

### Moving forward, remembering the past

The Federal Reserve Bank of Kansas City recently completed the move to our new headquarters at 1 Memorial Drive. For employees, this obviously has been a very exciting, and historic, time. But, as excited as we are about our future, it is also natural at times like this to reflect on the past.

When the Federal Reserve Bank of Kansas City opened for business on Nov. 16, 1914, it operated out of about 8,500 square feet of office space in the R.A. Long Building on the northwest corner of 10th and Grand streets. In those early days, a handful of employees conducted the Bank's business primarily out of lobby offices, although a few had to venture to a small filing room on the building's then-skyscraping 15th floor.

Soon, more space was needed.

Within three years, the Bank had employees working on five floors of the Long Building, as well as in two other downtown Kansas City structures. With business growth showing no signs of slowing, Bank officials took the first steps toward the construction of the building that would be the Bank's home for nearly a century downtown at 925 Grand Blvd.

They built with an eye to the future. When employees moved in on Nov. 16, 1921, they filled only about half of the building's 21 stories. The rest of the space in what was then the city's tallest structure was leased to outside tenants. A few of those tenants were especially notable: Harry Truman worked there after leaving the White House and before the opening of his library and museum in nearby Independence, Mo. The FBI was also based there at the time of the Union Station massacre.

Although these tenants certainly brought some excitement to the building, and to the lives of Bank employees, gradually the Bank began to grow. By the early 1970s, the last of the tenants left and Bank operations filled all 21 floors.

Through the years, the building that employees referred to as simply "925" served

us well and will remain an important connection to our history.

There were, however, challenges. The U-shaped floor plates designed to circulate air in an era before air conditioning, were not well suited for the operations and offices of a modern Federal Reserve Bank. To address office space concerns, in 1976 we moved some employees into a building just north of 925 Grand. In 2000, we

moved some of our staff into leased offices nearby at One Kansas City Place and a second group of employees moved into leased offices there in 2001.

In recent years, these types of challenges, coupled with our continued growth, had a very real impact on the efficiency of our operations.

### 1 Memorial Drive

On July 1, we will officially open to the public our new headquarters along Kansas City's Main Street.

Like its predecessor, this structure was built with an eye to the future. State-of-the-art technology combined with a location that is easily accessible from anywhere in the United States have the Federal Reserve Bank of Kansas City well-positioned to serve the Federal Reserve System and the banks of the Tenth District.

There will certainly be efficiencies and opportunities that will come from working in an environment designed for the 21st century. Technology is remaking all businesses and industries, and banking is no exception—you only need to look as far as your next transaction where you are perhaps more likely to pull out a





# 1 Memorial Drive

debit card instead of a checkbook. As innovation increases, both in speed and significance, our new building positions the Federal Reserve Bank of Kansas City to quickly respond to developments that affect the banks we serve in the Tenth Federal Reserve District. Technology also is changing the way we do business within the network of regional Banks that make up the Federal Reserve System. As the System's newest facility, we are well prepared for the future.

Our new home also provides a unique opportunity for the public. A 3,000-square-foot visitors center explains how the nation's financial system functions, from the individual consumer and their bank through the nation's largest financial institutions and, of course, the role of the Federal Reserve. Visitors also will learn about the Federal Reserve's monetary policy mission and the Federal Open Market Committee. Especially of interest to the public, we believe, will be the opportunity to look into a cash vault—with its storage capacity equal to nearly 100 railcars—to see how our cash operations work.

The building is the first Federal Reserve facility constructed after the tragedy of 9/11. As such, our security meets all of the Federal Reserve's understandably stringent requirements. However, unlike at 925 Grand where we had to retrofit an existing structure to these new security standards, incorporating these features into new construction results in a building that we believe will be easily accessible to the public.

We are especially pleased that a significant portion of the taxes generated by our new building will be used to help fund projects in our new neighborhood along Main Street and in nearby Penn Valley Park through an innovative use of tax increment financing. And we are proud to be a part of the ongoing development in the Liberty Memorial area and of the urban rebirth

that is taking place in Kansas City's core.

But for all the excitement and all the history we are making, these are also bittersweet times for some of our long-time employees, myself included.

The building at 925 Grand was the oldest building still in use in the Federal Reserve System. Despite all of its shortcomings, the building was home for a large part of many of our professional lives.

As with any move, we brought some parts of our previous home with us, including the brass seal from the lobby floor, a Tommy gun used by the early guards and two pairs of the art deco elevator doors. You can read about some of these items, and some other projects related to our new building, on Page 28 of this issue of *TEN*. You will also be able to see many of these pieces when our new building opens to the public.

We are proud that the 925 building will remain a Kansas City landmark. For generations it has served the city and the Tenth Federal Reserve District well. We look forward to continuing to serve the region for the generations to come from our new home at 1 Memorial Drive. I invite you to visit us here soon.

**THOMAS M. HOENIG, PRESIDENT  
FEDERAL RESERVE BANK OF KANSAS CITY**