

CITIES & TOWNS

The decision maker's bridge to stronger, greener communities

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Retailers race toward city locations and smaller stores

The homebuilding bust has upended national chains' strategy of growing in the distant suburbs.

PHILIP LANGDON

Last September, the upscale grocer Whole Foods opened a two-story outlet in a 13-story building at the edge of the George Washington University campus, just steps from the Washington Metro system's Foggy Bottom subway station.

In the street level of the 36,000 sq. ft. store, customers find prepared foods, a café, bakery, and flowers. Take the escalator, stairs, or elevator to the basement level and they reach the other half of the operation: groceries, produce, meats, poultry, fish, cheese, wine, and beer.

A two-story food store? This is a prime example what Robert Gibbs says about retailers these days: They're heading to the cities and they're often willing to break all the rules they had previously imposed on their operations.

Multi-story layouts. Smaller footprints. Parking on the roof or in the basement. Lower ceilings (when using certain older buildings). Those are all possibilities. The store in Foggy Bottom—in a building containing 335 apartments above, offers free parking for 90 minutes, in an underground garage. Many of the customers don't need it; they arrive on foot or bike or public transit.

The collapse of American homebuilding that began in 2007, and the global finan-

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Columbia Pike in Arlington, Virginia, below, is a commercial strip that is changing to an urban thoroughfare due to new buildings and streetscape improvements stemming from a new plan and code. An expansion of the plan is in the works that focuses on affordability. See page 9.



PHOTO COURTESY OF DOVER, KOHL & PARTNERS

Why Stapleton residents fear their streets

Some lessons from the big Denver development where New Urbanism and conventional traffic engineering collide.

WESLEY E. MARSHALL

To get things built, new urbanist designers often must compromise their design ideals. Frequently that means taking what we love about New Urbanism and trying to squeeze it through conventional traffic engineering standards and mindsets. The end product is typically a hybrid; it possesses some of the qualities that make New Urbanism desirable but is diluted by conventional demands such as swift automobile circulation.

Living for the last three years in Stapleton, the Denver area's largest new urbanist development, I've been confronted by the discrepancy between the ideal, on the one hand, and the impure built reality, on the other. When it comes to New Urbanism, Stapleton looks the part with beautiful, tree-lined streets, great architecture, mixed uses, neighborhood schools, and an abundance of parks, greenways, sidewalks, and bike lanes.

However idyllic the transportation system appears to be, cars moving at very high speeds are not uncommon, and driving is more prevalent in Stapleton, a Denver Regional Council of Governments survey found, than in three of Denver's older, more established neighborhoods—Cherry Creek, East Colfax, and the Highlands.

HANDLING THE DISCONNECT

I came to realize that if we look at Stapleton's street designs, street network, and how people actually use the transportation system, we might be able to figure out how new urbanists can better handle

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COURTESY OF WESLEY E. MARSHALL

This 30-foot-wide local street with parking on both sides has few speeders: Only 3 percent of drivers exceed 25 mph. Take away parking on one side, however, and 55 percent of drivers speed.

an even greater impact on their travel decisions. A troubling condition can be discerned from a recent Front Range Travel Survey of more than 12,000 households across the region. Data from this study shows that both Stapleton and Lowry, another new urban neighborhood, lag well behind three older, more established neighborhoods—Cherry Creek, East Colfax, and the Highlands—in walking, biking, and transit mode shares. In both Stapleton and Lowry, more than 90 percent of employed people drove to work. While it is expected that transit use among Stapleton residents will likely increase once the east commuter line rail is completed in 2015, the reliance on driving and the low walking and biking mode shares for Stapleton are disappointing.

One vivid illustration of these problems: Denver Public Schools decided to provide buses for students to cross Central Park Boulevard, even in cases where they do not meet the minimum distance typically required to be eligible for bus transportation. A mother interviewed on *Colorado Public Radio* said that instead of crossing Central Park Boulevard on foot, she walks her children “about eight blocks to the east to catch the bus” even though “the school is eight blocks west.” It is impossible to declare a new urbanist community successful when situations like those exist.

