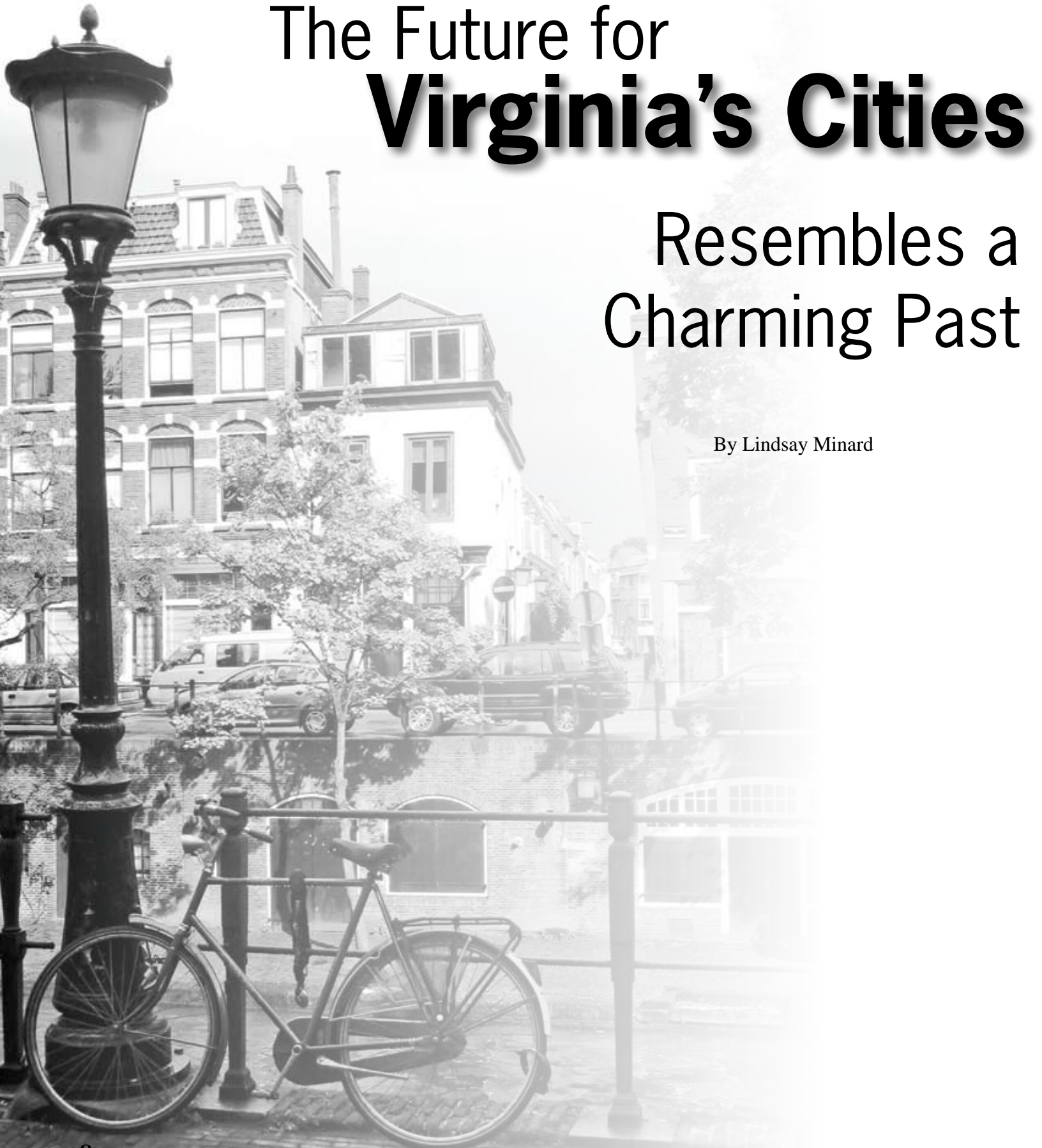


The Future for **Virginia's Cities**

Resembles a Charming Past

By Lindsay Minard



The term *edge city* debuted in 1991 in Joel Garreau's EDGE CITY: Life on the New Frontier. With the right amount of epiphany and wit, his stab at describing the 20th century evolution of cities was convincing enough to get baptized urban dictionary-style.

Defined by Garreau, edge cities have five million square feet or more of office space, over 600,000 square feet of retail space, an early morning increase in population followed by a significant drop in numbers beginning at 5:00 PM and an aura of being a place with it all; and likely featured, 30 years prior to their current state, a single pump gas station with a sign in the window indicating LAST STOP FOR GAS FOR 50 MILES.

Edge city, the term, had a good run; in 20 years it was snatched from its urban dictionary digs to title a magazine, a café, a website, a video game, its own film, and yes, even a band. But the spotlight is fleeting even for the brightest of trends.

