

Featured Story

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Since the 1960s, baby boomers have driven a migration to the suburbs, where a simple calculus has been at work for a very long time: the farther one moves away from an urban center, the better value one gets for one's money—more house, more yard, more space. But with that space came a kind of void, a decenteredness of the sort that novelists write about. Over time, the suburbs and the mall—that de facto civic space with its strange admixture of indoor fountains and retail outlets—fell out of favor.

It's not hard to see why. Negative investment in infrastructure has created commuting nightmares for suburban residents. Large-scale financial meltdowns—the dot-com bust and the Great Recession—have led to stagnant incomes and tighter credit, putting home buying on hold for millions of

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Another Featured Story

Slippery Slope: Fraud Scheme Crumbles Under Mountain of Evidence people. Indeed, nearly one-third of all suburbanites who live outside the nation's 11 most-populated cities were renting in 2014. E-commerce has put a dent in mall culture that is still playing itself out.

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Dead or dying malls and shopping centers populate the American landscape like big-box ghost towns (cue the tumbleweeds and lonely harmonica). Millennials, shaken by a vision of home foreclosures and impatient with the commute from the suburbs, seem to have decided that, since they are renting anyway, they might as well move to where the action is. According to a recent Nielsen survey, 62 percent of millennials surveyed prefer to live in the kind of mixed-use communities common in urban centers, and 40 percent of millennials say they'd like to live in the city soon—and so our current era of urban infill unfolds.

On the contrary, a closer look at the actual demographics of American life tells a very different story. Recent research suggests that the urban infill phenomenon looks practically puny against the backdrop of larger suburban realities. Young people, for instance—those aged 25 to 35—may perhaps feel the yen for urban living, but most (75 percent) still actually live in the suburbs.

Everyone else—almost 80 percent of populations in America's 50 largest metropolitan areas—live, in fact, in the suburbs, too, and that includes baby boomers, who, contrary to reports about seniors flocking back to cities, have yet to do so in substantial numbers. In fact, people 65 or older were at least 10 percent *less likely* to live in urban neighborhoods in 2014 than in

2000, according to one analysis. As for where most Americans work? It's mostly in the suburbs—where at least 67.5 percent of Americans spend their working days and where, from 2010 to 2014, more suburban jobs have been created than have jobs in the city.

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The truth about the suburbs is probably more nuanced than many have supposed. There are probably many different "suburbs" emerging in America, each with its own distinct set of needs. And these emerging needs are suggesting real estate opportunities for developers willing to reimagine suburban spaces.

"A number of national, regional, and local developers are still very much focused on building communities outside the urban core, which provide the same level of comfort and attractions of city centers," notes Akerman's Cecelia Bonifay. "These new, reimagined suburban communities have all of the local-sourced restaurants, they've got the farm-to-table ethos in place, and they're walkable. They're near transit hubs. They have good schools. They have open space. There's a big difference between the notion that everyone is moving into the urban core—which in many ways is hype—and the reality on the ground of reinvented suburban centers, which I think are a compelling investment bet—be it mixed-used projects with office and retail components, or sustainable communities developed around green, or energy-efficient concepts. The reinvention of

suburbia has paved the way to a wave of construction across the country."

Indeed, a new era may be under way—with the reinvention of the suburbs. If the suburbs are growing, in other words, they're also dramatically changing, too. A building and development boom has been transforming suburban hubs—often near transit connections that offer mixed-use facilities—housing, office, retail, and entertainment—and this has helped many suburban areas, in effect, find their center—establish their sense of place in the years to come.



Increased confidence in the commerical real estate market has taken hold since the U.S. presidential election.

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Repurposing Zombie Malls

Dead malls are being completely retrofitted and repurposed, for instance, the walls are coming down, replaced by main streets and pedestrian walkways because walkability is a key theme in many such reimagined places. South of Los Angeles, Hawthorne Plaza mall, for instance, abandoned since 1999, has remained an empty relic popular with urban explorers and film crews looking for a postapocalyptic landscape.

But recently, a \$500-million development was approved for open-air retail, offices, and residences. Elsewhere, Continuum Partners in suburban Lakewood, Colorado, eight miles west of Denver, demolished the old Villa Italia mall and replaced it with Belmar, which includes office space, apartments, and open-air green space. Now Lakewood has a 22-block center—a place with open-

air concerts, a "living, breathing, vibrant thing," says Larry Dorr, Lakewood's finance director. About 4,000 of Lakewood's residents are within walking distance of Belmar, which generates \$200 million a year in retail sales and contributes 2.5 percent of Lakewood's sales tax revenue.

This same story is being repeated across the country, according to Ellen Dunham-Jones, a professor of architecture at Georgia Tech, who has studied how dead malls are being reinhabited, redeveloped, or turned into green space to provide "the downtowns that those suburbs never really had." Dunham-Jones points to Voorhees Town Center, in Cherry Hill, New Jersey—about nine miles from Philadelphia—as a good example of redevelopment. Half of an old mall was torn down—("right-sized," Dunham-Jones says) and turned into a new town hall with a new main street.

The Growth of 'Agrihoods'

Elsewhere, communities are forming in suburban spaces that are being reimagined as sustainable farming centers. So-called agrihoods are an adaptation of a planned-community idea that first emerged in mid-nineteenth-century Riverside, Illinois, where city people could surround themselves with gardens and a sense of country living. Today, developers have reimagined suburban living—golf courses being replaced with raised garden beds, and communities being built around ideas of localized, sustainable energy and food (farm-to-table) production in planned-community agrihoods like the Agritopia in Gilbert, Arizona, the Serenbe development near Atlanta, and Prairie Crossing in Grayslake, Illinois.

77 Today, developers have reimagined suburban

living in plannedcommunity agrihoods.

Some of these agrihoods are scaling up in size. In east Orange County, Florida, for instance, Orlando developer Dwight Saathoff has planned a \$1-billion, 1,200-acre project that will feature 2,900 homes and community gardens. A similar agrihood in Davis, California called the Cannery is a 100-acre project built on formerly industrial land, and features 547 energy-efficient homes and a 7.4-acre community farm. More than 200 such agrihoods exist or are being developed nationwide, suggesting a durable trend.

Medical Offices

Major developments have been made in the medical office space across the country—and many of these projects take place in the suburbs—giving communities an identity around the medical space. "Outpatient care center and home healthcare subsectors have been expanding fastest for the past decade," according to a recent report on the sector, much of it happening in suburban communities. Tavistock Development's Lake Nona Medical City, outside of Orlando, Florida is one of the more ambitious attempts to build a community around medical services, according to Bonifay. "They've built a new medical school, hospital facilities, and research units," says Bonifay. "It's out in the country, but they've started their own downtown center." The facility includes residential living, a town center with a commercial and retail component, and two new hotels, according to Bonifay. "It's very ambitious —with a multidecade plan to continue to develop and the United States Tennis Association just relocated its national headquarters out there," she says.

So much of this type of suburban development—senior living built around medical office facilities,

planned-community agrihoods—addresses the ongoing realities of American demographics—that more people are likely to live in suburban settings in the foreseeable future, but they will want places that sell experiences rather than goods, that combine housing and retail to satisfy consumer demand for places that offer convenient, car-free shopping, and that feature employment hubs, entertainment, and recreational activities. The suburb of the near future may be one in which the distinction between city and suburb loses its meaning. For those who are shaping this future, the reimagined suburb may be the next wave of economic growth in the United States. "The future," says one observer, "belongs to the urbanization of the suburbs."