
∞ PALMS CENTER ∞

AN HISTORIC CONTEXT REPORT

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INTRODUCTION

In 2011, Carroll Parrott Blue, a University of Houston (UH) research professor, received a grant from the National Endowment for the Arts (NEA) to fund the *Our Town Southeast Houston Initiative*, part of the *Our Town Third Ward Arts Initiative*, a creative placemaking project led by principal investigator Blue. NEA's Our Town Initiative is currently working in more than 50 communities around the United States to bring together artists, architects with community residents, public- and private-sector partners to strategically enhance the character of a neighborhood, town, city or region around arts and cultural activities as primarily defined by its residents.

One of the sites located within the Our Town study area is the Palms Center Shopping Center. In 2012, Professor Blue commissioned a historical context report for this site in order to provide stakeholders and project participants with a foundation of knowledge to support the future development and revitalization of the area.

Although the period of significance for this property is 1955–1984, encompassing the years during which it was used for its original purpose, this report presents the history of the Palms Center shopping center from its development in 1954–55 to the present and places it within the development of major retail properties in the City of Houston during the second half of the 20th century. The events and factors that influenced the Palms Center's construction, as well as its decline, further provide a lens through which widespread social and economic changes in the greater Houston area can be examined. Therefore, the Center's historical significance can be established within the context of its relationship to the metropolitan area as a whole.

The *Our Town Southeast Houston* project is financed in part with Federal funds provided by the National Endowment for the Arts. The content and opinions expressed in this report, however, do not necessarily reflect the views and policies of the National Endowment for the Arts or the University of Houston, nor does the mention of trade names or commercial products constitute endorsement or recommendation by the Endowment or the University.

METHODOLOGY

Archival and historical research conducted for this project utilized a wide range of source materials located through online and physical repositories, including Sanborn Fire Insurance maps, historical photographs, period newspaper articles, architectural publications, local history books and articles, and oral history interviews. Repositories included the Houston Metropolitan Research Center, Houston Public Library system, Harris County Public Library system, Harris County Clerk public records archives, University of Houston M.D. Anderson Library, Rice University's Woodson Research Center at Fondren Library, the University of Texas at Austin Architecture and Planning Library, the Center for American History (also at the University of Texas at Austin), *Houston Chronicle* photo archives, and interview with James Bishop.

OVERVIEW

The Palms Center shopping center, which opened on September 1, 1955, was one of Houston's first major shopping centers built after World War II. Located in southeast Houston, at the intersection of South Park Boulevard (now Martin Luther King Jr. Boulevard) and Griggs Road, the Palms Center has significant associations with developers Oscar Holcombe and Sterling Hogan, Sr., and Irving R. Klein & Associates, a notable local architecture firm that specialized in retail development. The Center's early success and subsequent decline reflects the historical trends and cultural shifts typical of the period of significance (1955–1984), including the suburbanization of post-war cities and the changing demographics of a sprawling major metropolitan area. This report further traces the Center's history through 2012, including the City of Houston's ongoing attempts to revitalize the Palms Center following its closure as a retail center in 1984.

BACKGROUND HISTORY

The land on which the Palms Center was built is located in the City of Houston, Harris County, Texas. This part of Texas was first populated by Native Americans – the Karankawa along the coast and the Hasinai and Caddoan tribes in the eastern piney woods – before European explorers from Spain and France arrived on these shores in the 1500s. That brief foray into this territory was followed by several hundred years of little activity; after Spanish and French colonists began to arrive in the mid-17th century, the native tribes were gradually eradicated or, in some cases, relocated inland along with the early Spanish Catholic missions.¹

What is now the State of Texas was variously claimed by Spain, France, and the nascent United States of America. Following the Mexican war for independence from Spain in 1821, the Republic of Texas won its own independence from Mexico in 1836, and for two years (1837–1839), the City of Houston served as the capitol of the Republic. Although colonists from the U. S. and abroad had made their way to Texas in small numbers during the early 1800s, a period of great immigration began after the Republic was annexed to the United States in 1845, with an influx of free and enslaved people from the Middle South, as well as immigrants from European countries, especially Ireland, Germany, and Bohemia (later part of Czechoslovakia). Many railroad companies were formed to enable settlement and transport goods to and from Houston, Galveston, and other ports along the coast.²

The Washington County Rail Road Company (WCRR) was established in 1856 by a group of farmers and merchants, in order to more easily ship their goods to market in Houston, 75 miles to the southeast. The grading for the roadway was performed by WCRR subscribers, as time permitted and for payment in Company stock, and construction materials were purchased with their subscriptions. Eleven miles of track were laid from Hempstead to Chappell Hill between

¹ T. R. Fehrenbach, *Lone Star: A History of Texas and the Texans* (New York: Macmillan Company, 1968).

² *Ibid.*

1857 and 1859. At that point, the State of Texas loaned the Company \$66,000 to buy more rail, and subsequently, the track between Chappell Hill and Brenham, 10.31 miles away, was completed in 1861. Since the Houston & Texas Central Railroad had reached Hempstead by that time, rail access from Brenham to Houston was finally complete. The merchants and farmers in Washington County again pooled their money to purchase two engines and a few units of rolling stock, and the railroad was in business. Although the Company did a brisk trade during the Civil War, it was sold in foreclosure in June 1868 and subsequently purchased by the Houston & Texas Central Railroad in 1869.³

For its construction of 23 miles of track, the State of Texas in 1864 granted WCRR a total of 236,160 acres of state land under the first state General Land Grant Law, which provided 16 sections of land for each mile of track constructed. Each section contained 640 acres, so a mile of track would generate a total of 10,240 acres of land, which could then be sold to finance the railroad's operation or additional construction. In April 1860, the WCRR received 20 certificates, each for 640 acres of land in Harris County, as part of its land grant for building the initial 11 miles of track between Hempstead and Chappell Hill. The section described on Land Scrip No. 151, would become the site of the Palms Center nearly 100 years later.⁴

In November 1867, the WCRR sold its 20 sections of land in Harris County, including No. 151, to George Healey⁵ for the sum of \$6,400; the property was subsequently purchased by J. L. Thompkins and G. L. McMurphy in 1868. Thompkins and McMurphy subdivided the section into 16 lots, which were bought and sold to a series of owners. By 1912, Lots 2-16 had been purchased by Jonathan Lane, a state senator, attorney, banker, and businessman⁶ from Fayette County who was then living in Houston. Lane, along with his law partners James L. Storey and J. F. Wolters and another Fayette County businessman, Julius Schwartz, established the Blanco Realty Company in 1915 and immediately transferred the land to that company.⁷ Lane died in 1916, and Blanco Realty was declared inactive in January 1926 and dissolved.⁸ This author has been unable to locate further ownership information for the property between that time and the property's purchase by developers Oscar Holcombe and Sterling Hogan.

