



# Tear Up a Parking Lot: Rebuild America

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# America Grows

**200 million in 1968**

**300 million in 2006**

**400 million in 2037**

**500 million in 2068**

**600 million in 2099**

**America adds 100 million people faster  
than any other nation except India**

# Growth-Related & Converted Units, 2005-2030

<u>Purpose</u>	<u>Number</u>
Growth-Related	32M
Replaced/Rebuilt	18M
<i>Converted</i>	<i>6M</i>
Total Unit Built	50M
<i>Growth + Converted</i>	<b>38M</b>
<b><i>% 2005 Occupied Units</i></b>	<b>35%</b>

Figures in millions of units of occupied units.

# Traditional Households on the Wane

<b>Household</b>	<b>1960</b>	<b>2000</b>	<b>2030</b>
With Children	<b>48%</b>	33%	28%
Without Children	52%	67%	<b>72%</b>
<i>Single</i>	13%	26%	28%

*Source:* Census for 1960 and 2000, 2025 adapted from Martha Farnsworth Riche, How Changes in the Nation's Age and Household Structure Will Reshape Housing Demand in the 21st Century, HUD (2003).

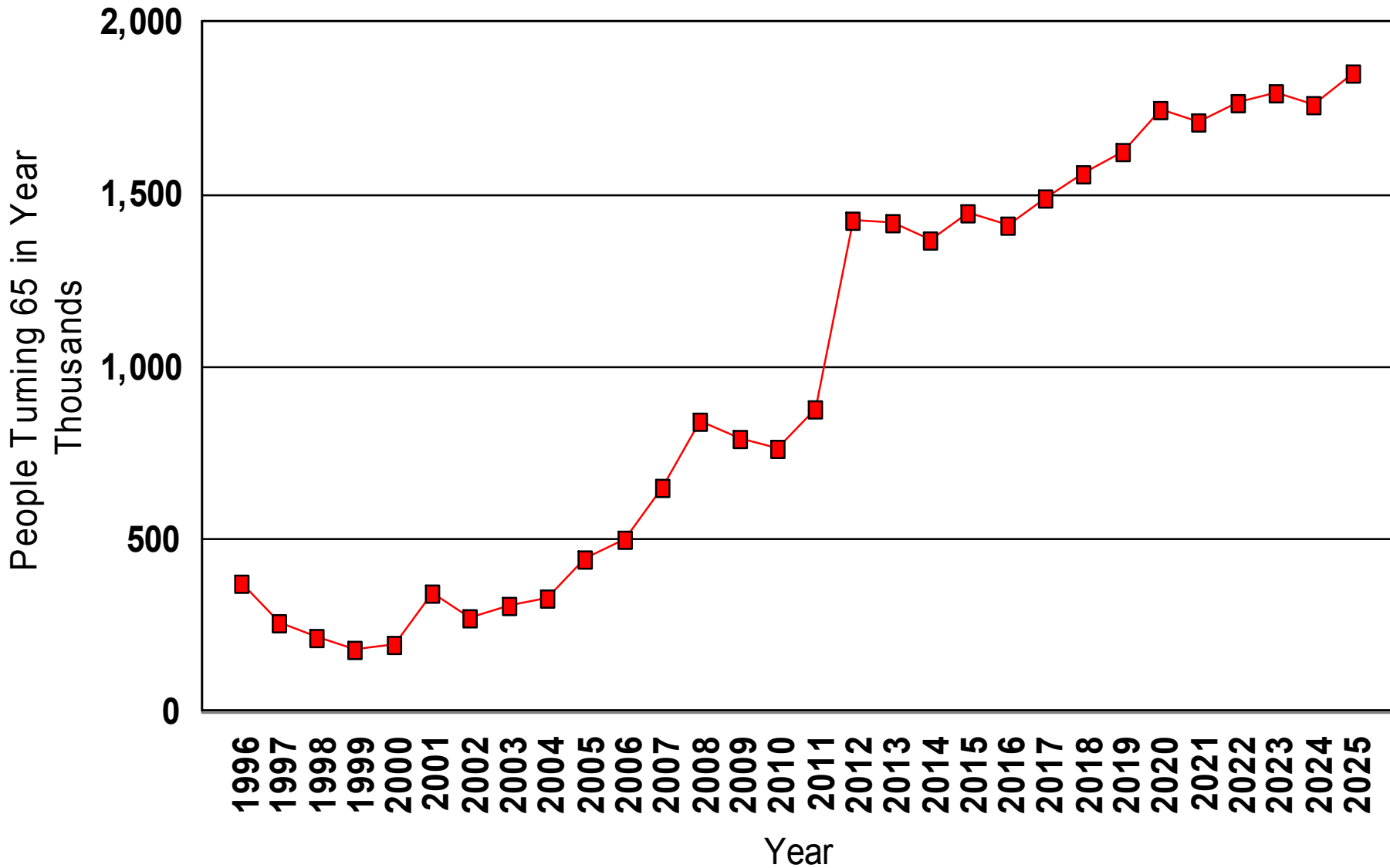
# [Share of Growth, 2005-2030]

