

The new Main and Main:

The intersection of housing and a new era of opportunity

September 29, 2022





Agenda

1. A one/two punch: the new norm and the pandemic
2. New Norm 101: a new era of opportunity—for cities large and small and suburbs
3. Planning and urban design thresholds—for cities large and small and suburbs alike

1. A one/two punch: the new norm & the pandemic



**CORONAVIRUS
IMPACT**

**OFFICIALS SAY SMALL, LOCAL RETAIL IS SUFFERING THE
MOST DURING PANDEMIC**



SUBURBAN REMIX

CREATING THE NEXT GENERATION OF URBAN PLACES



“North
America is a
suburban
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with an
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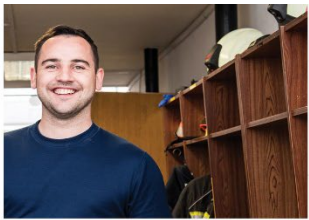




FORECLOSURE

**HOME
FOR
SALE**

The Villages, FL



Building on Recovery for Urban Place Management

August 6, 2021

11:15 – 12:15 ET

Moderator:

Carolyn Dellutri, IDA Director of Professional Development

Speakers:

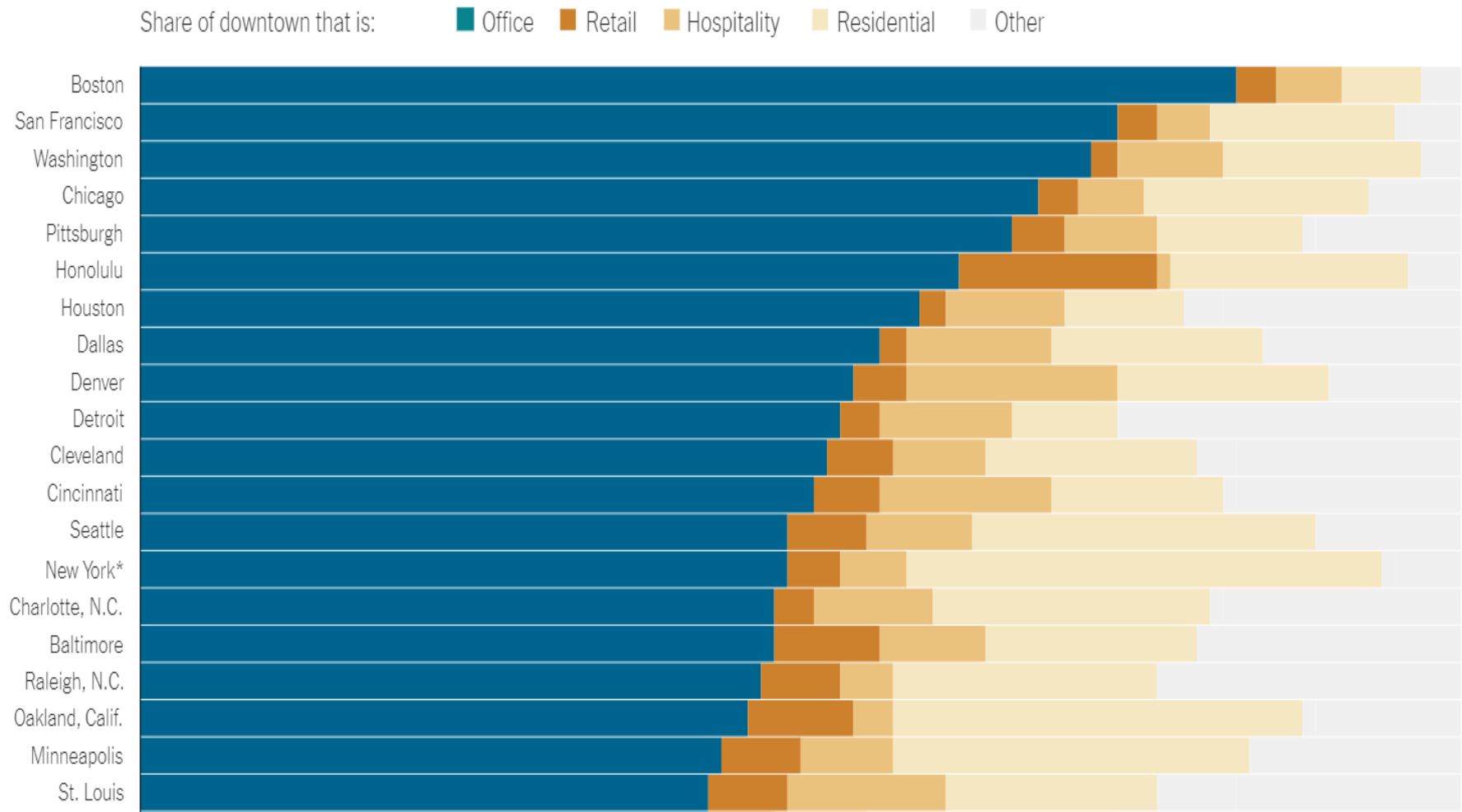
Cathy Lin AICP, IDA Director of Research
David Dixon FAIA, Stantec's Urban Places Fellow