HOUSTON'S EXPANSION AFTER WORLD WAR II

³ Charles P. Zlatkovich, *Texas Railroads: A Record of Construction and Abandonment* (Austin, Texas: Bureau of Business Research, University of Texas at Austin and Texas State Historical Association, 1981), 94; S. G. Reed, *A History of the Texas Railroads* (Houston, Texas: St. Clair Publishing Co., 1941), 65-72, 129-147, 211.

⁴ A scanned image of Patent No. 578, issued by the State of Texas, as shown in Vol. 17, Survey 1, located by virtue of Land Scrip No. 151, is available online via the Land Grants Database on the Texas General Land Office website, <http://www.glo.texas.gov/cf/land-grant-search/index.cfm>.

⁵ Harris County Deed Records, Vol. 5, 503-504.

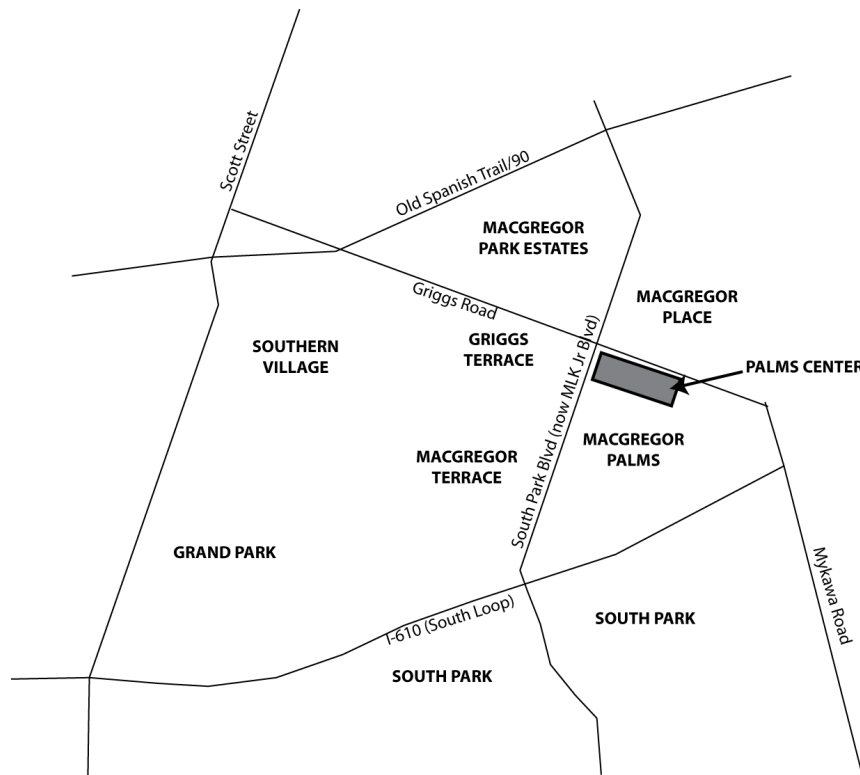
⁶ David S. Walkup, "LANE, JONATHAN," *Handbook of Texas Online* (<http://www.tshaonline.org/handbook/online/articles/fla27>). Published by the Texas State Historical Association.

⁷ Harris County Deed Records, Vol. 346, 272-273.

⁸ Incorporation records, Secretary of the State of Texas, Filing No. 2842800 (legacy filing). Incorporated May 10, 1915; name inactive January 7, 1926; voluntarily dissolved.

While the land on the north side of Griggs Road was annexed to the City of Houston in the 1920s, the south side – including the site of the Palms Center – was not annexed until December 31, 1948, when the City increased its area from 74.4 to 216 square miles.⁹ The areas being annexed – essentially a two-mile-wide band around the City – already were considered part of Houston and contained many post-World War II subdivisions.

The Palms Center shopping center was constructed on the northern edge of the newly annexed area in Southeast Houston. It was surrounded by the subdivisions of Southern Village, Grand Park, MacGregor Place, South Park, MacGregor Terrace, MacGregor Park Estates, and MacGregor Palms; some of these had been constructed before the Center was built, and others were developed soon after. Initially, these were middle-class, white neighborhoods.



Map of subdivisions near the Palms Center, with roadways present in 2012.

⁹ U. S. Department of Agriculture Economic Research Service in cooperation with the University of Houston, *A Case Study of Urban Expansion and Annexation, Harris County, Texas*; Washington, DC, September 1965.

South Park Boulevard (now Martin Luther King Jr. Boulevard) was a major thoroughfare through the area, having been expanded to four lanes in 1956.¹⁰ South Park Boulevard ran generally north-to-south, beginning at its most northward point on the edge of the University of Houston campus. From there, South Park Boulevard continued south through MacGregor Park and the subdivisions named above, including the expansive South Park neighborhood, finally reaching Airport Boulevard to the south – and, via that roadway, the 1941 Houston airport and its successor, the Houston International Airport (opened in October 1957, now known as Houston Hobby).

Houstonians, as a group, were fairly prosperous following World War II, as the city's already strong economy had been further fueled by the war effort. With one of the largest ports in the United States, Houston was the logical place to build steel mills and a shipyard; it was also heavily utilized by the Gulf Coast's petrochemical industry, which grew to supply the massive demands of the military. By the end of the war, the Port of Houston was second only to New York in size.¹¹ After the war ended, the port continued to support a healthy local economy.

THE DEVELOPERS: OSCAR HOLCOMBE AND STERLING HOGAN SR.

Houston's expansion through annexation was one of the major accomplishments of Mayor Oscar Holcombe's 11 nonconsecutive terms in office between 1921 and 1958. Holcombe had been defeated in 1953 and was reelected for his last term as mayor in 1956.¹² In the three years interim, he built the Palms Center in partnership with another Houston developer, Sterling T. Hogan, Sr.