<u>HH Type</u>	<u>Share</u>
<b>With children</b>	<b>12%</b>
<b>Without children</b>	<b>88%</b>
<b><i>Single-person</i></b>	<b>34%</b>

Figures in millions of households.

*Source:* Adapted and extrapolated from Martha Farnsworth Riche, *How Changes in the Nation's Age and Household Structure Will Reshape Housing Demand in the 21st Century*, HUD (2003).

# People Turning 65 Annually 1996-2025



# Emerging Price Evidence

## *Change in Resale Prices 11/05-11/06*

<b>Region</b>	<b>SF/TH</b>	<b>Condo/Coop</b>
US	<b>-3.6%</b>	<b>0.0%</b>
NE	-4.5%	+2.3%
MW	-4.6%	+6.0%
S	-2.9%	- 5.1%
W	-0.8%	- 7.9%

Source: National Association of Realtors, January 2007. **Single-family and townhouse data combined in NAR database.**

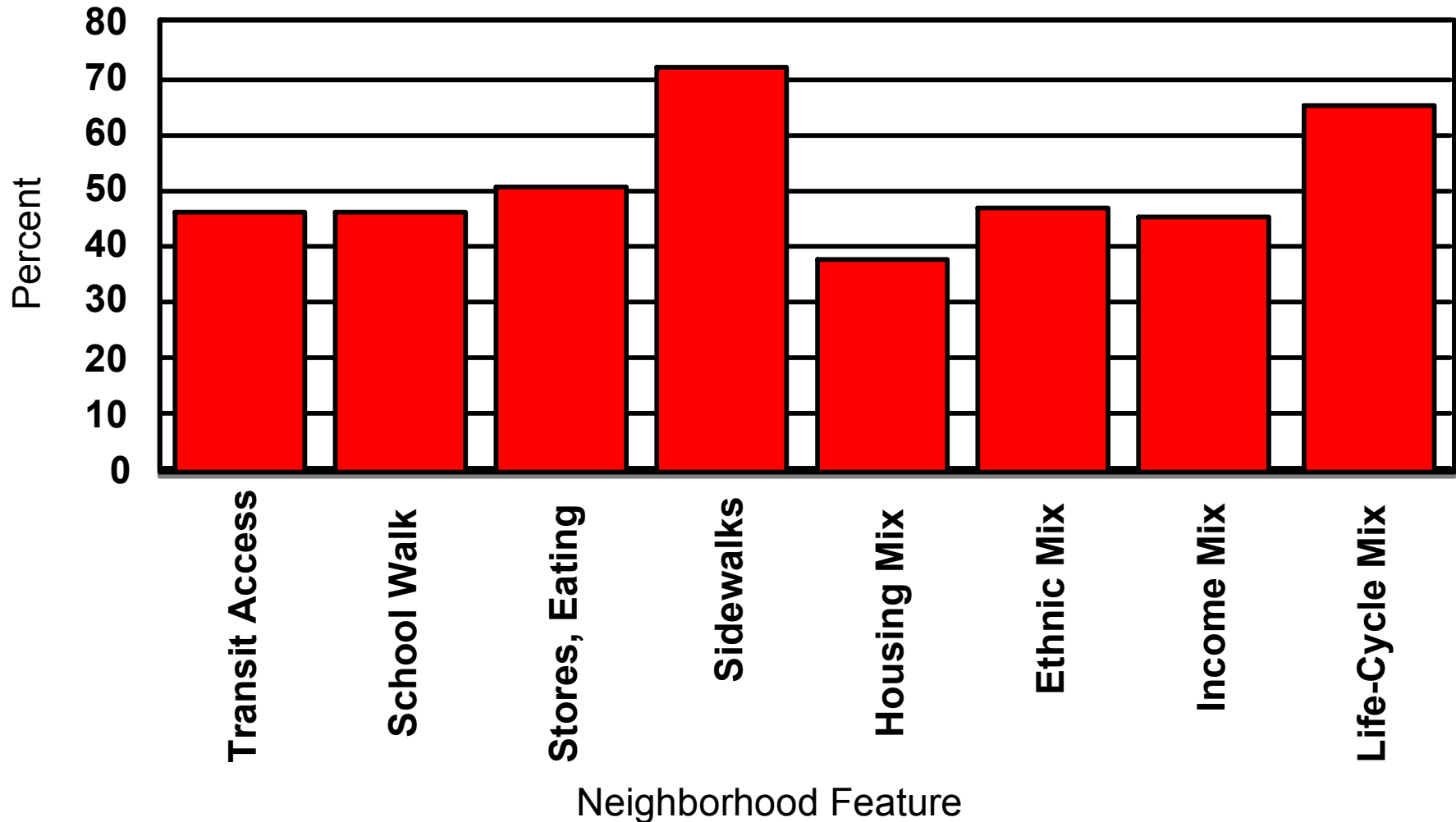
# Occupied Housing Units by Type 2005

<u>Unit Type</u>	<u>Share</u>
Apts, Condos, Coops, Townhouses	36%
Small Lot (<7,000 sf)	11%
Large Lot (>7,000 sf)	<b>53%</b>

*Source:* American Housing Survey for the United States 2005. Small lot calculated as occupied 1-unit structures on lots under 1/8 acre less townhouses plus half of 1-unit structures on lots between 1/8 and 1/4 acre.



# Smart-Growth Neighborhood Feature Preferences



Source: National Association of Realtors & Smart Growth America, 2004.