WHAT NOW?

Current thinking is that Stapleton needs more signage, more traffic lights, and better police enforcement. But those don’t solve the problems. We need a more systematic resolution to excessively wide local and collector streets and over-designed arterials.

For Stapleton, network-level solutions—such as better connecting to the urban grid not just within Stapleton but also to the surrounding neighborhoods—are possible but exceedingly difficult to implement once a place has been constructed. At the scale of the individual street, there seems to be a straightforward recommendation: make narrower streets. Reducing capacity on the arterials seems like low hanging fruit, but wholesale changes aimed at narrowing streets throughout Stapleton would be an enormous and expensive undertaking.

Instead of waiting, some residents might want to follow the lead of the Stapleton resident who routinely parks his truck nearly four feet from the curb on one side of high-speed Beeler Street and displays a sign attached to a parked trailer on the

other side urging, “drive like your kids live here.”

Whatever the future holds for Stapleton, other communities should learn from Stapleton’s shortcomings, understand the pervasive influence of conventional traffic engineering solutions, and try from the outset to build better networks made up of narrower streets. Focusing on community goals, such as those set forth in the original Stapleton vision, and looking for ways to better reconcile new urbanist transportation design ideals with the conventional traffic engineering mindset would go a long way toward ridding ourselves of unsafe, unmanageable streets.

These transportation problems are beginning to percolate not through just Stapleton but other large-scale new urban developments as well. Unless such problems are addressed, not only will we fail to achieve the supposed transportation benefits of New Urbanism; our designs will be relegated to a niche market, never truly fulfilling their promise. ♦

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Retailers

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cial crisis of 2008, have impelled retailers to look for different ways of expanding their business.

Gibbs, leader of Gibbs Planning Group in Birmingham, Michigan, says that for years, developers of retail outlets “would build at the edge of sprawl, a little ahead of the market”—confident that as new residential subdivisions filled up, there would be enough customers to support the stores.

But in many outlying places, says Gibbs, “after 2007, those homes never got built. Retailers were left with a large number of underperforming stores.”

Publicly traded retail companies typically need to open new stores continually, to demonstrate growth and keep their stock price up. With the distant suburbs having languished for five straight years, Gibbs says a chief way of growing, in current conditions, is to “open where people are [already] living—in city centers and first- or second-ring suburbs.” The fact that population is rising in many downtowns and favorably situated urban neighborhoods further encourages retailers to

Whole Foods at Foggy Bottom



PHOTO BY M.V. JANITZEN

enter the cities.

Advertising Age reported in March that Target “will open a series of smaller-format, supermarket-size City Targets in an effort to expand into urban centers such as San Francisco, Seattle and New York.” The CEO of Rona, a Canadian home improvement chain, told *The Globe and Mail* in February that the big-box store “is not the right concept for the future. ... Now the customers demand something different.”

Kohl’s, a discount department store operator, has switched mainly to stores with of about 60,000 square feet—one-third smaller than its previous typical size. Walmart is rolling out “neighborhood” grocery stores with 35,000 to 40,000 square feet and “a lot of glass,” Gibbs says. “Discount retailers that would pay 7 to 8 percent of gross sales as rent are [now] willing to pay more,” he observes. “The metrics have changed.”

“My gut feeling,” says Gibbs, “is that it’s likely that more than half of the new stores in the next five years will be in urban centers or inner-ring suburbs.” That would amount to a major shift. Prior to the economic crisis, he estimates that probably no more than five percent of new stores in the US opened in cities and close-in suburbs.