Oscar Fitzallen Holcombe (1888–1968) was born in Mobile, Alabama, and grew up in San Antonio. His father died when Oscar was 11 years old, and he began working to support his family, leaving school at the age of 15 to work full-time. At the age of 27, he started his own construction company, the O. F. Holcombe Company; it was so successful that six years later, in 1921, when Holcombe ran for his first term as mayor, he listed his income as \$30,000 – the equivalent of nearly \$380,000 in 2012 dollars. Holcombe went on to serve 11 terms as Houston's mayor over 27 years, and additionally became wealthy through land investments, real estate development, and the oil industry.¹³

Sterling T. Hogan, Sr., (1902–June 1971) was also a real estate developer. He attended the University of Houston for one year in 1950, majoring in business, and served the University as a

¹⁰ Photograph with caption describing “recently completed and widened South Park Boulevard from Griggs Road south to Holmes Road,” by Dan Hardy, *Houston Post*, April 1956.

¹¹ Ben H. Procter, "WORLD WAR II," *Handbook of Texas Online* (<http://www.tshaonline.org/handbook/online/articles/npwnj>). Published by the Texas State Historical Association.

¹² Diana J. Kleiner, "HOLCOMBE, OSCAR FITZALLEN," *Handbook of Texas Online* (<http://www.tshaonline.org/handbook/online/articles/fho21>). Published by the Texas State Historical Association.

¹³ *Ibid.*

member of the Board of Governors (1957–1963) and also as a Regent (1959–1963).¹⁴ Hogan was one of the founders of the Lakewood Yacht Club in 1955, served as its first Vice Commodore, and built its clubhouse on Clear Lake.¹⁵ He also briefly served as the skipper of the Texas State Guard's First Naval Battalion, which consisted entirely of Hogan's 60-foot yacht, the *Sumoria*, used in the late 1940s (along with the docked *USS Texas*) for training Texas sailors.¹⁶ Hogan's greatest period of activity as a developer seems to be between 1948 and 1958¹⁷, when he was the registered agent for 14 different construction and real estate companies, all of which were last headquartered at 5280 Palms Center.

Hogan and Holcombe were partners in the Southern Lumber Company, Inc. of Houston,¹⁸ the Palms Center Corporation,¹⁹ and the Hogan and Holcombe Foundation, later known as the H-Special Fund.²⁰ They established the Palms Center Corporation in January 1949.²¹ The Palms Center shopping center would be one of the first major retail centers constructed in Houston after World War II; the River Oaks Shopping Center had been Houston's first suburban shopping center, built in 1937.

The Palms Center was financed by Houston mortgage banker Benjamin G. McGuire (1915–1999), through Massachusetts Mutual Life Insurance Company.²² McGuire was responsible for securing financing for a number of prominent Houston buildings, including the Shell and Pennzoil buildings and the Galleria – often from major insurance companies.²³

¹⁴ University of Houston *Houstonian* yearbooks: 1950, page 154; 1957, page 17; 1958, page 20; 1959, page 20; 1960, page 13; 1961, page 13; 1963, page 76.

¹⁵ Pat Pappas, *History of Lakewood Yacht Club, 1955–Present*.

¹⁶ “Brief History of the Texas State Guard,” website of the Texas State Guard Nonprofit Association, accessed online at <http://www.txusa.com/tsga/briefhist.html>.

¹⁷ Incorporation records, Secretary of the State of Texas, filing numbers 9634200, 11449800, 10845600, 10171100, 10353900, 10380800, 10633800, 9787200, 10277500, 10277400, 9787500, 8366200, 9376000, and 11687900.

¹⁸ *The Southern Lumberman*, 1953, Vol. 187, page 41.

¹⁹ “Extensive Palms Center Shopping City Will Open Thursday Morning,” *Houston Post*, September 1, 1955; Shopping Centers vertical file, Houston Metropolitan Research Center.

²⁰ Incorporation records, Secretary of the State of Texas, Filing No. 11490401, April 30, 1953.

²¹ Incorporation records, Secretary of the State of Texas, Filing No. 9787200 (legacy filing). Incorporated January 24, 1949, Sterling Hogan Sr., registered agent; name inactive September 13, 1962; voluntarily dissolved. Formerly known as the Atlantic Building Corporation.

²² Letter to the editor, publication unknown, Shopping Centers vertical file, Houston Metropolitan Research Center, no date.

²³ Obituary, Benjamin G. McGuire, *Houston Chronicle*, October 20, 1999.

THE ARCHITECTS: IRVING R. KLEIN

In 1954, Holcombe and Hogan selected the firm of Irving R. Klein & Associates to build their shopping center. Irving R. Klein (1906–1991) studied at the University of Pennsylvania, in Philadelphia, and Tulane University in New Orleans, Louisiana, from 1923–1927; he graduated from Tulane in 1927. After a year studying modern housing projects in Germany and Scandinavia, Klein returned to the United States and began a series of year-long stints working as a draftsman for several important architectural firms around the United States, employment which likely influenced his later work.

In 1929, Klein was employed by Albert Kahn in Detroit; Klein described the projects he worked on there as “large automotive plants.”²⁴ Kahn (1869–1942) revolutionized industrial architecture with projects such as the Ford Motor Company’s Highland Park and River Rouge manufacturing plants. In 1929, Kahn was at the end of his brief but masterful Art Deco period, and the firm was busily producing hundreds of automotive factories in America and Russia.²⁵ The following year, Klein was with Voorhees, Gmelin & Walker in New York City, while the firm was working on the massive Art Deco-style Western Union headquarters building, at 60 Hudson Street. The firm, and Ralph Walker in particular, were responsible for some of New York City’s most significant skyscrapers of that era and a number of telephone company buildings.²⁶ (Klein mentions the latter in his 1946 AIA Roster questionnaire work history.) Finally, Klein returned to New Orleans to the firm of Sam Stone, Jr., where he worked from 1931–32. Stone, who died in 1933, worked extensively in that city and was during that period involved in the rebuilding of New Orleans’ public market buildings²⁷ – likely Klein’s first professional exposure to retail design.

Klein established his own practice in Houston in 1935. He was licensed as an architect in Texas in 1937, and in Louisiana in 1945. During World War II, Klein designed several buildings for the Brown’s Ship Building Company in Houston.²⁸ By the end of the war, Klein had a busy practice in Houston, employing four draftsmen, a designer, a construction superintendent, and an executive secretary.²⁹

The firm was known for its commercial work, in particular designing and remodeling downtown retail stores and office buildings. Most of Klein & Associates projects were located in Houston and included the Bond Clothes store (1940), which featured Art Deco details and sweeping staircases³⁰; Finger Furniture Company warehouse building (1946) and its 1953 addition; McKinney-Nagle warehouse and office building (1946); Falstaff Distributing Company warehouse (1947);

²⁴ Questionnaire for Architects’ Roster, *AIA Historical Directory of American Architects*, 1946.

