaha's Benson district, an area located in the north-central section of the city, sought to amend the state redevelopment law. The proposal would add to the law a statement allowing the Omaha City Council to create a limited authority to administer one project and upon 34 completion of the project would require the authority to disband. The bill, introduced by Senator Terry Carpenter, died in committee. The members of the committee judged the bill unnecessary because cities could initiate 35 a single urban renewal project under the existing law.

During the next regular session of the legislature, a similar movement by South Omaha interests succeeded in helping Senator Carpenter amend the

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Omaha World-Herald (Evening), 12, 15 April 1965; "Bulldozer's Path," Barron's National Business and Financial Weekly, 29 March 1965.

Omaha (Nebraska) Chamber of Commerce, Omaha Profile, January 1966-December 1966, located in the basement of the First National Bank Building, Omaha, Nebraska.

Legislature of Nebraska, Committee on Urban Affairs, Minutes of public hearing on 1 February 1967, Legislative Bill 44, 77th Session, pp. 1-2, Office of the Clerk, Nebraska Legislature.

<sup>&</sup>lt;sup>35</sup>Legislature of Nebraska, Committee on Urban Affairs, Statement on LB 44, 3 February 1967, Office of the Clerk, Nebraska Legislature.

state redevelopment law to include specific language on limited urban 36 renewal. Some of the supporters saw limited renewal as a means to rejuvenate the community which was suffering from a declining packing industry. The new law, in fact, designated an area in South Omaha for redevelopment. Omaha Senators William R. Skarda and Eugene T. Mahoney introduced the amendment which outlined the project. Involving over 300 acres in and around the old South Omaha business district, the complex plan provided for an industrial park spanning 135 acres; it designated 50 acres for garden apartments and a recreational park of 44 acres. The project also included housing for the elderly, redevelopment of the South Omaha business district and an addition of 17 acres to the area's high school. Although the amendment specified the direction that the redevelopment should take, it contained a flexibility clause which allowed the planners to trim the size of the project, but prohibited its enlargement.

While the bill, LB 190, was pending before the legislature, a group of businessmen interested in a limited authority for the Near North Side prepared to amend the proposal. Alfred Grice of the Mid-City Business and Professional Men's Association noted that the bill required the completion of the South Omaha plan before another authority could be created. Considering the length of the proposed project, Grice said this "could close urban renewal for ten years." Senator Edward R. Danner, who represented the minority community, agreed to introduce such an amendment. Explaining that he liked the urban renewal program, Danner said that the people's

Legislative Journal (Nebraska), 1969, 78th Session, p.1213.

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Omaha World-Herald, 12 February 1967, S.S.

opposition had discouraged him from actively promoting the issue. He saw the North Omaha businessmen's interest as a change in attitude and said if 38 the people began to support urban renewal, then he would follow.

Bad news, regarding the South Omaha legislation, came from a federal official around the time that the North Omaha businessmen expressed their concern. Thomas Kilbride, an acting assistant regional administrator for the Department of Housing and Urban Development, informed Mayor Sorensen that the South Omaha project would not qualify for federal aid. He argued that areas in the Negro section of North Omaha were in greater need of action. Sorensen, deviating from his election promise to accept the will of the people on urban renewal, disagreed adamantly. He approved of the South Omaha location because of the land available there for development and because of the area's employment problems. The Mayor advised the legislature to follow through with the bill regardless of the HUD administrator's disapproval. Sorensen said that if the federal bureaucrat refused to support the limited program, then he would lobby for the project at the  $\frac{39}{100}$ 

The state legislature did pass the bill with the South Omaha amendment. The law also contained a clause that gave the Omaha City Council fifteen days after its enactment to veto the project; however, if the Council refused to act within this time, the South Omaha project would be considered approved. The Omaha City Council moved quickly on the abbreviated approach and unanimously established a limited urban renewal authority in June 1969. Yet this project fell through when Kilbride denied federal support, as he had promised.

<sup>38</sup> Ibid., 14 March 1969.

Employing legal discretion, the HUD official again said that Omaha should 40 redirect its redevelopment efforts to the minority community. The decision put a halt to the limited program. Mayor Eugene Leahy, who took office in the spring of 1969, did not ask the state's representatives in Washington, as Sorensen had intended, to argue the city's case. The abrupt end of the program angered Terry Carpenter, a powerful legislator from Scottsbluff who had introduced the limited authority bill; he called Omaha's elected officials "a bunch of political cowards" for giving in to the 41 wishes of the minor bureaucrat.