CALCULATING THE MARKET

To validate their urban strategies, some retailers are using a broadened set of methods to determine the size and pocketbook of the market. There are efforts to estimate how much various kinds of workers—from lawyers to government employees—spend. “In most cases, each downtown daytime office worker spends about \$8,000 per year on retail and restaurants,” Gibbs says. “That equates to each office worker supporting about 25 square feet of retail/restaurants. Each university student spends \$4,000 per year on goods, services, restaurants. That’s a lot of money.”

In many cities, and especially in poor or minority neighborhoods, the US Census is thought to have undercounted the population. To overcome that, Social Compact, a 22-year-old nonprofit organization based in Washington, conducts research—and helps others carry out research—aimed at confirming the power of the urban market.

In more than 400 urban communities across the US, Social Compact claims, as of May 2011, to have “quantified more than \$16 billion in informal economic income and identified 1.25 million more residents than estimated by traditional sources.”

The organization has produced “DrillDown” reports evaluating the wealth and potential of markets in Detroit, Washington, and elsewhere. One DrillDown report found: “Income density in Detroit exceeds that of the greater metro area.” In other words, although Detroiters may be poorer than suburbanites *per capita*, the city exceeds the suburbs in income *per square mile*.

A DrillDown analysis found “sizable unmet demand for retail services in Detroit.” Grocery “leakage” to the suburbs was estimated to be \$200 million—enough spending to support 583,000 additional square feet of grocery stores in the city. The finding helped entice Whole Foods to a building site in Midtown Detroit recently. “The stigma attached to urban markets has changed,” says Alyssa Lee, Social Compact’s president and CEO.

Figures such as utility use—natural gas consumption, for

example—are among the unusual data sometimes used to extrapolate how many people live in an urban area. Social Compact’s fundamental goal is to break down barriers to private investment in inner-city neighborhoods. Over a year ago, the organization established a “pre-development investment fund” to spur supermarket development in underserved areas.

In partnership with State Farm, Social Compact assembled \$1 million for pre-development loans, with the aim of getting 10 grocery stores opened. “Pre-development is the riskiest capital,” Lee explains. The idea is that the pre-development loan will be paid back when a construction loan is obtained.

THE ROLES OF GOVERNMENT AND CNU

Retailers have found that “it takes an additional one to three years to get approved in a city rather than in a suburb or on a farm,” Gibbs says. He worries that many cities are too picky. “A lot of cities are still saying they don’t want anything larger than 5,000 to 10,000 square feet,” he says. “Most cities we run across do not want large department stores unless they’re highbrow, like Nordstrom’s.”

He sees a role for the Congress for New Urbanism: demonstrating that the design and placement of the building are important. CNU could set store size standards for urban retail and then help retailers gain municipal approval by following the standards, Gibbs says. He has been asked to help organize a CNU urban retail task force.

What should municipal governments do? Brent Toderian, former planning director of Vancouver, British Columbia, says that even in his city, which is known for its attention to design and which has 110,000 people living on the downtown

A corner store at odds with DC zoning



COURTESY OF THE DC OFFICE OF ZONING

peninsula, retailers have often wanted to build stores too large for their settings. “Vancouver’s line,” he says, “is that if you’re not willing to build an *urban* store, you’re not welcome.” The size should not be overwhelming, and the store should be in “an urban building type.”

As a result of the city’s stance, many stores have been integrated into mixed-use developments, often with housing about retail. Toderian is especially proud of “The Rise,” an infill project by developer Grosvenor Americas on 2.3 acres formerly occupied by a car dealership. The 300,000 sq. ft. development includes 212,000 square feet of retail, ranging from a Home Depot to small shops.

It has “frontage that looks like a

main street,” Toderian says, and on top of the retail podium sit 92 live-work condominium apartments. “All of its parking is underground and it’s next to a Canada Line [subway] station,” Toderian emphasizes. “It’s integrated into the urban pattern.”