²⁵ “Albert Khan papers 1896–2008: Biography,” Bentley Historical Library Finding Aids Project, University of Michigan website, accessed online at <http://quod.lib.umich.edu/b/bhlead>.

²⁶ “Western Union Building,” New York Landmarks Preservation Commission, October 1, 1991.

²⁷ Southeastern Architectural Archives finding aid, Sam Stone Collection Office Records, Tulane University.

²⁸ AIA Questionnaire, 1946.

²⁹ Ibid.

³⁰ “Bond Clothes,” accessed online at www.houstdecor.org/1940s/bond.html.

Congregation Beth Israel synagogue (1949–1950); Fluor Office Building (1952); Heights Medical Building (1952–53); and the Nathan’s Store in Galveston (1946). The firm handled remodeling of the West Building in 1946, the Gulf Building in 1953, and the Elks Club (1952–53).³¹

According to former Klein associate James A. Bishop, Klein was friendly with many of the downtown business merchants, and as a result, worked with them on a regular basis.³²

Klein and Associates began their foray into the design of modern shopping centers when they, along with shopping-center guru Victor Gruen, were hired by developer Russel Nix to design the on the ill-fated Montclair Center project (1951–53)³³, promoted as the “largest shopping center in the world.” One of Gruen’s early unbuilt retail concepts, the Montclair design envisioned an enclosed, climate-controlled mall with two anchor department stores, a grocery store, 109 other stores, and rooftop parking – at a time when even single-anchor, strip-style suburban shopping centers were still a radical concept. Ultimately, the \$12 million price tag proved too rich for investors, and Nix was unable to pre-lease enough space to move the project forward. The Gruen design was abandoned, and the Montclair Shopping Center eventually constructed on the property, still extant today, had no basis in the original concept.³⁴

Next came the 12 million-square-foot Gulfgate Shopping City, Houston’s first regional shopping mall. Designed by John Graham Co. and Irving R. Klein & Associates, and built by Theodore Berenson and Allied Stores Corp., Gulfgate was started in 1952 and completed in September 1956. The original Gulfgate was an open-air shopping center; it was enclosed and air-conditioned in 1966–67.³⁵

THE ARCHITECTS: STANLEY KRENEK AND JAMES BISHOP

Started after but completed before Gulfgate, the Palms Center was also an open-air shopping center. Klein associate Stanley J. Krenek served as the design architect on the project, completing the first general layout and an aerial rendering; James A. Bishop then took over as the project architect, working with the various contractors and with each tenant in order to complete their spaces to meet their needs.

Stanley J. Krenek (1912–1988) was born in Caldwell, Texas, and received his B.S. from Texas A & M in 1935. He worked as a draftsman-designer for Atkinson & Sanders, Architects, of Bryan, Texas, from 1935–1936 and with T. E. Lightfoot, Architect, in Houston from 1936–1939. Krenek’s tenure with Klein, which began in 1939, was interrupted by his military service in the

³¹ Questionnaire for Architects’ Roster, *AIA Historical Directory of American Architects*, 1953.

³² Interview with James A. Bishop, April 3, 2012.

³³ AIA Questionnaire, 1953.

³⁴ M. Jeffrey Hardwick, *Mall Maker: Victor Gruen, Architect of an American Dream* (Philadelphia: University of Pennsylvania Press, 2004), 111–115.

³⁵ “Gulfgate Mall in pictures,” *Bayou City History*, a Chron.com (*Houston Chronicle*) blog, accessed online at <http://blog.chron.com/bayoucityhistory/2009/06/gulfgate-mall-in-pictures/>.

U. S. Army Corps of Engineers, where he served as an assistant architectural engineer from 1941-1943. He returned to practice in 1945 with Klein as an architect designer and was licensed by the State of Texas in 1947.³⁶

James A. Bishop (1922-) was born in Muskogee, Oklahoma, in 1924 and was raised in the town of Byng and in Ponca City, Oklahoma, where he graduated from high school. His career began when the contractor who had built his parents' house saw the teenaged Bishop's drawings and encouraged him to learn drafting by giving him blueprints to copy. Bishop began working for the builder, first shoveling concrete into a mixer and later drafting floor plans for bungalows. He studied drafting in junior high school and high school, and as a senior, won first prize in drafting in a University of Oklahoma scholastic meet. Bishop used the accompanying \$250 scholarship to attend the University of Oklahoma's architecture school.

During his junior year at Oklahoma, the United States joined World War II. Bishop enrolled in the Army's Specialized Training Program, which allowed students to enlist, complete their academic year, and then begin active duty. Following infantry basic training at Camp Maxey, near Paris, Texas, Bishop was scheduled to transfer to Fort Benning, Georgia, to join the Army Corps of Engineers; instead, he was sent to Sam Houston College in Huntsville, Texas, where he attended classes for two terms and met his wife, Jo.

Bishop was deployed to England in October 1944 and saw combat in France the following month. On December 15, 1944, Bishop was sent back from the front lines to get a change of uniform. The Battle of the Bulge (also known as the Ardennes Offensive) began the following day, and during the night, German forces overtook the town where he was staying. Bishop and several other American troops awoke to the sound of tanks in the streets and escaped through the countryside to regimental headquarters. He subsequently was assigned to an observation post for several weeks, where he developed trench foot, for which he received treatment in a series of hospitals in Belgium, London, and Paris.

After hostilities ended, Bishop was assigned to a military unit outside Paris and encountered his former company commander, who helped Bishop enroll in the "Training Within Civilian Agencies" section of the post-war Army Education Program.³⁷ That program enabled him to study architecture at the Ecole des Beaux-Arts in Paris for a 12-week term. Following his discharge in 1945, Bishop returned to Texas.

³⁶ AIA Questionnaire, 1953.

³⁷ U.S. Army, U. S. Forces, European Theater, Historical Division: Records, 1941-1946; Series 2 - Miscellaneous Files; File Name "446 - Progress Report (Statistical), TSFET, September 1945, Section 1", page 105. Accessed online at <http://www.fold3.com/image/#287328536> on April 20, 2012.

The registration of architects in Texas, and the use of the title “architect”, has been regulated by the Texas Board of Architectural Examiners since 1937.³⁸ In order to become a registered architect without having completed his degree in architecture, Bishop worked for several years as a draftsman to gain experience; he passed the licensing examination and became a registered architect in 1953 with license #1655.