Before Carpenter's outburst, Councilman Arthur Bradley reopened the discussion of providing a city-wide authority. He asked City Attorney Herbert Fitle if the City Council could administer urban renewal. The day after Carpenter insulted the Omaha political leaders, Mayor Eugene Leahy stunned the City Council by proposing the passage of an authority ordinance. Leahy, who had opposed urban renewal as a mayoral candidate earlier that year, said that the federal program had great potential for assisting waterfront development along the Missouri River and for clearing up the old commercial, industrial and warehouse districts on the northeast and southeast fringes of downtown. The unexpected announcement by the Mayor startled Councilman Albert Veys who said, "We were discussing other matters when all of a sudden this broke out." Bradley, of course, liked the idea, but most of the Council, including H.F. Jacobberger and Warren Swigart, were apprehensive about acting on renewal without the blessing of the public. Within a week of the Mayor's call for an ordinance, the City

Omaha World-Herald, 2 June, 8 October 1969, S.S.; Omaha World-Herald (Evening) 28 March 1969.

41 Omaha World-Herald, 8 October 1969, S.S.

Attorney explained that the City Charter and the state redevelopment law neither permitted nor barred the City Council from appointing itself as the authority. Therefore, he judged that the Councilmen could establish themselves as the administrative body. His legal opinion failed to 42 stimulate whole-hearted support from the city officials.

In November 1969, a <u>World-Herald</u> poll indicated that a majority of the people would support urban renewal. The poll encouraged Mayor Leahy to propose placing the issue on the May ballot. The entire City Council agreed to let the people decide, and on 12 May 1970, the voters would receive another chance to establish an urban renewal authority. Leahy decided to 43 begin to campaign for the authority six to eight weeks before the election. He created the Community Information Committee on Urban Renewal to promote the proposal.

Unlike the past experience with the renewal issue, the City Council, as a whole, expressed a more positive attitude. In early April 1970, the Council unanimously passed a resolution that endorsed the creation of the authority. The politicians who had been unwilling to create a citywide authority in the previous fall, now appeared to feel secure in asking the public to initiate a program. Councilmen H.F. Jacobberger, Warren Swigart and Albert Veys, all of whom voted against the authority in 1963, sided with Arthur Bradley, Betty Abbot, John Ritums and L.K. Smith on the resolution. Among the three former dissenters, Veys had objected most firmly to urban renewal in the past. The support shown for renewal by the poll taken in the autumn of 1969 and the initiation of a project by

<u>Ibid.</u>, 14 September, 8,9,10,13 October 1969.

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Ibid., 26 November, 2, 3 December 1969.

South Omaha state politicians and businessmen might have changed Vey's hardline opposition. South Omaha was his home ground. Also, the type of renewal being publicly advocated probably helped to unite the Council. In the resolution, the city officials proclaimed that the program would not impose the redevelopment of large areas, but would emphasize rehabilitation. The document stated that all projects "must be locally initiated, locally programmed, locally controlled and must be responsive to the citizens 44 affected. . . . "

The <u>World-Herald</u> did a feature story on South Omaha, the area that traditionally had offered the heaviest resistance to urban renewal. Some of the South Omahans interviewed thought that the community's position was softening on the issue. A churchman and a businessman noted that an increased migration of young persons from the area of the suburbs had helped to convince some people of the need for redevelopment. Joseph R. Baburek, an office machine service technician and urban renewal convert, said, "Things are deteriorating. That's why I changed my mind." Yet businessman Frank A. Harm felt that attitudes had not really changed much. He explained that many people feared that they would not receive adequate compensation if the government seized their homes. In the South Omaha article, the <u>World-Herald</u> reported that federal law entitled displaced home owners to receive the appraisal value of their home plus a relocation payment  $\frac{45}{0000}$ 

Councilman Veys said, "This is probably the quietest election we've

Omaha World-Herald (Evening), 8 April 1970.

45 Ibid., 16 April 1970.

walked into in a long time. It's very unusual." In mid April, Veys avoided making a prediction on how South Omaha would vote, but he said 46 nobody had complained about his vote to place the issue on the ballot.

