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The hunt for the next hot spots

For generations of suburban kids raised in traffic, mixed-use and mass transit will define the future.

Washington Business Journal - by [Katie Wilmeth](#)

It was the late 1980s and Richard Florida had just moved to Washington. He didn't know the city very well and got lost driving to a party near Dupont Circle. It was a crime-ridden neighborhood — D.C. was notorious at the time for being the nation's murder capital — and he had no idea how to get out.

"I literally called the police," Florida recalls. "I said, 'I don't know where I am and I'm terrified.' That's how scared I was in a neighborhood that's now completely upscale."

Florida tells this story to demonstrate how many of D.C.'s neighborhoods that just 20 years ago were considered a no man's land have completely transformed. During that same time Florida has become an internationally recognized authority on economic competitiveness and demographics. He coined the term the "creative class," wrote five books on the global economy and now makes a living by telling us where and how we're all going to live in the future.

But then, even a guy like Florida didn't see the stunning turnaround that would play out on the streets of Washington. That just goes to show that predicting "the next big neighborhood" is a difficult task.

In the late 1980s, did anyone think that Seventh Street in Penn Quarter would become D.C.'s answer to Times Square? Back then, Seventh Street was a sorry and isolated stretch of a forgotten neighborhood. Twenty years later, it's a hot spot for luxury living and trendy restaurants.

Who would have envisioned Barracks Row as a bustling boulevard? Or Columbia Heights boasting a Target and a Bed, Bath & Beyond?

Back then, it was difficult to predict the next big neighborhoods because most people were still safely cocooned in their far-flung suburbs. The words "urban renewal" were just a glimmer.

"Twenty years ago, I think people would have said Georgetown," says Florida, who was a professor at **George Mason University** until last year, when he left for the **University of Toronto**. "People would have been perplexed as to what else was emerging."

He says observers might have predicted Dupont Circle. Maybe Capitol Hill or Adams Morgan. But Arlington?

"They certainly would not have seen Arlington coming."

WAITING FOR ABDO



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The most important factor in figuring out where we'll be living in the future is to look at how we'll be living. Just as the automobile in the 1940s and '50s and racial turbulence in the 1960s and '70s drove their parents and grandparents to the suburbs, look for today's younger generations to affect what tomorrow's communities will look like.

Just consider developer Jim Abdo's successful bet in the late 1990s that Gen X-ers (born from 1965 to 1980) would line up for new places in the city if he helped remake Logan Circle.

"Generation X and Generation Y are putting much more emphasis on life-work balance," says Adam Ducker, managing director at Richard Charles Lesser & Co., a real estate firm based in Bethesda.

One of the main ways to achieve a better life-work balance, Ducker says, is foregoing a large home in the suburbs and the long commute it carries for a smaller home closer to work. Commuting in exchange for a bigger house was a deal baby boomers were willing to make for their family. For younger generations, that's not a reasonable trade-off.

That means neighborhoods like the established Dupont Circle and the emerging Capitol Riverfront around Nationals Park in Southeast — where you can walk or Metro to work, shop, exercise and socialize, all without getting in your car — will only grow in popularity as Generation Y (those born between 1979 and 1996) ages.

According to Richard Charles Lesser's research, 77 percent of Gen Y-ers plan to live in an urban core — a far cry from the baby boomers' suburban dream of a white picket fence and a two-car garage.

Developers are paying attention: The 80 million Gen Y-ers (30 percent of the population to the boomers' current 25 percent) will drive the real estate market in the coming years. They're expected to transition from renters to homeowners starting around 2012 and flood the market with demand for more urban developments. That means more condos, more apartments and more townhouses. At the same time, even many boomers are moving back toward the city in search of walkable communities.

Generation X accelerated the trend toward city living — just look at the wildly successful Ballston and Clarendon areas — but the Washington region will only see more in-fill and new urban neighborhoods spring up in the years to come.

Racial demographics also are playing a part. White flight — the shift of whites from cities to the suburbs — appears to have bottomed out in the 1990s or at least slowed in most major U.S. cities, and D.C. is leading the way. Since 2000, the white share of D.C.'s population has gained 3.7 percentage points; it gained only a half a point in all of the 1990s. If it continues changing at that rate, blacks could make up less than 50 percent of the city in a decade.

"A lot of the development over the past couple of decades has been outward. I think a lot of that will push back in," says Florida, noting that there is still plenty of room for development and redevelopment inside the Beltway. "I think the places that are going to grow are the parts that are in close to the core. Arlington, Chevy Chase, the inner-ring suburbs. I think we've seen the tip of the iceberg about that."

OFF-ROAD LIVING

With the Metro system creating a natural blueprint, the region has a number of undeveloped stations that are ripe for new neighborhoods to fit Generation Y's needs. And just as it did 20 years ago, new development may land in places you wouldn't necessarily expect. Like Anacostia.

“Many of the neighborhoods that are considered troubled, we will see revitalization,” Florida says. “Anacostia has every reason to re-energize.”

The neighborhood has many of the hallmarks of a future Generation Y community — access to the Metro, recreation opportunities at the Anacostia riverfront and Fort Dupont Park, and plenty of affordable land that developers will likely snap up and beautify when the neighborhood’s reputation turns.

Fred Joiner, a four-year Anacostia resident and a Gen X-er, is a pioneer of sorts who is looking to turn the neighborhood into a desirable place for developers.

Joiner, 33, moved to Anacostia from Prince George’s County because he was looking for an affordable neighborhood that he could grow with. He chose the city over the suburbs for the same reason many of his Gen X and Gen Y peers have.