Bishop’s first job after the war was as a draftsman for the Bowie Lunceford Company on Washington Street in Houston, which had a license from the Great Lakes Steel Corporation to build Stran-Steel™ Quonset-hut style buildings. He moved into retail design, which would become the focus of his career, after answering an advertisement for draftsmen for Foley’s department store. After being interviewed by Morris Lazarus, the son of the head of Federated Department Stores, which had purchased Foley’s and developed their downtown Houston store, he was hired in the company’s research and development department. In that role, Bishop worked for architect Kenneth Franzheim, who had designed the innovative Foley’s Department Store building – featuring air conditioning and escalators – and was the foremost commercial architect in Houston during the mid-20th century³⁹. Foley’s revolutionized the organization of the department store, with department-specific cash registers instead of a centralized check-out, and package delivery services. Bishop worked with heads of store departments to design fixtures for display, and later became the store architect. In 1948, Bishop answered an advertisement for a draftsman with retail experience, placed by architect Irving Klein.⁴⁰

CONSTRUCTION AND GRAND OPENING: 1954–1955

In May 1954, prior to the Palms Center’s construction, the land on which it would be built housed a number of commercial and residential buildings. These included a restaurant at 5111 Griggs Road, a general storage building (5107 Griggs), equipment rental and service (5105), a four-store strip center with a greenhouse and nursery behind it (5103–5101B–5101A–5101), and two houses at the corner of Griggs and Millart (5759 and 5753 Millart).⁴¹

The general contractor of the Palms Center was the Fisher Construction Company of Houston, which used reinforced concrete for the structural framework of the building. According to James Bishop, there was nothing unusual or innovative about it. Krenek and Bishop based the bay spacing for the Center on “typical retail spacing of about 25 feet center to center.” Suspended ceilings with lay-in acoustical panels, which enabled easy access to overhead electrical, plumbing,

³⁸ “Board History,” Texas Board of Architectural Examiners website, accessed online at <http://www.tbae.state.tx.us/TBAE/BoardHistory>.

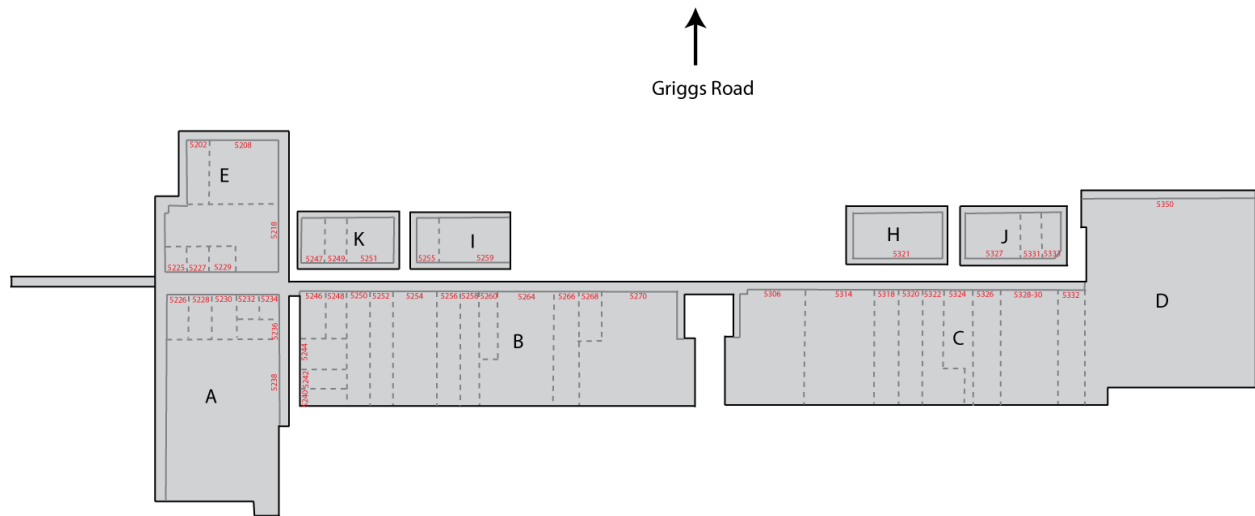
³⁹ Stephen Fox, “FRANZHEIM, KENNETH,” *Handbook of Texas Online* (<http://www.tshaonline.org/handbook/online/articles/ffr26>). Published by the Texas State Historical Association.

⁴⁰ Interview with James Bishop, April 3, 2012.

⁴¹ Sanborn Fire Insurance Map, May 1954, volume 9, page 979.

and mechanical system components, had been developed in the early 1950s as an alternative to plaster ceilings and were used throughout the Center.⁴²

The Sanborn Fire Insurance Company compiled a set of maps for Houston shopping centers in 1955, and the maps for the Palms Center (shown on pages 23 and 24 of the set) show the Center as consisting of 10 buildings, denoted with the letters A–K, with two more (H and J) yet to be built.



Site plan of the Palms Center Shopping Center, ca. 1955.

General notes about the buildings' construction (from plans) indicate that the Center (except Buildings F, G, and K) was constructed with fire-proof construction consisting of concrete frame, floors and roof; tile, tile, brick and stone faced, hollow brick and concrete curtain walls, partly over metal sash and glass; tile and hollow brick divider walls; tile, metal lath and plaster and frame partitions. The Center had a watchman and automatic sprinklers using City water.

Building F was constructed with “partly steel frame, north and west walls partly brick veneered and glass, east wall asbestos clad, south wall brick veneered, brick division walls as shown.” The construction of Buildings G and K included “steel frame, concrete floor, mineral composition roof on metal deck and joists, suspended ceiling, tile, brick faced curtain walls, and apron walls with metal sash and glass above, brick piers, 6" tile division walls, metal lath and plaster partitions.”