Leaders of the black community, another area which always had voted strongly against urban renewal, loudly proclaimed their distrust of government redevelopment. During the early sixties, some Negro leaders, such as the executives of the Urban League, became outspoken critics of racial discrimination. In 1966 and 1968, racial tension erupted into riots on the Near North Side. By 1970, a majority of the vocal black leaders voiced strong opposition to urban renewal. They did not believe that the government leaders would seek the advice of blacks during the planning of projects. Urban renewal, they contended, would force Negroes out of their homes without giving them a voice in where they would be rehoused. Lawrence McVoy, a board member of Greater Omaha Community Action and a former president of the Omaha NAACP, said the city "has never 47 accepted the participation of the poor, even in welfare programs."

Members of the Urban League and City Human Relations Board reflected the suspicions of much of the Negro community. Dominated by whites before the mid sixties, the Urban League board of directors consisted of twentyfour blacks and eleven whites in 1970. One new board member, Ernest W. Chambers, demanded that the League adopt a more relevant approach to the struggle of black citizens. He called for "a frontal attack against incompetent judges, a brutal police force, a racist school system, and a

46 <u>Ibid</u>. 47 <u>Ibid</u>., 15 April 1970. bigoted ignorant state legislature." Despite the passage of an open housing bill in the 1969 state legislature, the Urban League remained 49 opposed to urban renewal. Likewise, the City Human Relations Board voted, five to two, to oppose the renewal authority. The majority members faulted the city government for not providing the people with specific plans. George E. Parker, who lived in the Near North Side, said he "could not trust Mayor Leahy to insure proper community representation on the 50 authority." Responding to the Board's complaints, Mayor Leahy called the arguments poorly conceived since an urban renewal authority must be 51 established to formulate specific plans.

The Mayor and Jack Carpenter, chairman of the Mayor's Community Information Center, spearheaded the authority campaign. The City Council members, aside from their formal endorsement of the authority, appeared to avoid promotion of the issue on an individual basis. Also, the Chamber of Commerce was less active in the public campaign for the renewal agency. Carpenter, speaking before various groups, stressed that a favorable vote would only establish an authority and would not precipitate immediate urban renewal.

The Mayor's spokesman described a new version of renewal distinct from the controversial area redevelopment of the past. He insisted that the

Omaha World-Herald (Evening) 22 April 1970.

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<u>Ibid.</u>, 13 May 1970; <u>Legislative Journal</u> (Nebraska), 1969, 78th Session, p.3010.

50 <u>Omaha World-Herald</u> (Evening) 7 May 1970. 51

Ibid., 8 May 1970.

program would concentrate on the development of vacant areas and rehabilitation, thus avoiding any large-scale relocation of people. The new emphasis, Carpenter said, centered on housing for poor citizens rather than business and commercial development. The proponents claimed that slmost 20 percent of the city's people lived in substandard dwellings. Many of Carpenter's remarks conflicted with the initial statement of Mayor Leahy on urban renewal. Embracing the program toward the end of 1969, Leahy showed enthusiasm for development of the riverfront, and the slamost commercial and warehouse districts east of downtown.

Two weeks before the election, the organized opposition intensified its campaign. Peter Marchetti, as chairman of the Taxpayers Union which was created to protest the authority election, once again surfaced as a leading challenger. In his usual emotion-packed style, Marchetti spurned urban renewal as an immoral concept. A.J. Treutler, an advertising agent and coordinator of the Taxpayers Union, said that the city, if given renewal powers, would level East Omaha and turn the area into an industrial park. Such a program would displace two thousand poor people and either force them into a new slum or place them in housing subsidized by the taxpayer. He argued that "sensible enforcement codes and sensible taxes" could solve the problem along with private enterprise. Treutler, who the <u>World-Herald</u> described as an active conservative, owned substandard property in North 54 Omaha.

In late April 1970, a second <u>World-Herald</u> poll revealed a higher opposition percentage than had an earlier poll in November 1969. The

52 Ibid., 15 April, 8 May 1970.

53 Ibid., 9 October 1969.

54 Omaha World-Herald (Evening) 30 April, 8 May 1970.

first survey estimated public opinion on urban renewal as 55 percent in favor, 26 percent against and 19 percent without an opinion. As the election neared, the figures supporting renewal were less positive. The later sampling showed only 40 percent of the people favored an authority while those opposing and without an opinion rose to 33 percent and 27 percent. It also demonstrated a significant difference in the position of white collar and blue collar workers. The white collar groups, with 49 percent for and 27 percent against, supported the authority. Blue collar workers, however, opposed the proposal by two percentage points, 34 percent for and 36 percent against. The high number of "no opinion" responses complicated attempts to predict the outcome of the election. Yet in South Omaha the April poll indicated a two to one ratio against an urban renewal authority.