# [ Unmet *Walkable* Demand ]

<u>Residential Form</u>	<u>Boston</u>	<u>Atlanta</u>
% want drivable suburbs	30%	41%
% <i>of those who have</i>	<b>85%</b>	<b>95%</b>
% want walkable suburbs	40%	29%
% <i>of those who have</i>	<b>70%</b>	<b>35%</b>

Source: Jonathan Levine, *Zoned Out*, Resources for the Future, 2006.

# Housing Unit Preference by Type, Surveys

<u>Unit Type</u>	<u>Share</u>
Attached	38%
<i>Apartments</i>	14%
<i>Condos, Coops</i>	9%*
<i>Townhouses</i>	15%
Detached	62%
<i>Small Lot (&lt;7,000 sf)</i>	37%
<i>Large Lot (&gt;7,000 sf)</i>	<b>25%</b>

Source: **Low range** of surveys reviewed by Arthur C. Nelson, "Planning for a New Era," *Journal of the American Planning Association*, Fall 2006.

\*Toll Brothers shifting product mix to 15% condominium; *WSJ* 12/06.

# Looming Large-Lot Oversupply, 2005-2030

<u>Unit Type</u>	<u>Supply 2005</u>	<u>Preference Change</u>	<u>Mid-Point Change</u>
Attached	39M	15M	13M
Small Lot	12M	40M	22M
Large Lot	58M	<b>- 23M</b>	<b>- 3M</b>

Figures in millions of units.

Preference change based on low-range of preference survey averages.

Mid-point is mid-percentage distribution between 2005 and low-range estimate of preference surveys and supply of occupied units in 2005.