A post-pandemic perspective: *The time has come to redefine Downtown's role as a regional economic engine*

The New York Times

- “The Downtown Office District Was Vulnerable. Even Before Covid”
- “Downtowns, like investment portfolios, are more sustainable when they’re diverse.”



PWC: "Post-COVID-19: U.S. Employees, Execs Differ over Number of Days Workers Should Report to Office"



of employees prefer **working remotely** at least three days a week.



of executives think employees should be **in the office** at least three days a week to maintain a strong company culture.

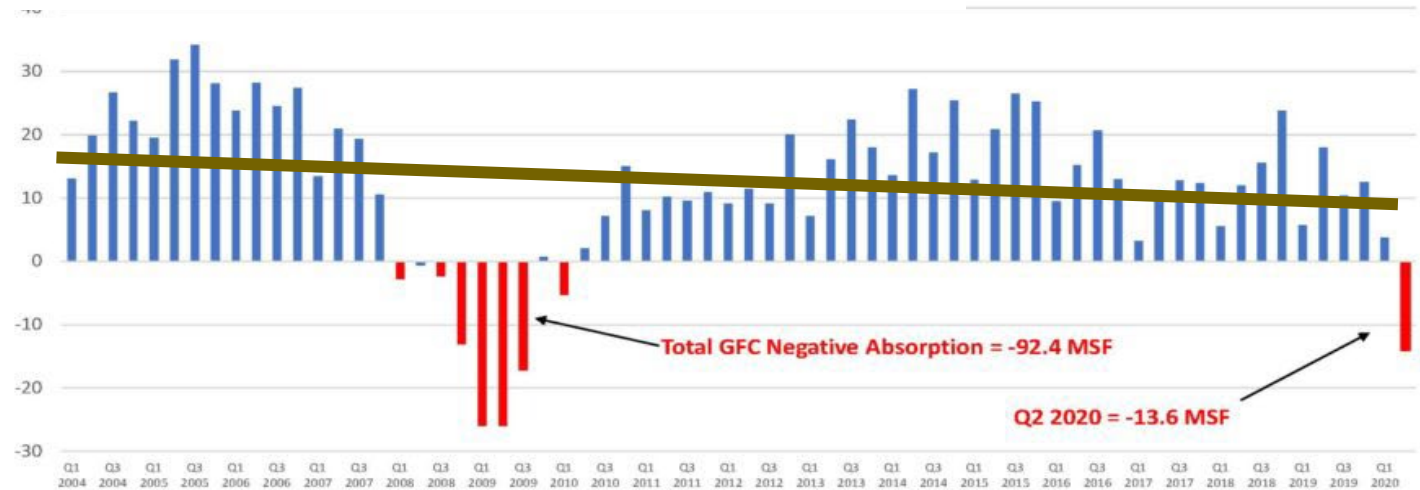


The pandemic has accelerated trends toward hybrid work—and cast a harsh light on a longer-term trend

In September 2018, Colliers posed the question **for North American office markets: Is over-supply looming?** However...