After Fisher completed the building envelope, each tenant was responsible for hiring its own contractors to finish the interior space. Bishop notes that, while anchor tenants did not have an influence over the design of the Center overall, as was the case with some shopping-mall projects, each client did have input to the window treatments for its space, and the architects worked with chain stores (like J. C. Penneys) to meet those companies' architectural standards and

⁴² Ibid.; letter from James Bishop, March 29, 2012.

requirements. Each tenant was kept apprised of construction deadlines so that the entire shopping center would be ready for the grand opening.⁴³

The Palms Center opened on September 1, 1955, to great fanfare and excitement. The completed facility, including 2,400 parking spaces, covered nearly 26 acres and cost a reported \$4,000,000. It originally featured 41 retail stores, anchored by the J. C. Penney department store and Lewis & Coker supermarket, all of which were well established. Mr. Hogan noted, “Many of the Houston’s and the nation’s top merchandisers are located in the Center, some of which are national chain stores opening here for the first time.” The grand opening celebrations lasted for five weeks and included weekly drawings for cars, cash, and other prizes.⁴⁴

When the Sanborn maps were created in 1955, the Palms Center’s tenants included the Ruth Crow Salon of Beauty, Scheps Apparel Shop, F. W. Woolworth Co., United Gas Corp. (office and display), Franklins Dress Shop, Nathan’s Men’s and Women’s Apparel, Poll-Parrot Shoes, G. H. Kinney Co., Vogue Shoes, Three Sisters Dress Shop, Leder’s Tots-N-Teens Shop, Krutes Stores (toys and gifts), Mode O’Day, J. C. Penney, Goodyear Store (tires), Hargrove Fixit Shop, Palms Glidden Paint Center, The Chef Sandwich Shop, Oshmans Sporting Goods, Walgreen Drugs, the Stork Shop, European Import Liquors, Athas Flowers, Darling-Richard & Co., Lewis & Coker Supermarket, the Palms Coiffeur-Beauty Shop, Palms Center Barber Shop, Golden Needle Fabric Shop, Kings Candies, Home Beautiful, Guardian Financial Corp., Frank’s Men’s Shop, Foley’s Appliance Store, Napko Paint Co., Wagner Hardware (Store No. 2), Texas Carpet Co. (Store No. 3), Laufmans Jewelry, Texas State Optical, Thornhill’s Cafeteria, Houston Shoe Hospital and Washeteria, Thom McAnn Shoes, and Walter Pye’s Hollywood Shop. (Fourteen retail spaces were as yet unassigned when the map was developed.)

With a wide variety of goods and services to be had at the Palms Center, it was indeed – as Holcombe and Hogan had envisioned – a one-stop shopping experience.

THE EARLY YEARS: 1956–1970

The Palms Center enjoyed early success, but as Houston continued to grow and sprawl, the Center faced competition from newer and larger shopping centers built to support an expanding population. Twelve months after the Palms Center was completed, Gulfgate Shopping City opened fewer than three miles away. Gulfgate was almost twice as large as the Palms Center and conveniently located on the Gulf Freeway/I-45, which had opened in 1952 to connect Houston and Galveston.

Much of the new shopping mall development in Houston was located along the highway that would become known as The Loop: I-610, which rings the city. A product of the 1956 Federal-Aid Highway Act, which authorized and funded the Interstate Highway System, The Loop was

⁴³ Letter from Bishop, March 29, 2012; interview with Bishop, April 3, 2012.

⁴⁴ “Extensive Palms Center Shopping City Will Open Thursday Morning,” *Houston Post*, September 1, 1955; Shopping Centers vertical file, Houston Metropolitan Research Center.

constructed between 1960–1970, with each section opened as it was completed. The South Loop nearest to the Palms Center was completed in 1969–1970. In 1957, the Meyerland Shopping Center was built, less than 9 miles from the Palms Center on the nascent West Loop/I-610. The Galleria – a three-level, mixed-use, upscale mall on the West Loop that included offices, hotels, and an ice rink – was made possible when the West Loop opened in 1966; the Galleria opened in 1970 and was credited with launching a commercial construction boom.⁴⁵

Holcombe and Hogan sold the Palms Center to the New York real estate firm Collins Tuttle & Co. in 1961. The Center was subsequently purchased in 1969 by the Helmsley-Spear Company of New York⁴⁶ and became part of the real estate empire owned or managed by Leona and Harry Helmsley.⁴⁷

By 1970, the Palms Center was one of 42 major shopping centers in Harris County, 17 of which were more than 400,000 square feet in size. The Palms Center’s anchor stores – J. C. Penney, F. W. Woolworth, and Lewis & Coker – and many of the other original tenants were still in place in 1970. In keeping with the Center’s “one-stop shopping” concept, tenants continued to provide a broad spectrum of products and services to meet nearly any shopping need. Tenants in 1970 included seven shoe stores (Allen’s, Fal’s, Kinney’s, Nathan’s, Poll-Parrott, Thom McAn, Vogue); six apparel shops (Charles Ford, Mr. Leonard, Leder’s Tot ‘n’ Teen, Schep’s, Three Sisters, Walter Pye’s); Gene’s Tailors; home furnishings stores (Home Beautiful and S. E. Teaff); European Import liquors; Baskin-Robbins ice cream shop; Kip’s Big Boy Coffee Shop and the Kopper Kettle cafeteria; paint stores (Gildden and Napco); jewelry stores (Laufman’s and Zale’s); Classique Wigs; the Golden Needle fabric shop; drug stores (Medic Pharmacy and Walgreen’s); Texas State Optical optometrists; Oshman’s sporting goods; R & M Records; Studer’s Photos; the Palms Center Florist; Merle Norman Cosmetic Studio; and a Goodyear tire and automotive service store. Fourteen non-retail establishments also served Palms Center shoppers, including barber shops, beauty salons, a dry cleaner, bank and lending companies, a shoe repair, and an insurance company.⁴⁸

The Palms Center continued to enjoy strong occupancy through the 1970s, but in 1978, tenants began to leave, following shoppers to air-conditioned malls. The Center’s long-time resident manager, John Trimble, died around the same time.⁴⁹ By 1982, the center was declining, but at least three original tenants (Woolworth, Kinney Shoes, and Texas State Optical) were among those

⁴⁵ Erik Slotboom, *Houston Freeways: A Historical and Visual Journal*, (Houston, Slotboom: 2003) 275–287.

⁴⁶ “Palms’ merchants hold on to promise to keep it going,” *Houston Chronicle*, September 19, 1982. Shopping Centers vertical file, Houston Metropolitan Research Center.

⁴⁷ “Leona M. and Harry B. Helmsley,” Leona M. and Harry B. Helmsley Charitable Trust website, accessed online at <http://helmsleytrust.org/the-trust/leona-m-and-harry-b-helmsley/> on May 13, 2012.

⁴⁸ *Shopping Centers in Harris County, Texas*. Houston Chamber of Commerce, Marketing Division, Research Committee, August 1970 (second edition). Center for American History.