# Another Look at Demand

Robert Charles Lesser Co. studies find one-third of current buyers want smart growth / new urbanism features.<sup>a</sup>

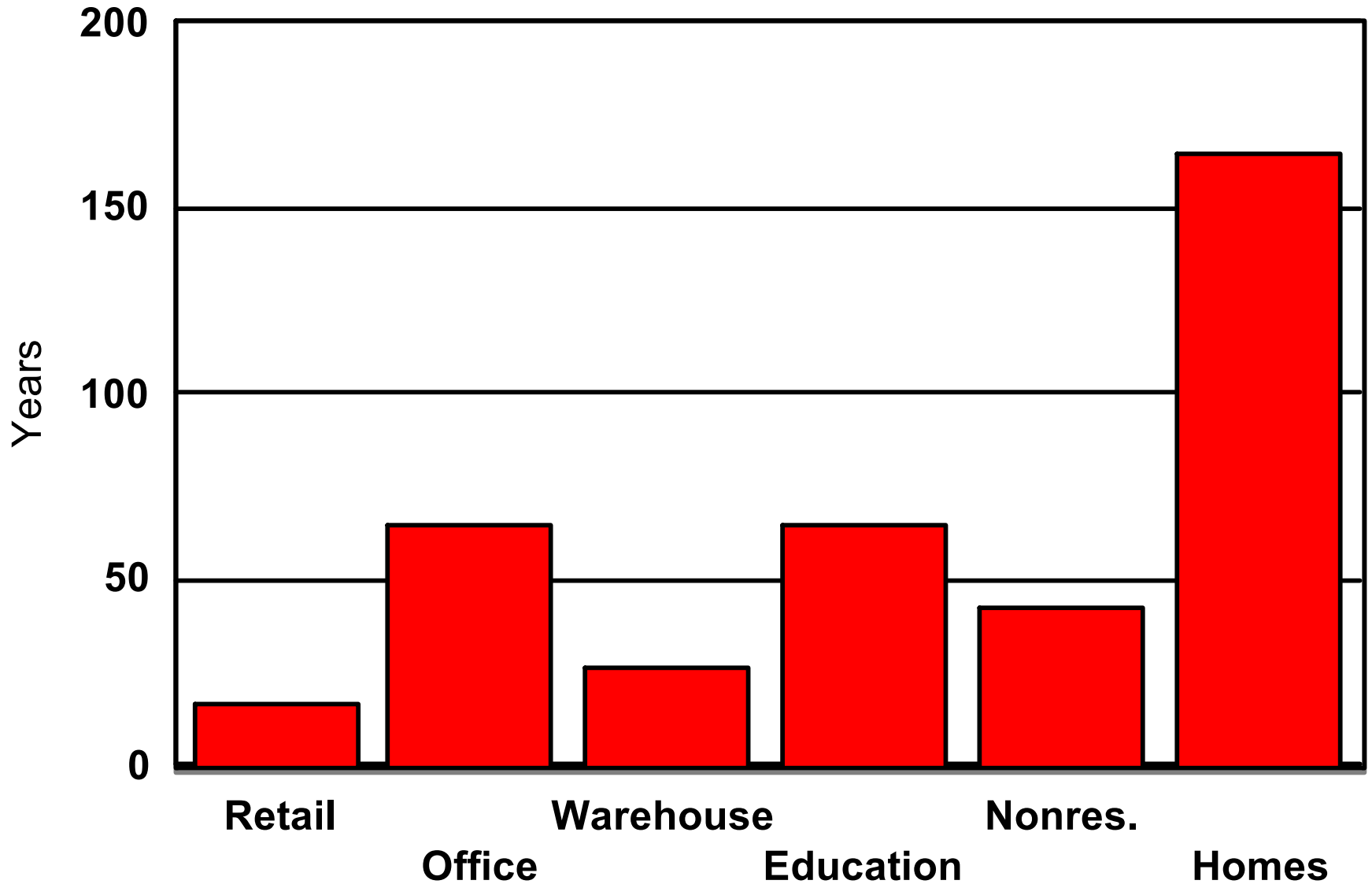
Households relocate on average about once every 8 years.