“I guess the point of the whole edge city phenomena and beyond is this: think how rich you would be if your grandparents had realized what the automobile was going to do to Fairfax; then consider how rich you would be if your parents had realized what Dulles was going to do to Virginia. Thus if you want to be the next ‘Til’ Hazel,’ you need to figure out how the networked computer is going to transform our physical landscape. That change is occurring faster, more thoroughly and to more classes of real estate than either the car or the jet airplane.”

~Joel Garreau, author of Edge City: Life on the New Frontier

There are certain truths of human nature that continually impact the way we live, work and play.

- **One.** We repeatedly fall for the “grass is greener” trick.
- **Two.** We know we need to think big picture, but we often get caught in the *here and now* – forgetting about the *there and later*.
- **Three.** We are restless. We run through 24/7 with blind drive propelling us forward. Then we retire; and often head back to work lest we be sitting at home wringing our hands.
- **Four:** We are lifetime subscribers to all things that allow us to move faster toward the greener grass, the presumable *there and later*.

With human nature in play, restless 20th century Americans used the automobile to break free of 19th century downtowns in search of greener grass on its outskirts.

Decades after the initial trek to suburbia, *edge city* was Joel Garreau’s cool name for the result of what happened when suburbanites decided they were fed up with leaving their white-picket-fenced yards to drive downtown to work and shop. By 1991, work, heavy duty retail and fitness playgrounds were brought closer to Stepford – right off major

highways and interstates—disregarding the *there and later*, focusing on the *here and now*.

“If you look at a map today you’ll often see a major road extending from an urban area to the suburbs with everything built off it; one way in—one way out—no connectivity. With that move to the suburbs, we essentially shot ourselves in the foot from a transportation standpoint. That type of development is unsustainable and has us trending back downtown,” states Dana Dickens, president of the Hampton Roads Partnership.

In 2010 edge cities are still around, still imprisoning their well-dressed nine-to-fivers. But in the 21st century, society is trending towards Garreau’s newest entry for consideration in the urban dictionary, *Santa Fe’ing*. The verb looks to define the next evolution of cities taking place, according to Garreau, in reaction to the latest revolution in transportation: the networked computer.

Whether it be the computer, natural progression (or for Virginians, a solution to transportation woes), commercial real estate is undoubtedly taking on a different shape. Virginia and much of the country is trading in its sterile, concrete-jungle-esque edge cities and Santa Fe’ing them *back* into something resembling charming downtowns of our past.

“The trend towards urban is in counterbalance to how our digital world has made human interaction unnecessary. Now leisure time involves quality time with other people in engaging urban settings. For developments to stay competitive they need to not only feature work spaces, but also the cultural institutions that make urban living attractive. Office space needs are already shrinking daily in terms of square feet per person and going forward the workforce is only going to require less.”

~Mark Gionet, principal,
LSG Landscape Architecture

Over the Edge is Santa Fe

“Santa Fe is a small, barely urban (but incredibly urbane) place that has an opera house, great restaurants and second-hand bootstores (yes boot, not book); and it’s attracting people who can operate anywhere. What the computer does is allow us to live, work, play, pray, socialize and die where we want; and therefore I believe the future of cities will be based on whether or not they have good places to engage in face-to-face time,” Joel Garreau.

It is not a hard concept to get on board with really. You have a computer, likely a laptop; you have some sort of hand-held internet-surfing, email-delivering device that allows you to be all you can be, all the time; you see your office more as a headquarters for

regrouping than a necessity for work; and all these conveniences give you what every other version of watershed transportation has: more freedom of choice.

Yep—despite the bad rap it gets for making our teenagers socially inept (when has a teenager ever been any other way), the computer could be considered the device that will allow us to again enjoy the time we spend together (because we’re choosing the when and where) as opposed to trying to figure out how not to strangle our “morning person” co-worker every day of the week.

“The advances we’ve seen in the last 10 to 15 years in technology eclipse everything that happened the century prior. What we’re seeing is a big boom in teleworking and from an expense standpoint, if a business can reduce office space needs 20 percent that is a big add to the bottom line,” says Dickens.

So what does that mean for commercial real estate development in the *there and later*? It means those town centers/city centers/cool corridors you see popping up everywhere are defining 21st century urban landscape; and their characteristics—walkability—cool restaurants, café’s, bars, and retail—trendy cultural gathering places—passenger rail—are the keys to successful real estate ventures now and as far as the eye can see.

“The trend towards urban is in counterbalance to how our digital world has made human interaction unnecessary. Now leisure time involves quality time with other people in engaging urban settings,” says Mark Gionet, principal, LSG Landscape Architecture. “For developments to stay competitive they need to not only feature work spaces, but also the cultural institutions that make urban living attractive. Office space needs are already shrinking daily in terms of square feet per person and going forward the workforce is only going to require less.”