ENCOURAGING CORNER STORES

Another thing that governments can do is help neighborhood-scale retail. As part of an overhaul of Washington’s zoning code, the DC Office of Planning is proposing to allow corner stores of up to 1,200 square feet, and a limited set of other nonresidential uses, in rowhouse zones. The stores would be allowed by right, says Dan Emerine in the Office

of Planning, but the city would impose certain conditions—limiting the number of businesses, their size, and their impact on neighbors.

The idea, Emerine says, is to encourage “convenience retail—the small corner grocery where a person can pick up a gallon of milk and some vegetables on the way home.” Convenience retail would also include shoe repair shops and pickup and drop-off locations for dry cleaners. The concept would apply particularly to the interior of residential portions of neighborhoods (the T-4 urban Transect zone).

In some neighborhoods, corner stores “have survived as nonconforming uses for 50 years or more” and are “very

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Return of the neighborhood hardware store

In 2003, in Washington’s Logan Circle, Gina Schaefer opened what she believes was the first new neighborhood-scale hardware store in the nation’s capital in 20 years. Since then, she’s opened six more in other Washington neighborhoods, in suburban Takoma Park, Maryland, and in Baltimore—all affiliated with the Ace Hardware national co-op.

Another Washingtonian, Anne Stom, opened Annie’s Ace Hardware last February in Petworth, a District of Columbia neighborhood where in recent years there’s been housing construction near a Metro station, along with homebuyers fixing up older detached dwellings and rowhouses.

The neighborhood-scale hardware store isn’t dead after all; it was just waiting to be revived. “People flocked to big-boxes for a while,” says Stom, but “I think it’s occurring to them that what they gave up was a personal connection to the store and the people in the store, and the knowledge base.”

A neighborhood hardware store is easier to get to than a big box, Stom says, and it’s likely to be staffed by “someone who’s lived in one of these old houses for 20 years” and knows what’s needed. Stom’s store has about 6,000 sq. ft. of retail space, plus another 1,000 sq. ft. for its office and glass-cutting/window screen area. Schaefer’s stores range from 5,500 to 8,000 sq. ft.

Schaefer, formerly operations manager at a tech company, says only two of her seven stores have parking lots, and even those are small (9 to 15 vehicles) and never full. Limited parking “hasn’t caused us to be unprofitable.”

Both women say that by purchasing through a national co-op, they’re able to offer prices competitive with the big hardware emporiums. Ace, on whose board Schaefer now serves, has introduced an “Ace Express” model—a set of techniques applicable to a 4,000 sq. ft. store. There is no standard building, but the Express has recommendations about such things as which products to carry in a limited space and what the display shelves should look like.

Neighborhood hardware stores are going into all sorts of quarters. Stom’s is in a former auto body shop. One of

Schaefer’s is in a basement parking garage. Another occupies a handsome modern storefront along a sidewalk. Looks don’t matter, Schaefer says.

The factors that she searches for in a site include:

- A very walkable location in a neighborhood.
- A neighborhood where renovation is strong, so customers need tools and supplies.
- A strong “shop-local” orientation. That can be found in neighborhoods with National Main Street programs or other programs aimed at building up the local business base. Places with many boutiques and independent shops are good locales.

To assess a location, Schaefer gets in touch with the local community association or business association and talks to residents and business operators about local conditions and what people are looking for. “We ask a bunch of questions,” she says, but the process “doesn’t take much time or money.”

Two-level DC hardware store



COURTESY OF GINA SCHAEFER



BY STEVE PRICE, URBAN ADVANTAGE, COURTESY OF DOVER, KOHL

A rendering of a streetcar on a multimodal Columbia Pike

large blocks of market-based affordable units along the Pike in exchange for converting the market-based affordable units into committed affordable units.”

Most of the new units on the Pike are expected to be market-rate. Yet total affordable units of all varieties would increase from 7,334 now to approximately 9,000 in 2040, according to the plan. The primary strategy is to increase the number of committed—legally binding—affordable units from 1,200 to nearly 5,000.