⁴⁹ “Palms’ merchants hold on to promise to keep it going.”

that remained. The last tenant – J. C. Penney – closed its store in 1984, citing declining sales; the center’s deteriorating condition and lack of security; and the public’s general perception that the entire mall was vacant.⁵⁰

The nearby freestanding Montgomery Ward store, which opened in 1959, closed in February 1986.⁵¹ The department store chain had been purchased by Mobil Corporation in 1985, and during 1986–87 went through substantial restructuring to eliminate unprofitable store locations and operations (such as its catalog business) and refocus product lines.⁵² With Ward’s departure, the Palms Center shopping area was finally defunct.

CHANGING DEMOGRAPHICS

While the shopping center itself was quite stable for its first 15 years, the area around the Palms Center changed dramatically during that period. Beginning in the early 1950s, the neighborhoods around the Center slowly, and then swiftly, transitioned from a predominantly white middle class to lower-income black residents.

Houston’s population nearly doubled between 1950 and 1960, and like their white fellow Houstonians, prosperous African Americans had begun to move out of the center city to the suburbs. One of the most well-known families to do so was that of Jack Caesar, a wealthy black cattleman who in 1952 purchased a home on Wichita Avenue, in the tony (and, until that point, exclusively white) Riverside Terrace subdivision. (Caesar was not alone in making inroads into Riverside Terrace; shortly thereafter, a black nightclub operator named Mattie Hilliard purchased a home on the same street.) In the early morning hours of April 17, 1953, four sticks of dynamite were detonated on Caesar’s porch, damaging the porch columns and shattering dozens of window panes. Caesar and his wife and children were home at the time but were unhurt.⁵³ According to historian Stephen Fox, “In the early 1950s, houses in the older sections of Riverside Terrace, north of the bayou, began to be sold to black families. This coincided with the expiration of deed restrictions in these sections, which allowed strip shopping centers, garden apartments, churches, and motels to be constructed on the sites of many of the larger houses. The southern sections succumbed to real-estate pressure during the 1960s.”⁵⁴

Houston’s lack of zoning, which in other cities regulates land use and provides for divisions between residential and commercial/industrial development, was replaced by the use of renewable deed restrictions within subdivisions. However, such restrictions can be difficult to enforce and maintain – particularly in low-income areas where residents are not well-organized or -informed,

⁵⁰ “Palms losing its last tenant, J. C. Penney to close store,” *Houston Chronicle*, September 18, 1984, Shopping Centers vertical file, Houston Metropolitan Research Center.

⁵¹ *Houston Chronicle*, January 8, 1986.

⁵² “Mobil Corp. considers Ward sale,” *Houston Chronicle*, January 21, 1988.

⁵³ “Riverside: where time has changed the lifestyle,” *Houston Chronicle*, April 18, 1971; Subdivisions – Riverside Terrace vertical file, Houston Metropolitan Research Center.

⁵⁴ Stephen Fox, “Riverside Terrace to be subject of film,” CITE 8, Winter 1984, 4.

and there is a high percentage of renters vs. owner occupants. Over time, as those deed restrictions lapsed, the introduction of industrial and commercial uses, as well as multifamily apartment complexes, damaged the continuity and fabric of former single-family residential neighborhoods.⁵⁵

Houston, unlike other Southern cities, experienced a relatively peaceful end to segregation. Black Houstonians enjoyed relatively high incomes and rates of homeownership, for the time; City buses were integrated in 1954, the Houston Public Library in 1953, and City schools in 1960.⁵⁶ Segregation ended in commercial businesses between 1960 and 1963, when white and black community and business leaders met in secret meetings to progressively integrate lunch counters, restaurants, department stores, and movie theaters. Riots and violence in other Southern cities had received wide coverage in the media, and Houston's leaders – some of whom vividly remembered the 1917 Camp Logan race riot – sought to avoid similar incidents, thereby supporting the city's progressive image and healthy economy. After students from Texas Southern University began to protest at lunch counters, a series of well-orchestrated plans were executed to quietly and simultaneously end segregation in one type of business at a time, all over the city, without violence.⁵⁷

In the 1950s and 1960s, affluent black families were moving out of the historically black, inner city Third, Fourth, and Fifth Wards toward the suburbs. Block-busting campaigns were waged throughout the neighborhoods around the Palms Center; real estate speculators, exploiting the fears of white residents, would claim that a neighborhood was about to become integrated and that therefore property values would plummet, encouraging homeowners to sell below market value. The speculator would then resell the property to black buyers for a much higher price. The transition in Southeast Houston, from a predominantly white population to one that was mostly black, appears to have been substantially complete by 1970.

In addition, Houston's oil boom in the 1970s spurred the construction of scores of apartment complexes to house economic refugees from economically distressed Northeast and Rust Belt cities. During the subsequent "bust" of the 1980s, foreclosures on many apartment developments led young professionals to move out; low rents enabled their places to be taken by immigrants or low-income families, particularly in southwest Houston. Unable to raise rental rates for low-income tenants, many property owners stopped investing in maintenance, contributing to a downward spiral of blighted conditions throughout the City.⁵⁸

As the surrounding neighborhoods changed, the Palms Center became less of a shopping destination. Consumers had other, more modern and convenient options. Like many other

⁵⁵ Robert Bullard, ed., *The Quest for Environmental Justice: Human Rights and the Politics of Pollution* (San Francisco: Sierra Club Books, 2005), 43–61.

⁵⁶ Cheryl Knott Malone, "Announced and unexpected: The desegregation of the Houston Public Library in the early 1950s," *Library Trends*, vol. 55, no. 3, Winter 2007, 665–674.

⁵⁷ "The silent end of segregation," *Houston Chronicle*, June 15, 1997.

⁵⁸ "Battling blight: operators of squalid apartments ignore the law to prey on the thousands of Houston's poor desperate for shelter," *Houston Chronicle*, May, 11, 2008.

shopping centers of its era – particularly Gulfgate, Meyerland, and Sharpstown – the Palms Center was left behind.

REVITALIZATION EFFORTS: 1984–2012

Efforts to rehabilitate the Palms Center began almost immediately after J. C. Penney moved out in 1984. By the end of that year, the City of Houston’s planning director, Efraim Garcia, announced an ambitious program to revitalize not only the shopping center, but also the surrounding neighborhood, through the use of low interest loans, Federal Community Development Block Grant (CDBG) funding, and private investment. The project was one of three similar neighborhood revitalization efforts then ongoing in Houston; the El Mercado Del Sol, a mixed-use complex of adapted manufacturing buildings, and the Harrisburg-Wayside neighborhood project were both located in the East End, originally a predominantly white area that had shifted to a mostly Hispanic population during the 1960s.⁵⁹ Ultimately, none of the three projects would be successfully realized.