- Office was viewed as a fiscal benefit
- ...while housing was viewed as a fiscal drain
- “Jobs”...regardless of what type and how much they paid...were a policy—and political—priority

2004-20: annual US downtown office absorption fell by roughly 50%

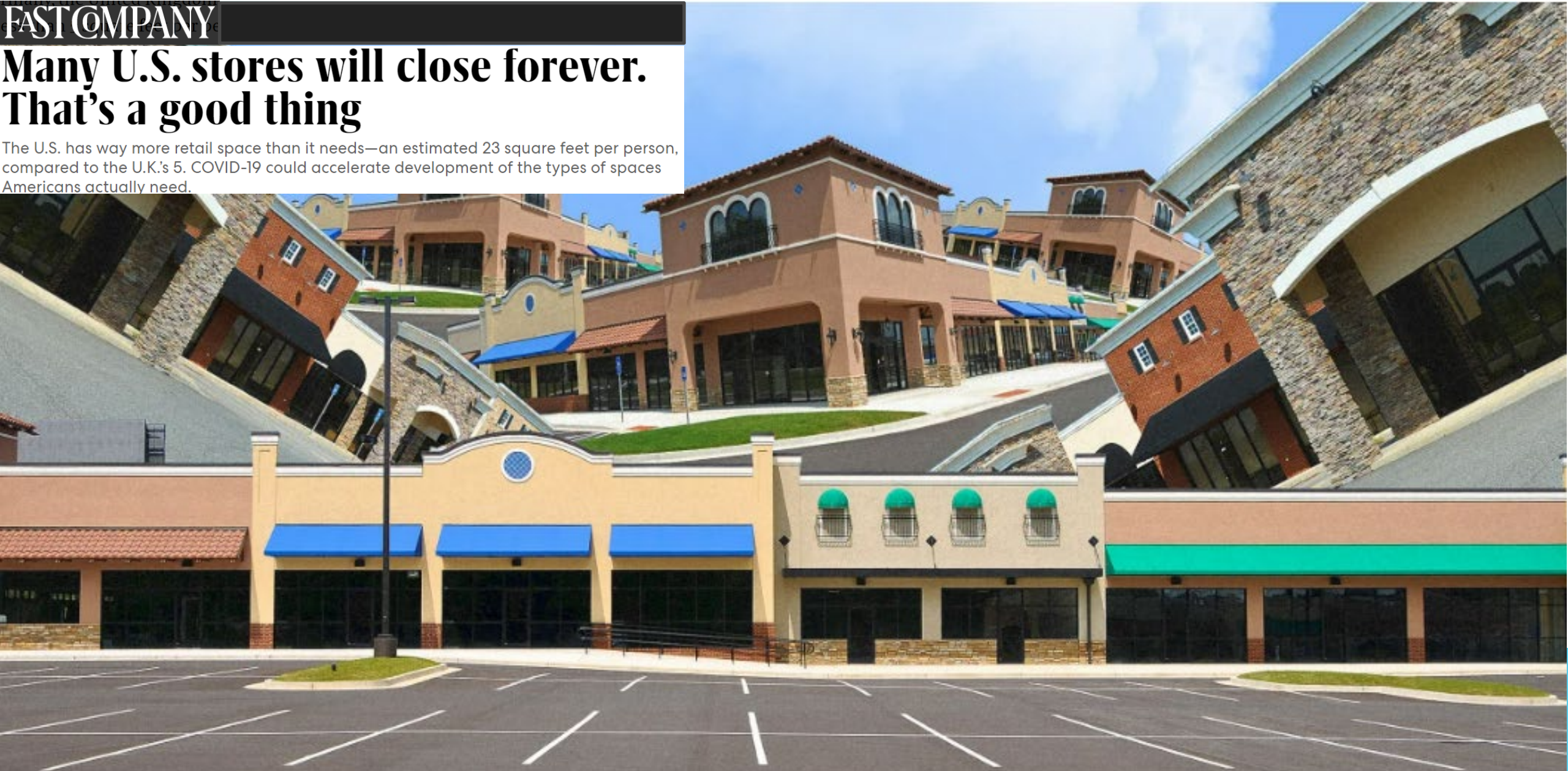


Source: Colliers International