By 2030 about 40-50+ million households will want smart growth / new urbanism features.

Future demand more than all new growth-related housing units constructed or converted.

<sup>a</sup>Gregg Logan, EPA Large-Production Builders Conference, January 31, 2007.

# Life-Span of Building Space



# Nonresidential Development, 2005-2030

<u>Category</u>	<u>Constructed</u>
Growth-Related	15B
Replaced/Rebuilt	63B
Total Space	<b>78B</b>
<b>% of 2005 space</b>	<b>90%</b>

Figures in billions of square feet.

Analysis based on *Commercial Buildings Energy Consumption Survey 2003*, US DoE, Energy Information Administration.

# Glamour Space Growth

<b>Space Class</b>	<b>1992</b>	<b>2003</b>	<b>%Dif</b>
Retail & Service	57	62	+9%
Office, Medical, Ed.	88	87	-1%
<b>Total Glamour Space</b>	<b>145</b>	<b>149</b>	<b>+3%</b>
Warehouse & Storage	45	35	-23%
All Other	75	63	-16%

Non-percentage figures per capita based on Census estimates.

Source: Energy Information Administration, *Commercial Buildings Energy Consumption Surveys* for 1992 and 2003.



# Development Cost 2005-2030

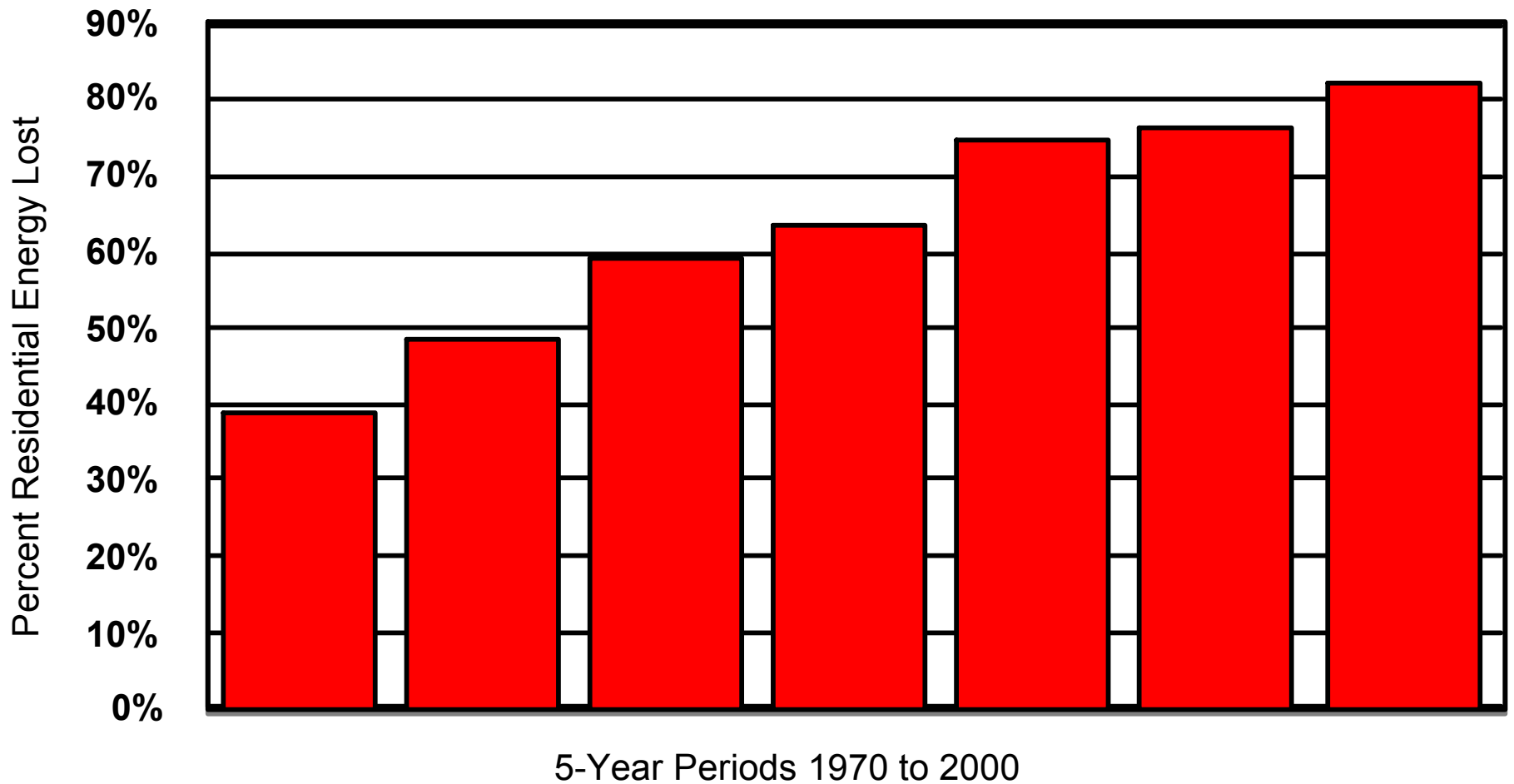
**\$30 Trillion**

***Give or take a trillion***

Source: Arthur C. Nelson, "Planning for a New Era," *Journal of the American Planning Association*, Fall 2006.

# Wasteful Residential Energy

Sprawl: *Energy Lost as Percent of Energy Used*



Source: Energy Information Administration 2006.



# The Promise Land

# Tear Up a Parking Lot *Rebuild Paradise*

Large, flat and well drained.

Major infrastructure in place; upgraded infrastructure to support redevelopment would be needed eventually anyway.

4+ lane access, 1+ sides, wide rights-of-way, often capacity for dedicated transit lanes.

Single ownership – *Kelo* problems reduced.

Already planned/zoned for non low-density subdivision use.

May more easily make NIMBYs into YIMBYs.