What edge cities lack and what Santa Fe (New Mexico) has is balance and density; turns out

those 19th century downtowns weren’t so bad after all. Because more and more of us don’t actually *have* to interact with other humans on a day-to-day basis in a work environment; we actually *want* to interact, just in places of our own choosing.

“Cities need to have an identity and sense of community, which translates to a ‘place.’ Successful cities in the future will resemble what we saw a century ago—24/7 living environments. Homes are going to get smaller because people will be out and about on the weekends in those identifiable communities,” states John Peterson III, senior vice president of development at The Terry*Peterson Companies and chairman of Urban Land Institute in Hampton Roads.

Since Transportation is the Lynchpin...

“When you first get married you live downtown; then you have kids and likely move to a more suburban location; the kids grow up and move out and you sell your home because you don’t want to commute any longer. So what we see is that young adults and baby boomers are driving the current trend towards more urban developments. Combine those demographics with telework and flex working hours, living arrangements must be more flexible,” says Sean T. Connaughton, Secretary of Transportation for the Commonwealth of Virginia.

As mentioned before, the problem with our trek to suburbia was lack of planning. That lone escape road out of downtown that we decided to develop has many present-day commuters experiencing a taste of hell at least five days a week; and it is no doubt a significant part of the reason that more and more Virginians are giving up yards and guest bedrooms for less square feet, to be closer to work and activities. But suburbia is not going to simply go extinct, and the key to these urban cores being able to realistically extend their arms towards the ‘burbs is a REAL TRANSPORTATION SOLUTION; networked computer need not apply.

The impact the surrender to urban roots will have on transportation in Virginia will be some much-needed vacation time for our roads and car engines as we spend more time exercising our God-given modes of getting around—ya know—our legs. And for those occasions where walking or biking 10 miles is just plain inefficient, more of us are going to hop on some form of public transit in lieu of our automobiles. For the sake of Garreau's argument, if transportation is the lynchpin of development then public transit is the lynchpin of *successful urban* development.

“What we're starting to see is that Northern Virginia, Central Virginia and Hampton Roads are all coming together; and at some point in the next 30 or so years, there will be nothing but an urban corridor from Hampton Roads to Washington. As that occurs we have to step back and determine if it makes sense to invest in another lane, or commuter rail or some form of transit. For example, we started running a train from Lynchburg to D.C. and it has been so successful that we are actually making money on it and adding additional trains,” states Connaughton.

Measures are already underway in parts of the state to meet the interest and support the public has for alternative transportation. The rail extension in Northern Virginia is scheduled to cross the finish line in 2013; the light rail starter project in Hampton Roads is in the works and while currently only seven miles long, the goal is for it to eventually meet the ocean front with stops including Virginia Beach Town Center along the way.

“Between Virginia Beach Town Center and the ocean front there will be several major stops along the way that will have town centers developed around, up and over them. We are close to completing a regional transit vision for the area with the Planning District Commission so that the cities and counties can zone appropriately for the development that will eventually take place,” explains Dickens.

Richmond enjoys relatively few transportation headaches; however, there is the concern that with no funding or proposed projects, the area may run the risk of ending up in the same predicaments as Hampton Roads and Northern Virginia. Connaughton says that Bus Rapid Transit (BRT) down to the core is being explored; “We support researching BRT, but the challenge is getting over some of the jurisdictional boundaries. The Greater Richmond Transit Commission essentially runs services to the borders of the City of Richmond; so the question is how we get to the suburban areas through political boundaries.”

The What and Where of the Here and Now/ There and Later

“Keeping in mind face-to-face interaction, I think successful cities in the future will be relatively compact and highly dispersed – many of them way beyond our current metros. In other words, not A or B, but A plus B. Places that encourage face-to-face interaction will thrive, those that don't will die; I mean this for both downtowns and edge cities,” Joel Garreau.

So if the *what* of commercial real estate's future is something resembling Santa Fe, *where* is the next Tysons? Reston? Virginia Beach Town Center? If you want to follow in John T. Hazel's footsteps, or at least be a part of the action, here are a few suggestions on where to concentrate your efforts.

The What

“I would submit that we're going to see more infill activity. We've stretched the boundaries of our infrastructure. Bonding water and sewer projects is getting more expensive and using public bonds is becoming more risky. I think we're going to see the infill and renovations of entire neighborhoods similar to what's happening on Monument Avenue and Staples Mill in Richmond,” states Gregory H. Wingfield, president and CEO of the Greater Richmond Partnership, Inc.