FAST COMPANY

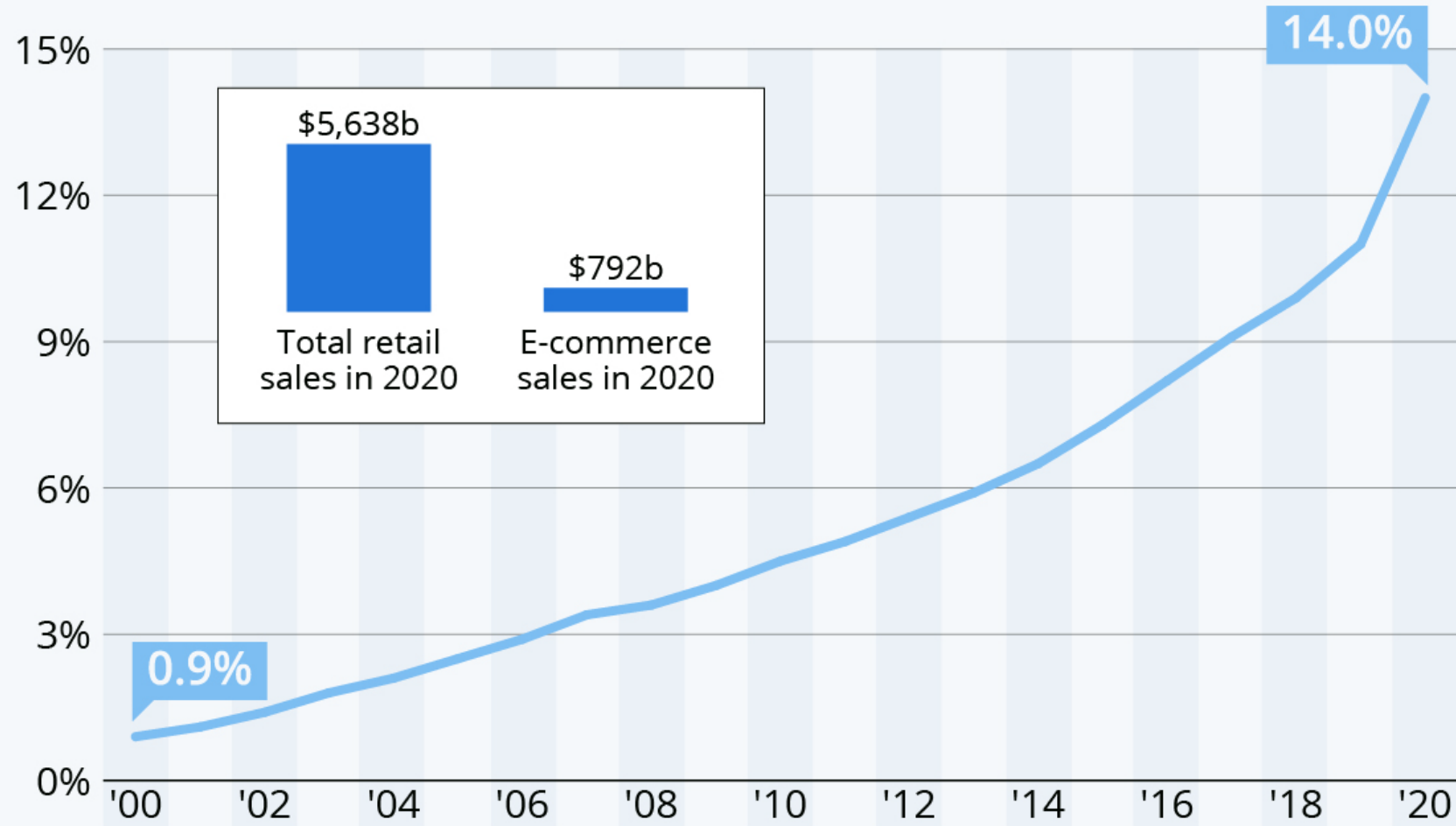
Many U.S. stores will close forever. That's a good thing

The U.S. has way more retail space than it needs—an estimated 23 square feet per person, compared to the U.K.'s 5. COVID-19 could accelerate development of the types of spaces Americans actually need.