Shortly before the election, Mayor Leahy said he believed the people would support urban renewal, but on May 12 the electorate voted 45,313 to 26,347 against urban renewal for the third and final time. The Mayor blamed the outcome on the public's unfounded fear that an authority would impose excessive taxes. A.J. Treutler, a leader of the Taxpayers Union which opposed urban renewal, concurred with the Mayor although he thought that the tax fear was justified. Noting the longevity of the issue, Treutler said that if the 1970 defeat did not put an end to the debate then "it's 56 high time the taxpayers start demonstrating like the college students." The need for further demonstration never arose after the fourth rejection of urban renewal.

55 <u>Ibid</u>., 30 April 1970. 56 <u>Ibid</u>., 8, 13 May 1970. As they had five years before, the promoters of renewal misread public attitudes. The Mayor placed too much emphasis on the polls and too little emphasis on the history of urban renewal votes. The four veteran Councilmen, Bradley, Jacobberger, Swigart and Veys, who had grappled with the issue during the early sixties, did not show an active interest in the campaign. Leahy, however, had recently assumed the renewal cause and tried to present a program with a new approach that was more responsive to public participation and concentrated on rehabilitation. Yet the argument did not sell. The results of the election illustrated a continued deep seated public disapproval of urban renewal.

# CHAPTER VII

The people's distrust of the motives behind the promotion of the business interests and their dislike of the use of the eminent domain power for private development basically caused the failure of urban renewal in Omaha. Most of the people could not see how eminent domain as it related to urban renewal constituted a "public use." The state's power of expropriation had been used traditionally to obtain property for the construction of public facilities such as schools, parks and highways. Here, the action clearly resulted in public ownership for public use. With the advent of federal slum clearance and urban renewal, the states, however, could take private property and resell it to private developers who would gain the privilege of profit which accompanied ownership. The courts interpreted this as a public use because any construction by redevelopers was required to conform to a plan designed to benefit the community. Therefore, the use of expropriation in urban renewal benefited the community and thus constituted a public use. In Omaha, the avid promotion by wealthy businessmen clouded, for people of average and low incomes, the perception of a community good resulting from urban renewal, were those likely to profit from redevelopment.

The anti-elite attitude of the opponents revealed itself in the voting

pattern of the elections in 1958, 1965 and 1970. In each of the three public votes on an urban renewal authority, the strongest voter opposition existed in South Omaha, an area of mostly working-class families, and in North Omaha, also a working-class area and the location of the black community. The renewers often targeted sections of these two districts for renewal projects. The newer neighborhoods, in the western portion of the city, dominated by the wealthy and white collar workers, repeatedly showed more support for the issue. Yet even in these suburbs, the issue usually lost, and only once, in 1970, did a western ward tally a majority vote favoring a renewal authority.

At first glance, the position in the southern area would appear inconsistent because of the establishment of the South Omaha project in 1969 followed by the strong rejection of urban renewal in 1970 when the margin of defeat reached four to one in sections of that part of the city. The South Omaha limited authority, however, was created without a vote of the people. Also, the parochial nature of this effort might have satisfied self-interests more easily understood than the abstract community benefits promised by those for city-wide urban renewal. The project's emphasis on industrial redevelopment also might have conjured up quite a different image / in South Omaha than "urban renewal." It may have offered South Omaha a tangible approach to enduring the woes caused by the decline of the packing industry.

As for North Omaha, until 1969 the outspoken members of the Negro community differed in opinion over which reform should come first, urban

Omaha World-Herald (Evening) 13 May 1970.

2 Ibid.

renewal or fair housing legislation. During the debate over the 1961 redevelopment law and the 1963 authority ordinance, the conflict surfaced as some black citizens based their opposition on the absence of open housing practices. They wanted to know where Negroes could obtain better housing. Others, such as Dr. A.B. Pittman of the Omaha Urban League, argued that the establishment of a redevelopment program would open the housing market to blacks since the federal law required affordable decent housing for relocated persons. The experience of other cities, however, conflicted with Dr. Pittman's theory and revealed that displaced Negroes normally ended up paying higher rents for worse housing than their white counterparts. Relocation studies of Buffalo, San Francisco and Seattle showed that the movement of blacks was more confined than that of whites. Moreover, in Chicago and Akron most minorities had a difficult time finding alternative housing. It took the average black home-buyer of Akron three times longer to relocate than the average white family.

