

## Speeches

### The Future Returns to Midtown

**Remarks by Jack Guynn  
President and CEO  
Federal Reserve Bank of Atlanta**

**at the Midtown Alliance Annual Meeting  
Atlanta, Georgia  
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Thank you, Ben [Johnson].

I am honored to succeed Ben as Chairman of the Midtown Alliance these next two years.

This organization is responsible for much of the resurgence we've witnessed in Midtown, and its effectiveness is undoubtedly a function of the leadership it has received from Ben, Billy Mitchell, Harald Hansen, Don Childress, Susan Mendheim and many others who have served over the years.

They've established a very impressive legacy for the Midtown Alliance, and I promise to do my best to build upon it.

For more than 30 years, Midtown was the shorn side of Atlanta's edge cities. The intersection of 10<sup>th</sup> and Peachtree—where the Atlanta Fed is building its new headquarters—was the dead center of Atlanta's donut hole, a conspicuous plot of scorched earth in a metropolitan area blooming with development, jobs, homes and growth.

In the 1960s, "The Great Speckled Bird" was the literature of choice on the very street where Margaret Mitchell wrote her masterpiece.

In the 1970s, just as Robert Shaw was beginning to make a name for our Atlanta Symphony Orchestra, the intersection of 10<sup>th</sup> and Peachtree was teeming with other performance establishments: places like the Aquarius Lounge and Nite Club, the See Mor Go-Go Club, and the improbably named Tenth Street Art Theatre.

Even as recently as 1986, the headline of an Atlanta Constitution guest editorial read, "Midtown is great—if you're a hooker."

Over a period of three decades, Midtown had fallen beyond disuse to near total dissolution.

Now, in just 10 years, Midtown is back. That such a protracted decline was reversed in such a short period of time is a real tribute to the Midtown Alliance and the institutions that stuck it out here.

But it's also a reminder that it's early—and that we've still got lots of work to do.

Nevertheless, I am excited about the possibilities here in Midtown—because, increasingly, it seems to me that Midtown's future will incorporate the very best parts of its past. It's a past you might have seen at the Fed's own corner in Midtown—10<sup>th</sup> and Peachtree—long before the worst arrived.

When the Federal Reserve Bank of Atlanta first opened its doors at the Hurt Building in 1914, the tract of land on the west side of Peachtree between 10<sup>th</sup> and 11<sup>th</sup> Streets was decidedly mixed use. The Wickliffe apartment building occupied the corner of 11<sup>th</sup> and Peachtree. Two large homes—both owned by physicians—were situated immediately south of the Wickliffe, and another small home was just south of them.

Five businesses occupied the southern half of the block: two butcher shops, two laundries and one grocery store. Wise Cleaners, which would anchor the block for nearly half a century, sat at the corner of 10<sup>th</sup> and Peachtree. The proprietor, Mr. Wise, lived around the corner on 10<sup>th</sup> (then known as West 10<sup>th</sup>) between Peachtree and Crescent. Next door to Wise Cleaners was Leonidas Smith's butcher shop. Mr. Smith lived on Crescent, north of 11<sup>th</sup>.

In the 1920s, attorney Robert Zahner built one of Atlanta's first retail and office complexes. The three-story Zahner Building would remain on our corner for more than 60 years. Its first tenants included a dentist and an advertising firm as well as Zahner's own law firm, which occupied the third floor. Zahner himself lived almost directly behind the building, at 33 Crescent.

As Atlanta's population swelled and property values increased, private residences on Peachtree would begin to disappear. By 1933, the last home on the Fed's block had been demolished to make way for the retail and service establishments that would serve the neighborhood's many apartment dwellers. King Hardware, Lane-Rexall Drugs, Kress department store—all would remain until the late 1960s and early 1970s.

As an economic policymaker, I think the commercial-residential ebb and flow of our block and the surrounding neighborhood is fascinating. But as the incoming chairman of the Midtown Alliance, what really interests me are Mr. Zahner, Mr. Wise and Mr. Smith.

Mr. Zahner would have been the consummate professional of his day. He worked next door to the consummate shopkeepers: Mr. Wise, the cleaner, and Mr. Smith, the butcher. He *lived* next door to them, too. They were his neighbors not just at work. They were his neighbors *at home*.

And they all walked or took the trolley to work.

The arrangement I've just described was hardly unique to our block, or to Midtown, or to Atlanta. It was the norm in cities throughout the country.

Today, of course, developers in Atlanta and elsewhere are busy reinventing the Midtown of the first half of the century—except that now they call it the new urbanism, or live-work-play developments, or transit-oriented developments. Take your pick.

Our opportunity—and our challenge—is to get it right this time. For one thing, the new Midtown will be open to every citizen of Atlanta, regardless of race. However progressive the old arrangement in Midtown might have been, it was one that did not include a very large percentage of our neighbors.

For another thing, the new Midtown will be a gestalt of residential, commercial and artistic venues that add economic and social value to each other. Rising property values do not mean that an area has to become commercial to the exclusion of everything else. We now know that property values rise at least in part *because* of the presence of residential and artistic establishments. Midtown will thrive to the extent that they all thrive together.

Finally, I am convinced that public transit will play a vital role in Midtown. Again, this is as it was decades ago throughout Atlanta. My predecessors at the Atlanta Fed, who lived in the apartment building across the street and elsewhere on Peachtree, would have taken the trolley to work daily. Transit worked then, and it must work again for Midtown tomorrow.

As the future returns to Midtown, the future returns to its businesses, residents and artists will be rich indeed. I thank you for helping the Midtown Alliance secure them, and I thank you for the opportunity to share these thoughts this morning.

## CONTACTS

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