Pandemic Accelerates Shift to Online Retail

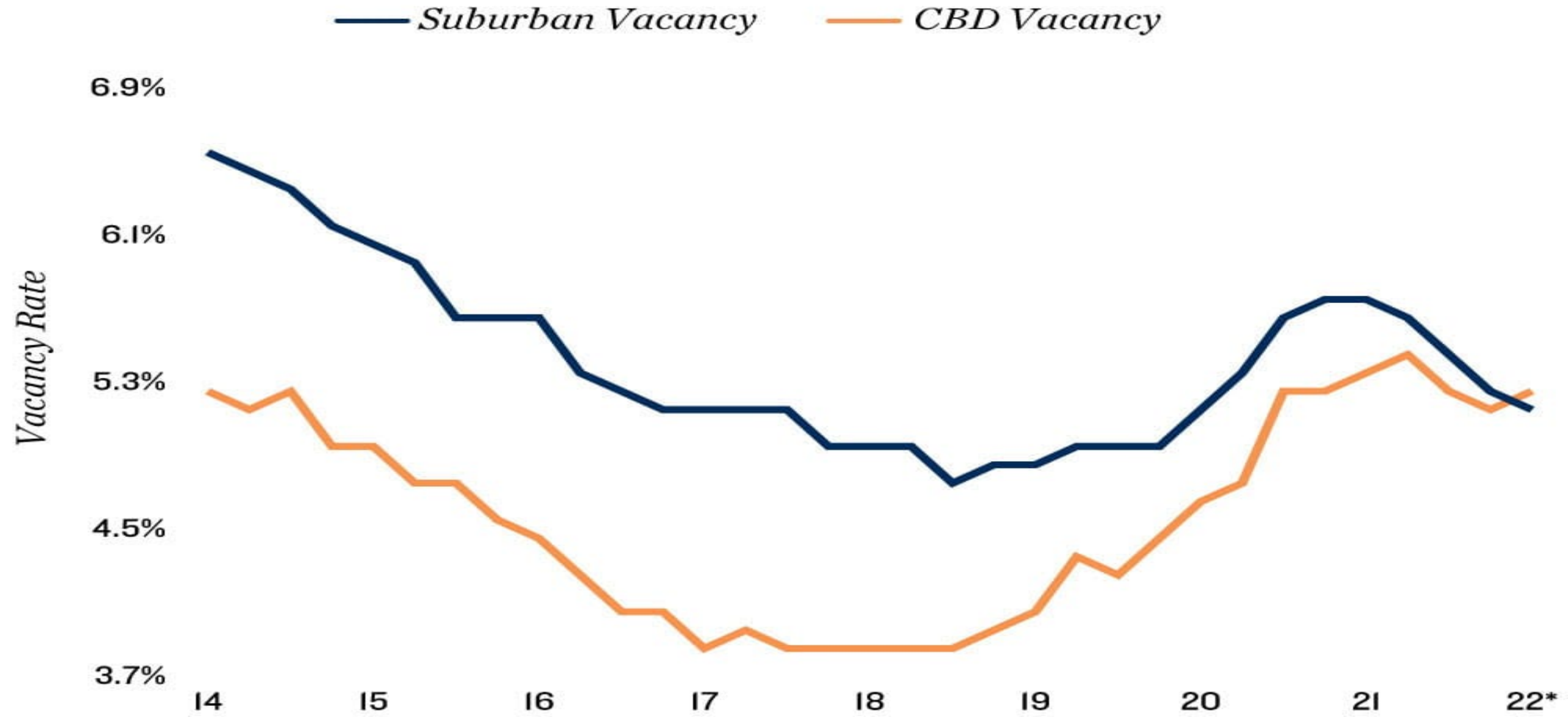
E-Commerce sales as a percentage of total retail sales in the United States*