Slide title phrase adapted from Joni Mitchell, *Big Yellow Taxi*, refrain: “Pave over paradise, put up a parking lot.”

# [ The Parking Lot Beckons ]

<u>Calculation</u>	<u>Structures</u>	<u>Space</u>
Food, Retail, Office, Service, Warehouse	3.4M	43.0B
1- & 2-Floors	3.1M	38.0B
50+ Years Old in 2025	2.0M	24.3B
Assumed Average FAR		0.2
“Ripe” Acres		2.8M

Source: Building, space data, *Commercial Buildings Energy Consumption Survey 2003*

# ReBuilding Capacity

<u>Calculation</u>	<u>Result</u>
Ripe Acres	2.8M
Percent Assumed Redeveloped	25%
Redeveloped Acres	0.7M
30 dwellings @ 1,500sq.ft.	
30 jobs @ 500sq.ft.	1.4FAR
Percent Residential Demand	50% <sup>+/-</sup>
Percent Employment Demand	50% <sup>+/-</sup>

## NEW MAIN STREET: *Creating a new community crossroads*



- *Serve both the traditional neighborhood and the university communities.*
- *Create a vibrant mixed-use street.*
- *Build a neighborhood and a pedestrian-friendly Main Street.*
- *Introduce seamless connections from the residential neighborhood to the Charles River and Herter Park.*
- *Develop a significant new cultural facility at the crossroads as a neighborhood and regional attraction.*
- *Create 400,000-600,000 sf of mixed-use development, with heights of 35'-55' and first-floor retail.*
- *Create public gathering place for events, with linkages to community parks.*



*Western Avenue at North Harvard Street: from auto-dominated strip retail to pedestrian-friendly Main Street.*



# The New American Suburb

# Actions Needed

- Systematically evaluate existing low-intensity commercial areas for their conversion ripeness time-frame.
- Assess redevelopment parameters, needs.
- Evaluate feasibility of creating transit corridors out of existing commercial highways.
- Engage stakeholders now; create “sector” and “form-based code” plans.
- Explore win-win financial tools to bridge rate-of-return gap.