Technically there is no crystal ball that is going to tell us what the future of commercial real estate is in Virginia; however, considering that the Tysons master plan outlines a completion date of 2050, it can be assumed that for the next 30 to 40 years mixed-use is the new office and standard retail. And infill renovation, retrofitting and restoring projects will be common in many contractors' pipelines to keep already built-out areas competitive with their young, well-planned, side-walk proliferating, grassy-knolled town center counterparts.

“The contractors that survive in the future are not just going to be doing new construction, but rather work that needs to be done to upgrade existing space. There comes a point when we're simply over-retailed. Really, how many mattress stores and nail salons does a community need?” contemplates Wingfield.

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Another potential *what* for commercial real estate's future that Garreau is tackling today is what the future entails for the "big boxes." Remember we are restless by nature, prone to inconsistency—and while Wal-Mart's, Costco's and Home Depots are sprouting up everywhere today—tomorrow we likely will favor smaller versions that we can walk into after lunch at a street-front café.

The Where

Northern Virginia

"The biggest change that's occurring in commercial real estate today is the cultural shift away from suburban edge cities to places indicative of the Rosslyn/Ballston Corridor, Reston Town Center and the true mixed-use you find in downtown D.C. The strongest markets are clearly places like those areas that provide the space to live, work and play," states David Millard, senior director at Cushman & Wakefield, Inc.

Besides the development that will be ongoing in and around Tysons for the next 40 years or so, there are other areas to keep the commercial construction industry busy in Northern Virginia.

With the relocation of the Washington Headquarters Service and the National Geospatial-Intelligence Agency, along with its existing edge-city-like components, Springfield is potentially the next "happening" place. With the connection of Route 29 and Gallows Road to the beltway, it looks like Merrifield is getting another chance to live up to expectations in the form of a town center; and the Rockville Pike area is working overtime to rebrand as the Northern Wisconsin Avenue Corridor.

"There are plenty of good opportunities out there; the question is how can these developments compete with D.C.? If I'm with or retired or have a descent amount of disposable income, do I buy a townhouse condo in South East D.C. close to the ballpark, Arena Stage and the renovated Anacostia waterfront, or do I buy in Tysons near my office? The amenities are the drivers that determine where people choose to be especially if people don't have to be in the office every day," states Gionet.

Central Virginia

In the Central Virginia/Richmond area, besides the infill development that is indicative of any older urban area, Short Pump and Innsbruck in Henrico County are going to continue to enjoy development activity as their respective counties consider how to keep up with the whole Santa Fe trend and make those areas more all-inclusive and attractive.

"Innsbruck was the frontier of the west end in the '70s. It's now expanded from 64 at Broad Street to where 295 starts off of 64; so there's good land mass and the opportunity for housing as well as retail and office. There's a lot of discussion about changing the zoning to accommodate those possibilities. The real game changer for that area will be putting in condos and townhouses so people working there can walk and/or bike to work from their residences," states Wingfield.

Short Pump is another burgeoning area that installed a town center with classic mixed-use development. The area is continuing to grow with the addition of housing—single family, condos and apartments—to go along with its town square, clubhouse, pool, hotels and Whole Foods.

Hampton Roads

"Hampton Roads has suffered from a population growth stall and it's partly because of the lack of in-migration. To attract people to come to an area it needs to fulfill the comprehensive needs of a variety of people because employers need a variety of employees," explains Peterson.

While the reasoning for why Hampton Roads struggles to keep "its people" is up for debate, there is no doubt that area planners and developers are making valiant efforts at making it more attractive not only to outsiders, but also to its own born and bred. "We need to develop a sense of coolness—or rather the perception of such. I do believe the town centers and city centers and main street developments will help us develop a more concrete sense of place," states Dickens.

Taking the necessary steps to combat its in-migration issue, the area's older urban areas are getting infill, facelifts and extreme makeovers where necessary. Norfolk is already undergoing some infill projects, while a local developer has just recently proposed the redevelopment of downtown Portsmouth, with the mid-town shopping center property being retrofitted into a mixed-use town center development that will be centered on the medical industry.

The Virginia Beach Town Center area will continue to grow up, especially considering the plan for the light rail to come through, as well as Port Warwick in Newport News, which is the first of the new urban areas in Hampton Roads that is really focused on the live, work and play atmosphere, free of highways. Another area in which a town center has been proposed is Harbor View in Suffolk; while the project has been put on hold per market conditions, public funding is already tied to the proposal. "Public-private partnerships are the only way these new urban developments will come to fruition. It is very critical that the cities they reside in are a part of the development funding," states Peterson.

Conclusion

"Edge cities have no history so who knows what they'll look like when they grow up. Americans are pragmatic; we solve problems. With edge cities we moved our jobs as close to our homes as possible; then the problem became that our new cities were raw and new; while we are great at producing anything you can apply a dollar value to—jobs—economic growth—we're less successful at producing the squishy stuff like community, identity and soul. The future of edge cities will involve answering that problem," Joel Garreau.