In the fall of 1963, the demonstration for open housing grew to overshadow urban renewal in popularity among black Omahans. While endorsing a fair housing bill before the Nebraska Legislature, <u>The Omaha Star</u> lacked any mention of the redevelopment issue during the week of the 1965 election. The Omaha Urban League had become less enthusiastic about federal renewal under the leadership of Dr. Claude Organ who succeeded Dr. Pittman as president. The decline of interest was related to the refusal of the Chamber of Commerce to help the Urban League support a fair housing bill which failed

Chester Hartman, "The Housing of Relocated Families," in James F. Wilson, <u>Urban Renewal, the Record and the Controversy</u> (Cambridge, Massachusetts: The M.I.T. Press, 1966), pp.311-312 (hereafter cited as Wilson, <u>Urban Renewal</u> the Record.)

4 to pass in 1965.

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By 1969, the adoption of a state open housing law did not alter the outspoken distrust the black leaders felt towards the established political and business leaders of Omaha. Since years of talk had not materialized into improved living conditions for blacks, the leaders who had emerged during the 1963 civil rights demonstrations wanted guarantees that members of their race would be helped and protected if forced to relocate. Yet they refused to believe the promises of the Mayor who said minorities would have a voice in the planning and carrying out of programs. They noted that such promises had never been fulfilled in the past.

In the aftermath of the 1966 and 1968 riots, a new group of angry young leaders, such as Ernest Chambers, surfaced as spokesmen of the poor and advocated a complete change in the political establishment of the city. They wanted new leaders who were more conscious and responsive to the problems of race. They doubted that any programs introduced by the old guard would benefit blacks.

To a large degree, the approach of the advocates in pursuing renewal did not alleviate but contributed to the public's suspicions. Their tactics proved unfortunate from the beginning. Learning of the need for voter authorization of urban renewal just prior to the 1958 special bond election, city officials and interested business groups dropped the issue upon the citizenry with little time for explanation. The Omaha Housing Authority had been privately working on this first plan for two years before the public knew of the project. Faced suddenly with an unfamiliar

Interview with Dr. Claude Organ, Physician, Omaha, Nebraska, 20 November 1980.

concept that could seize a person's home, compounded by the large dollar figures of the Omaha Plan, the voters understandably rejected urban renewal along with the other proposals by a five to one ratio. Hit hard by the decisive defeat, the proponents chose to bypass the voters rather than to attempt to gain their approval. The Omaha Chamber of Commerce led a drive that changed the state enabling legislation to allow the City Council to create an urban renewal authority. Circumstances, however, obstructed the renewers, as the citizens elected as mayor in 1961 James Dworak, who campaigned against federal aid. The election of Dworak illustrated the division between the elite and the people who were not part of the upper circle. Described as the people's mayor, he narrowly defeated James Green, an attorney who was supported by the pro-renewal elite.

At the start of his term, Dworak, whose political strength was in South Omaha, proclaimed that he would veto any ordinance establishing an authority. Yet for two years the redevelopment interests lobbied the contrary Mayor and the City Council, which had a weak pro-renewal majority. In 1963, the Council, under considerable pressure from the renewal advocates, passed an authority ordinance by a one vote majority but failed to override Dworak's veto. In the seventh year after the rout of the Omaha Plan, the promoters, again led by the Chamber of Commerce, belatedly focused their labors on educating the general public on the urban renewal concept. The attempt did not erase completely the past apprehension, and the people voted down urban renewal for a second time in 1965. Omaha's political leaders misjudged the mood of the public again in 1970 when urban renewal suffered its final defeat. During the life of the redevelopment issue, City Hall was either divided or out of touch with the public.