The City’s plan, in 1984, was to redevelop the Palms Center with a mix of retail stores, offices with centralized administrative support, and a technical training center or branch campus to be operated by a local college or university. Garcia noted that the rehabilitation of apartment complexes in the area was an essential component of the plan. The City also planned to sell surplus City-owned vacant land for the development of affordable housing, which would also be financed with Federal funds.⁶⁰

In 1985–1986, the Houston Area Urban League and developer Lance Gilliam sought a loan from the City to help finance what was expected to be a \$9.5 million redevelopment effort. Gilliam planned to donate 74,000 square feet of building space for a satellite campus of Texas Southern University. The City had contracted with Gilliam to loan him \$1 million from CDBG funds after he had acquired the property; the River Oaks Financial Group had tentatively agreed to loan another \$6.5 million, and the University would have paid an estimated \$2.3 million to renovate the space. However, the University eventually decided not to pursue that plan, citing the high cost of renovation, and without its participation, the contract was never funded and Gilliam was unable to move forward with the deal.⁶¹

Undeterred, Houston’s City Council in February 1987 approved a tax abatement zone for 100 acres around the Palms Center, to be called the “Palm Center Reinvestment Zone.”⁶² The following month, the City announced a partnership between Weingarten Realty, the Tillman Trotter Foundation (which had purchased the property through two transactions, in January 1987

⁵⁹ “Public, private funds behind center rebirth,” *Houston Chronicle*, December 30, 1984, Shopping Centers vertical file, Houston Metropolitan Research Center.

⁶⁰ Ibid.

⁶¹ Various *Houston Chronicle* articles: July 18, 1985; January 8, 1986; January 9, 1986; December 22, 1986.

⁶² *Houston Chronicle*, February 4, 1987.

and January 1988), and the Palm Center Management Company. The project would include a loan of nearly \$4 million from the City, including \$3 million in CDBG funds, to rehabilitate the property.⁶³ The Small Business Development Corporation, a quasi-governmental non-profit organization tasked to oversee the Palms Center project, assumed ownership of the property, again through two transactions, in 1988 and 1989.⁶⁴

Unfortunately, the project was beset by allegations of mismanagement and delayed by a Federal investigation by the U. S. Department of Housing and Urban Development (HUD), which had provided CDBG funding used by the City for redevelopment efforts at Palms Center. The City Housing Department was initially responsible for the Palms Center project, until an audit by HUD in 1990 revealed possible conflicts of interest and more than \$1.6 million in misappropriated funds that the City Venture Co. had been overpaid to manage the Palm Center Business and Technology Center. After six months of HUD and City investigations, City Finance director Mike Patterson asked the City Council to turn the Palms Center over to the Small Business Development Corporation in order to avoid conflicts of interest and improve accountability.⁶⁵

The City's negotiations with the Federal government to resolve those issues dragged on for more than five years, and subsequent restrictions placed on the project by HUD – including a requirement that the City seek Federal approval before renovating more of the site – were said to be responsible for an ongoing lack of tenants. The Palm Center Business and Technology Center functioned as a small business incubator, leasing space at highly subsidized rates: 70 cents per square foot in 1990 included telephone service, secretarial services, and business consulting. The beleaguered City Venture Company, managed by Walter Davis, claimed 100 small businesses on the waiting list for space, but stated that the buildings as currently configured did not meet the needs of prospective tenants. In the meantime, the City was trying to decide whether or when to replace City Venture.⁶⁶

The project suffered another blow in January 1991 when Hargest Vocational and Technical College was evicted from its branch campus at the Palms Center. The school had purchased a building at 2800 Main Street as its primary campus, then fell behind on its lease payments at the Palms Center, eventually owing \$80,000. Hargest had only held one small class at the Palms Center location, in September 1990, and enrollment problems eventually drove the operation out of business; the City foreclosed on the Main Street building in July 1991.⁶⁷

⁶³ *Houston Chronicle*, March 24, 1987; Harris County tax appraisal district ownership history, Property ID 1167750010002 and 1167750010003.

⁶⁴ *Houston Chronicle*, March 15, 1990; Harris County tax appraisal district ownership history.

⁶⁵ Various *Houston Chronicle* articles in 1990: March 15, October 12, October 16, October 19, November 16.

⁶⁶ *Houston Chronicle*, November 19, 1990.

⁶⁷ *Houston Chronicle*, January 18, 1991; July 2, 1991.

Finally, in September 1993, the City and the Federal government resolved the long-contested audit; HUD had initially ordered the City to set aside \$2.1 million in local tax dollars due to misspending, but the City contested that amount and, in the end, it was lowered to \$572,000. HUD continued to exert some control over the project, specifying in August 1994, in response to the City's proposal to lease space to the State, that the space could not be used for administrative-only offices. At that time, only 120,000 of the total 245,000 square feet of space at the Center were available for lease.⁶⁸

In 1994–1995, SBDC spent \$129,000 for a master plan by Centurion Consulting Group. Marlon Mitchell, then executive director of SBDC (now Houston Business Development Inc.), remains involved with the Palms Center project today. Since that time, the Palms Center project has continued to proceed slowly. The property has been used as a community space, with meeting rooms for community events; programs by the SCORE Association (previously the Service Corps of Retired Executives); a Houston Police Department substation; a polling location during elections; and a branch of the Houston Public Library. Various educational programs have been located there, including the Shell Youth Training Academy, Jesse Jackson Academy charter school, Youth Enterprise Program for young entrepreneurs, and Houston Community College. Today the Center houses a branch of the Harris County Tax Office and several offices for the City of Houston, including the Houston Business Development Inc./Palm Center Business and Technology Center; the Business Information Center, a partnership between the City, SCORE, and the U. S. Small Business Administration; and a Houston Police Department neighborhood substation.

In 2011–12, the Palms Center shopping center buildings are generally intact, but the Center and the surrounding area continue to be economically depressed. Creative placemaking and revitalization efforts, such as the University of Houston *Our Town Initiative*, for which this report has been produced, hope to spur interest, investment, and partnerships that will return the Palms Center to a productive condition that once again elicits pride of place from area residents.

⁶⁸ *Houston Chronicle*, September 4, 1993; August 17, 1994.

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