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Is Suburbia Turning Into Slumburbia?

By Carol Lloyd, Special to SF Gate

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Every coin has its flip side. Last week, I explored how San Francisco and other centers of innovation around the globe are resisting the downward vortex of the housing market. These fabled super cities, Richard Florida contends in his new book, "Who's Your City," are attracting an increasingly disproportionate number of educated, creative knowledge workers who fuel the economy. In turn, these folks are keeping housing prices relatively high despite recurring appearances of the R-word on our front pages.

The dark side of this surreality is that the places far from these hallowed urban cores are experiencing unprecedented decline and, according to some experts, threaten to become tomorrow's slums.

We're not talking about mean inner city streets getting meaner, we're talking about the pristine, newly built developments of four-bedroom, three-bath dream homes produced in the last housing boom becoming ghettos for the poor and the disenfranchised.

Slumburbia? After decades of middle class flight from the cities in search of safe neighborhoods and good schools — a flight that continues today even from gentrified cities like San Francisco — it's hard to conjure the image of a truly derelict suburbia. Will all those manicured lawns sprout weeds and broken bottles like a Baltimore back alley? Will drug dealers take over the local cul-de-sac? Will squatters set up camp in the neighbor's McMansion?

All this seems unfathomable, but it's the prediction du jour for some urban planners who make it their business to track the larger sociological implications of our land use.

Of course, we've all heard about the tsunami of foreclosures that has descended on much of the country. But not all real estate disaster areas are created equal: This week RealtyTrac released new foreclosure numbers about cities that were hit the hardest in February. Stockton, with nearly 5 percent of all households at some stage

of foreclosure, got the honor of ringing up the second highest foreclosure rate nationwide, after Cape Coral-Fort Myers, Fla. Other sprawling California regions dominated the list: Modesto at No. 3, Merced at No. 4, Riverside-San Bernardino at No. 5, Bakersfield at No. 7, Vallejo-Fairfield at No. 8, and Sacramento at No. 9.

What do all these places have in common? Suburbs upon sprawling new suburbs. Does this suggest that the American dream of the large-lot single family home is doomed? Some experts think so.

"Over the last few decades we've structurally overinvested in fringe real estate," explains Christopher Leinberger, a visiting fellow at the Brookings Institute and a former developer. "Builders are experts in overbuilding, in terms of cyclical overbuilding, like lemmings to the sea. But this time it's different. It's not just a cycle. It's going to take more than two or three years to recover from this."

Last fall, Leinberger published "The Option of Urbanism," a book about the changing sociology of the built environment. Like Florida, he sees the growing attraction to urban living as a matter of critical importance. This month, his essay in the Atlantic magazine provocatively asserts that McMansion developments would deteriorate into crime ridden, impoverished slums. In the piece he mentions several instances of suburban neighborhoods getting hit so hard by the recent downturn that they already exhibit the tell-tale signs of deep decline: Looters stealing copper pipe and siding from new homes, gunshots puncturing picture-perfect facades, squatters taking up residence in abandoned houses.

When asked if the edge suburbs are turning into slums, Florida concurs with Leinberger's ominous vision, "Yes, they are already well on their way," he says. "The knowledge workers can't afford the time cost, they can't afford the commuting time."

But mostly Leinberger is predicting the future rather than describing the present, arguing that the pendulum has swung too far toward isolated, car-dependent single-family-home neighborhoods to be sustainable. (In his description of the city, he's not including older inner suburbs like Berkeley or Palo Alto that have walkable urban neighborhoods and public transit; he's talking about the hillsides of homes detached from urbanized towns.) Now with high gas prices, long commutes, a bad job market and a new attraction to walkable urban living, it's just a matter of time before suburban fringes begin to absorb the people that can't make it in the city.

If newly built suburbs in decline sound like a less formidable problem than the neglect and misery of our inner cities beginning in the 1960s, with their generation after generation of children raised amid violence, drug addiction and hopelessness, maybe our imaginations are failing us. In Europe, where the cities never died, the suburbs have long been the homes of last resort for the poor and the marginalized. Just last week, French President Nicolas Sarkozy announced yet another plan to revive the suburban slums that erupted in riots in 2005 — the 16th such proposal in 31 years.

Florida and Leinberger say that retooling the suburbs is going to make urban renewal look like a walk in the park.

"Suburb development is really fragile," Leinberger explains. "It's going to be very complex to rebuild."

As Leinberger notes, new suburbs tend to be situated far from public transport, social services and commerce, so they are particularly bad places for people who can't afford cars. The housing stock isn't terribly flexible. Compared to the sturdy older buildings in the city that got chopped up into apartments, it's not easy to take a production-built house with three bedrooms and turn it into good multifamily housing. What's more, the neighborhood infrastructure isn't designed for higher density or commercial uses: The streets are often thinner, the pipes and drainage not built for heavier use.

Newer suburbs are also financially vulnerable: They depend on developers' fees and property taxes to pay for the communities. "When the growth stops and the property values fall," says Leinberger, "suddenly you're going to have this wicked situation where social costs are rising as funding dries up, but without any other tax sources from commercial or industrial activity."

This inherent fragility springs from some of the same regulations that make suburbs easier to build and therefore better bets for developers. By definition, suburbs are zoned for residential single family or maybe residential low density multifamily. They don't require the complex planning or infrastructure building essential for commercial, industrial and high density housing. In many parts of the country — whether through state law or local ordinances — single family housing is the only new development that can be legally built. And because Fannie Mae will not finance rental developments that predict that more than 25 percent of the rent will come

from nonresidential income, mixed use developments — like old fashioned main streets where apartments are built above the bakery and the butcher shop — are often perceived as more risky.

"It's not the developers' fault," explains John Norquist, former mayor of Milwaukee, Wis., and president of the Congress for the New Urbanism. "They didn't create this system, they just inherited it."

Despite all this doom and gloom, the experts say we may be witnessing the evolution of the American dream toward a far healthier, more ecological vision.

"It's an enormous opportunity," says Norquist, "Thirty percent of the housing stock that will exist in 2030 hasn't been built yet. Developers who are creating walkable neighborhoods are doing very well." Indeed, the fact that Americans are embracing walkable neighborhoods is a good thing for their waistlines, their pocketbooks and the planet. "(Al) Gore talks about the inconvenient truth," says Norquist, "I call this the convenient solution: living in a more urban way."

To accelerate this trend, Leinberger is trying to work with cities that don't have revived downtowns to help pave the way for the kind of walkable redevelopment that will attract jobs and residents. Building walkable urban developments won't guarantee a city's success, says Leinberger, but it is an essential first step.

"If you build, will they come?" asks Leinberger. "You just don't know. But if you don't build it, there's not a prayer they will come."

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