Throughout the 1960's, the renewal campaign lacked two important elements: (1) a designated location for redevelopment and (2) forceful leadership. With the exception of the Omaha Plan and the limited South Omaha program, which the politicians failed to stand up for, the business and political promoters never firmly committed themselves to a project area. They most often talked about the section of Omaha referred to as the Creighton district, lying on the northern border of downtown, as a good starting place for redevelopment. In addition, different promoters discussed rebuilding neighborhoods in North and South Omaha, cleaning up the riverfront adjacent to downtown and revitalizing the central business district. The lack of a single focus among the supporters caused fundamental differences within the movement which hampered the public presentation of urban renewal. Some groups, such as the more vocal realtors and the health officials, stressed residential redevelopment. Yet other realtors pushed for an industrial park. In the sixties the leadership of the Chamber of Commerce grew concerned about the decline of downtown and stressed the revitalization of the central business district. Members of the Urban Renewal Advisory Board complained that the Chamber's emphasis on downtown harmed the attempt to create an authority in 1963. The different conceptions portrayed by the advocates compelled the 1970 promoters to emphasise that they were selling residential rehabilitation, not commercial or business redevelopment. Still, shortly before the election, some renewal enthusiasts showed a desire for riverfront and industrial development. On one occasion, H.F. Jacobberger confronted a group of promoters and offered to support urban renewal if they would locate the first program north of Cuming Street in the Near North Side. The advocates, seeing a

project in the Negro district as unprofitable, refused to go along with 5 the Councilman. The uncertainty as to the location of the initial project further aggravated the suspicions of the anti-renewal citizens and politicians who felt that the business leaders merely wanted to enrich themselves.

Likewise, the diversity among the opponents' objections made it difficult for the promoters to present a single acceptable form of renewal. The foes sometimes criticized redevelopment as a scheme to save downtown. By stressing residential clearance, however, the advocates encountered the wrath of those against expropriation and the infringement of private property rights. If the advocates cited the Creighton area for redevelopment, the opponents then lamented the proposal as a plot of the Chamber of Commerce to benefit the cultural highbrows of the city.

The absence of a strong leader greatly handicapped the redevelopment endeavor. Either an energetic mayor who impressed the established business leaders, or a group of skilled professional planners emerged as a significant force behind the adoption of urban renewal in other cities. In Boston, the ascendance of Mayor John F. Collins in 1958 marked an era of innovative redevelopment. A charismatic individual, Mayor Collins had the ability to talk eye-to-eye to the influential leaders of the city, and he won their support. The amiable relationship between the business and political forces helped inaugurate a number of residential and downtown frenewal projects in the New England capital. By contrast, the Housing

Interview with H.F. Jacobberger, former City Councilman, Omaha, Nebraska, 18 March 1981.

Walter McQuade, "Urban Renewal in Boston," in Wilson, <u>Urban Renewal</u>, the Record, pp.260-261.

Authority of Newark, New Jersey quietly orchestrated the redevelopment program there with minimal interference from City Hall. The city possessed a strong mayor-weak city council form of government that the Housing Authority administrators effectively avoided while initiating the redevelopment plans. Also, civic groups, including the Newark Chamber of Commerce, had little influence on the renewal policies which concentrated 7 on projects in slum neighborhoods.

In Omaha, the various renewal promoters sorely missed the emergence of a champion to lead their cause. Because of the leadership void, a communication gulf existed between the elected officials and the prominent business leaders interested in redevelopment. N.P. Dodge, a wealthy realtor who was appointed to a vacant seat on the City Council shortly before the Omaha Plan election, noted the difficulty in "finding proper leadership" to spark citizen participation in urban renewal. In 1960, he said that positive, energetic leadership in city government would stimulate capable Omahans to participate in community affairs. Dodge encouraged A.V. Sorensen to run for mayor so as to fill the need. Years later, Arthur Bradley said that Sorensen could "talk the language" of the business elite. Sorensen, however, chose to stay out of politics in the year in which the voters elected James Dworak. Yet Sorensen, a most influential and dynamic mayor, purposely avoided the urban renewal issue until the end of his term as mayor.

Harold Kaplan, <u>Urban Renewal Politics; Slum Clearance in Newark</u> (New York: Columbia University Press, 1963), pp.10-15, 51-52, 61.

8

N.P. Dodge to A.V. Sorensen, 26 October 1960, A.V. Sorensen Papers, Main Branch, Public Library, Omaha, Nebraska.

Interview with Arthur Bradley, former City Councilman, Omaha, Nebraska, 20 May 1980.