“I really don’t want to drive to do very much of anything,” he explains. “I don’t want to have to drive to socialize, to go to the grocery store, to pick up a cup of tea, to go out for breakfast. I think out in the suburbs, you get used to traveling a lot.”

Joiner is not alone. He is part of a virtual community of other involved Anacostia residents looking to turn the neighborhood around. The online effort was founded by Neil Takemoto and his company, Cool Town Studios, a real estate consulting firm based in Adams Morgan that helps neighborhoods live up to their potential through citizen involvement. Residents of the virtual community meet online and in person regularly to discuss the future of their neighborhood.

“It’s not a matter of who are the two or three people in the *city* who can tell us what the next big neighborhood is?” says Takemoto. “It’s who are the two or three people organizing the *community* to tell us what the next big neighborhood is?”

For instance, the rebirth of Barracks Row near Capitol Hill actually started as a grass-roots effort that caught the city’s eye — and eventually its purse strings.

There are signs that the same thing could happen in Anacostia one day. In 2005, an arts and recreation campus opened, and free weekly jazz concerts are held in Fort Dupont Park in the summer. A business improvement district is in the works, but perhaps most importantly, Curtis Brothers is teaming with Four Points LLC to build a mixed-used development. Once one developer has success in an uncharted neighborhood, like Jim Abdo in Logan Circle, others often follow.

THE PSEUDO-CITY

It’s a safe bet big developers will turn their attention to other undeveloped transit-oriented neighborhoods in the coming years. But Arthur Nelson, director of Virginia Tech’s Metropolitan Institute and a professor in urban affairs and planning, points out that developing every available square inch around Metro stations still won’t house an entire generation. And besides, not everyone wants to live in a truly urban core anyway.

“At least half of the Metro stations are underdeveloped and could easily be the next Arlington or Bethesda ... but that will only absorb about 10 percent of the population,” Nelson says. “I think the real opportunity is to create what we call transit-ready suburban centers.”

Take Shirlington. The Arlington neighborhood has housing, offices, restaurants, nightlife, recreation

— everything that defines a walkable urban community. Except a Metro.

That's fine, Nelson says. A successful neighborhood simply needs some sort of mass transit. It could be light rail or bus rapid transit (which gets a dedicated lane and therefore is faster than a standard bus) — anything that cuts traffic and lets people feel like they're living in a city, even if they're in Arlington or as far out as Loudoun County.

If neighborhoods such as Shirlington bulk up their mass transit options, Nelson says, they're likely to attract more mortgage-paying residents. Indeed, Arlington officials have tried to create a transportation hub in Shirlington, which sits just west of I-395.

That could mean mass transit — not necessarily Metro — popping up where you didn't previously expect to see them.

"I think we're going to find ourselves moving more toward transit becoming more of an integral part of our neighborhoods," says Lee Quill, a principal with **Cunningham & Quill Architects** in D.C., an architecture firm that focuses on infill and redevelopment of existing neighborhoods. Quill cites the Columbia Pike corridor in Arlington as a model for tomorrow's non-Metro neighborhoods. His firm designed a mixed-use master plan for Baileys Crossroads, a neighborhood along Columbia Pike slated to have bus rapid transit and eventually a streetcar system.

"We're finding that people enjoy leaving their car to walk to shops, walk to a park five minutes away or, more importantly, walk to transit," Quill says. "They're reconnecting back with the concept of community."

Areas near the **Virginia Railway Express** and MARC commuter rail stations — as well as efforts to expand both systems — are ripe for just this kind of development. In Prince William County, Kettler's Harbor Station will feature a VRE station on a waterfront location with recreation, shopping and various kinds of housing, from apartments to single-family homes. That's important, experts say, because even as more condos go up, not all Gen Y-ers will want to live in a multifamily building.

"Many in the family demographic will continue to crave the suburban existence," says Ducker, the Robert Charles Lesser urban studies expert.

But even where there are single-family homes, homeowners will want more mixed-use town centers and other central, walkable gathering places. That means more sidewalks, suburbs laid out in grid patterns with shorter blocks and fewer multilane roads. King Farm in Montgomery County, for example, features single-family homes in addition to multifamily.

"Expect different things with the suburbs," Ducker says, citing innovations at the nationally recognized **Reston Town Center** in Virginia and Kentlands in Maryland. "Those look and feel a lot different. Those will continue to be more diverse, more mixed-use."

It would be easy, in light of the current gas price panic, to pin this trend toward transit and walkability on commuters' desire to save energy, but Florida says that's not the case.

"It's time issues," he says. The neighborhoods of tomorrow will have "everything they need in a community" because people don't want to spend an hour driving from the grocery store to the dry cleaner to their favorite restaurant. They will be more like the downtowns of yesteryear, he says, only there will be more and they will be closer together.

Energy will play a development role, however. Generations X and Y are more conscious of their environment than others before them and green building will be an important factor in the future. An environmentally sound community is “a signal that a place is with it,” Florida says.

While developers are already incorporating energy efficiency and green features into their residential and commercial buildings, the next phase of the green development movement will be building entire communities with sustainability in mind. D.C. officials want the ground-up Hill East project to serve as a national model for green development.

Several parts of the city, including NoMa, are participating in the **U.S. Green Building Council's** pilot program to certify entire neighborhoods as environmentally sound under its Leadership in Energy and Environmental Design program.

More than 20 buildings in NoMa, the emerging area just north of Union Station, are seeking LEED certification.

Whatever the next big neighborhoods look like, there's no doubt that the generational shift and urban renewal will continue at a pace few could have imagined.

“I think the future for the Washington region is great,” Florida says. “I think it's *startling* great.”

Katie Wilmeth is a Gen X-er who lives in Arlington. This is her first story for OnSite.

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