The density bonuses would come with a requirement that 20 percent of the bonus units be affordable for not less than 30 years to households earning 60 percent of the median area income.

The county also operates an Affordable Housing Investment Fund, which provides “bridge” financing. This fund fills the gap between low-income housing tax credits and bank financing. The county puts money into the fund annually, but loans are also paid back, replenishing the fund. This fund can be used to preserve committed affordable units along the Pike.

Other strategies also will be used. One example is what was done on the site of a closed-down grocery store; the county bought it and converted it into Arlington Mills Community Center. The county is leasing unused land on the property to a developer that is providing 122 units of affordable housing.

Another idea called for in the plan is property tax abatements for affordable housing, but these would require a change in state law and could take years to implement.

To the degree that it’s possible, Arlington would like to preserve garden apartment complexes along the Pike—with some changes in urban design and improvements in connectivity. This is an ambitious vision and a potential step forward for New Urbanism.

“We have proven that there is value in the market to this kind of development—making places where people can walk, and the public realm is as important as the private realm,” Zimmerman says. “The price of it is going up very fast. It’s great for the environment, great for economics, but what about people who don’t make 120 percent of median income? Can we do this without displacing the people who have to work in these buildings? Can we do transit-oriented development that doesn’t displace people who use the transit?”

THE STREETCAR DEBATE

The transit that many promoters of a more urban, walkable Columbia Pike would like to see is the streetcar.

“For lots of reasons, many people like to ride streetcars more than buses,” DeCamp wrote in support of the proposal. “Maybe it’s vanity. Maybe streetcars are more fun. Maybe it’s confusion over Byzantine bus routes. I just know it’s true for a lot of people.”

But the streetcar is controversial. Opponents of the streetcar make some reasonable arguments. Columbia Pike is already ripe for development, and it will happen to a degree, whether the streetcar is built or bus service is improved. “Articulated bus [is] a practical and far more cost-effective alternative than the modified streetcar,” said Joseph Warren of the county’s Transit Advisory Committee. An articulated bus system would cost \$39 million to \$68 million, he said, while the streetcar would cost from \$249 million to \$261 million. Warren’s resolution favoring buses was narrowly defeated, 6-5.

Greater Greater Washington argues that articulated buses are no substitute. “To realize the smart growth vision for Columbia Pike, Arlington needs a streetcar,” the blog asserts.

Realizing the vision is going to take decades. Although pockets of urban life have emerged, there are miles of commercial strip. “When we did this, everybody understood it was a long-term plan — for a generation,” Zimmerman says. ♦

Retailers

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popular amenities,” Emerine observes, but if they go out of business and their space remains vacant for three years, they could not be restarted under current zoning rules.

Roughly 37 percent of Washington households have no car. If corner stores proliferate, they would make life better for zero-car or one-car households and they would add to the appeal of the neighborhoods, he says.

The conditions that have been proposed include:

- The store is not within 500 feet of a mixed-use zone (to avoid competing directly with main streets and commercial centers).
- No more than three similar uses are allowed within 500 feet.
- Preference for corner lots. If the store is to be on an interior lot, it must not be new construction and must have been built originally for commercial purposes.
- No commercial uses extending above the ground floor.
- Limited signs.
- Limits on floor area devoted to sale of alcohol.
- No on-site consumption of liquor.
- No cooking or grease traps. Food assembly and reheating would be allowed, as for a deli or coffee shop, but restaurants and fast-food establishments would be excluded.

“We are also proposing a similar set of rules for our apartment zones,” Emerine notes. “However, in that case, the approach that we’re taking is to allow them by special exception (but without the concentration limitation or the preference for corner lots). In those contexts, it makes more sense to us to have fewer restrictions as to location, but to retain review over individual establishments, due to the potential for greater physical change to the streetscape.”

It’s hoped that hearings on the new zoning code will begin after January 2013, and that the regulations will take effect in early 2014. ♦