Leadership problems also produced poor communication between City Hall and the black community. More conflict than consensus among Negro leaders hampered cooperation between government and minorities. Several Councilmen found it difficult to define the needs of the black population 10 because of the diverse opinions of the minority leaders. The Negroes' distrust of the established white leaders prevented the politicians from mobilizing the minority community. On the other hand, black Omahans considered the politicians totally unresponsive to their problems. The black population resented not being in on the planning of programs which the white community tried to initiate.

The political failure of urban renewal in Omaha clearly reveals that the mere number of organizations supporting an issue does not always reflect broad-based public support. The urban renewal question in Omaha is interesting in that it shows the problem of distinguishing between a superficial support and deep seated public attitudes on a specific issue. Put another way, it showed the problem of distinguishing between what is apparent and what is real. There may well be a "silent majority" which sometimes stuns the so-called experts in public affairs.

Speculation, given the multiple approaches of urban renewal, on whether a program would have benefited Omaha is difficult. Experts have considered the Lafayette Park project in Detroit and the Hyde Park-Kenwood 11 project in Chicago successes. Yet in the Detroit example, the renewers transformed a deteriorated district into a neighborhood for middle income

Interview with Arthur Bradley; Interview with Warren Swigart, City Councilman, Omaha, Nebraska, 31 May 1980.

<sup>&</sup>lt;sup>11</sup>Charles Abrams, "Some Blessings of Urban Renewal," in Wilson, <u>Urban</u> <u>Renewal, the Record</u>, pp.562; James Q. Wilson, "Planning and Politics, <u>Citizen</u> Participation in Urban Renewal," in Wilson, Urban Renewal, the Record, p.411.

Also, redevelopment of the Hyde Park-Kenwood district was families. largely meant to benefit the professional class traditionally housed there. The University of Chicago dominated the neighborhood which attracted well-educated, upper-income residents who saw the possible community benefits of urban renewal. In this case, the citizens in the project area actively participated in the preparation of the workable A less successful experience in East St. Louis, Illinois, program. graphically illustrated a pitfall of the federal program. The situation in East St. Louis differed greatly from that of the Hyde Park-Kenwood area of Chicago. During the 1950's and 1960's, a heavy influx of poor blacks into the city frightened away many white businessmen and created a chronic slum problem. Urban renewal in this city primarily perpetuated the employment of the redevelopment planners who managed to change very little of the physical social environment of the community.

Over the decades, federal participation in slum clearance strayed from the original intent of improving the housing conditions of the people worst off in American cities. By the mid 1950's the urban renewal program could be used to redevelop nearly any section of a city. In Omaha the greatest concentration of poor citizens was within the black community of the Near North Side. Some of the civic leaders sincerely wanted to help this area; nevertheless, considering the restricted housing market in Omaha and the dismal relocation record of other cities, a program in the North Side

12

12

Peter H. Rossi and Robert A. Dentler, <u>The Politics of Urban Renewal:</u> <u>The Chicago Findings</u> (New York: The Free Press of Glencoe, Inc., 1961), pp.3-4.

Eleanor Paperno Wolf and Charles N. Lebeaux, <u>Change and Renewal in</u> <u>an Urban Community: Five Case Studies of Detroit</u> (New York: Frederick A. Praeger, Publishers, 1969), p.108.

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<sup>14</sup> Dennis R. Judd and Robert E. Mendelson, <u>The Politics of Urban Planning</u>: <u>The East St. Louis Experience</u> (Chicago: University of Illinois Press, 1973), p.47.

probably would not have uplifted the standard of living of the residents.

The argument for government housing intervention in the fifties and sixties exposed an ironic break from the past. Reformers in the late nineteenth century such as Lawrence Veiller turned to state government to force improvements upon the negligent housing practices of private industry. Standing with one foot in a fading rural heritage, they saw the spread of urban slums as a contradiction to the perception of America as a country where an individual could rise through the economic ranks of free enterprise. Later, in the twentieth century, private builders and real estate interests lamented that the establishment of a constructive federal housing policy in 1937 jeopardized private enterprise. The new generation of housing reformers behind the federal intervention claimed that the failure of private industry to fill the need of the low-income citizens justified government action. By the 1950's however, the real estate interests and the Chamber of Commerce embraced the federal program. In Omaha, members of the Chamber of Commerce argued that urban blight could be eliminated only by this method. Voters, suspecting selfish interest behind the promotion, bemoaned that urban renewal trespassed on the freedom of the individual and rejected the program again and again.

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