* not seasonally adjusted; excluding food services sales

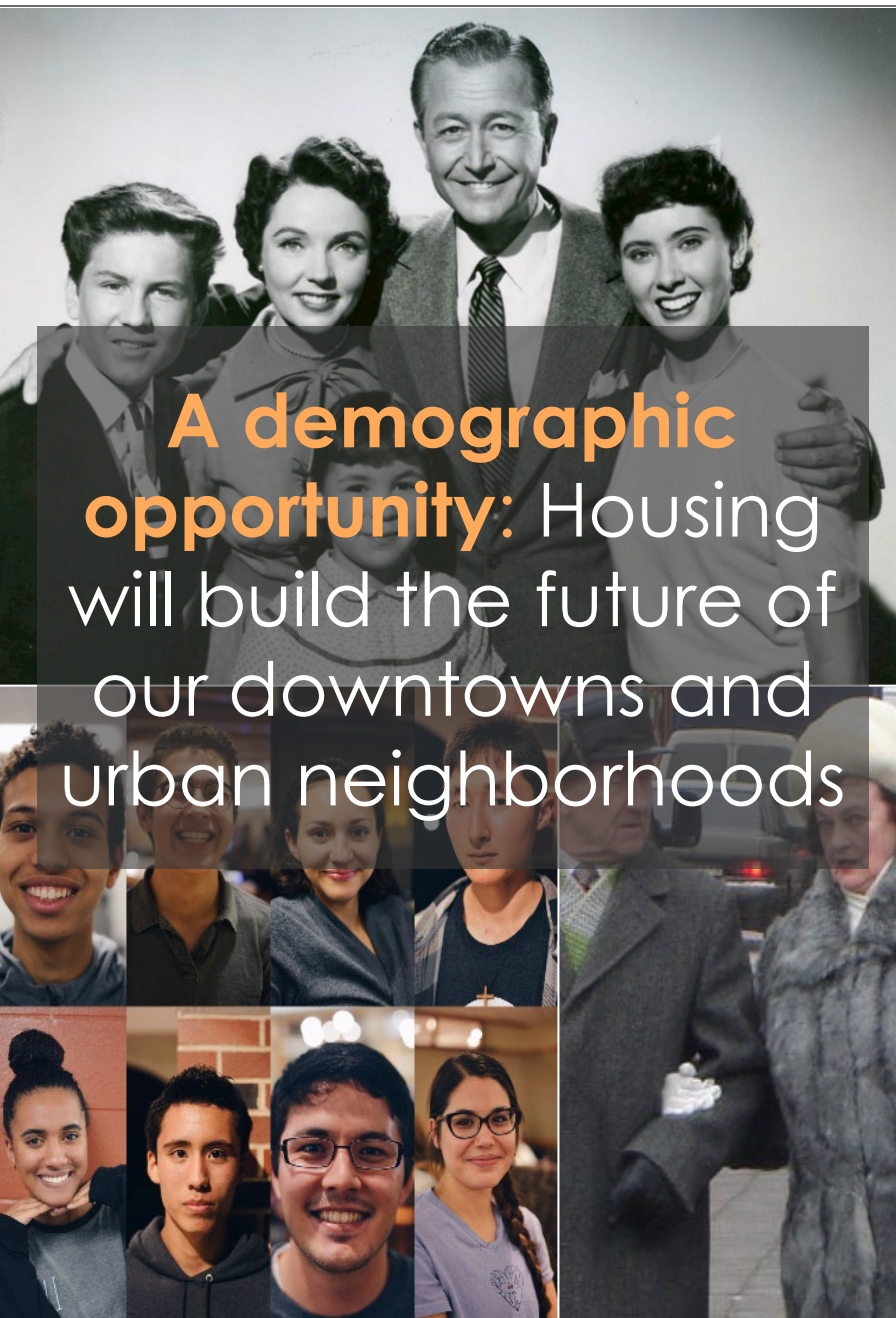
Source: U.S. Census Bureau

CBD Vacancy Rises Above Suburban Level



2. The New Norm 101

- Economy
- Demographics
- Mobility technologies
- Climate change
- A note about the impacts of Covid-19

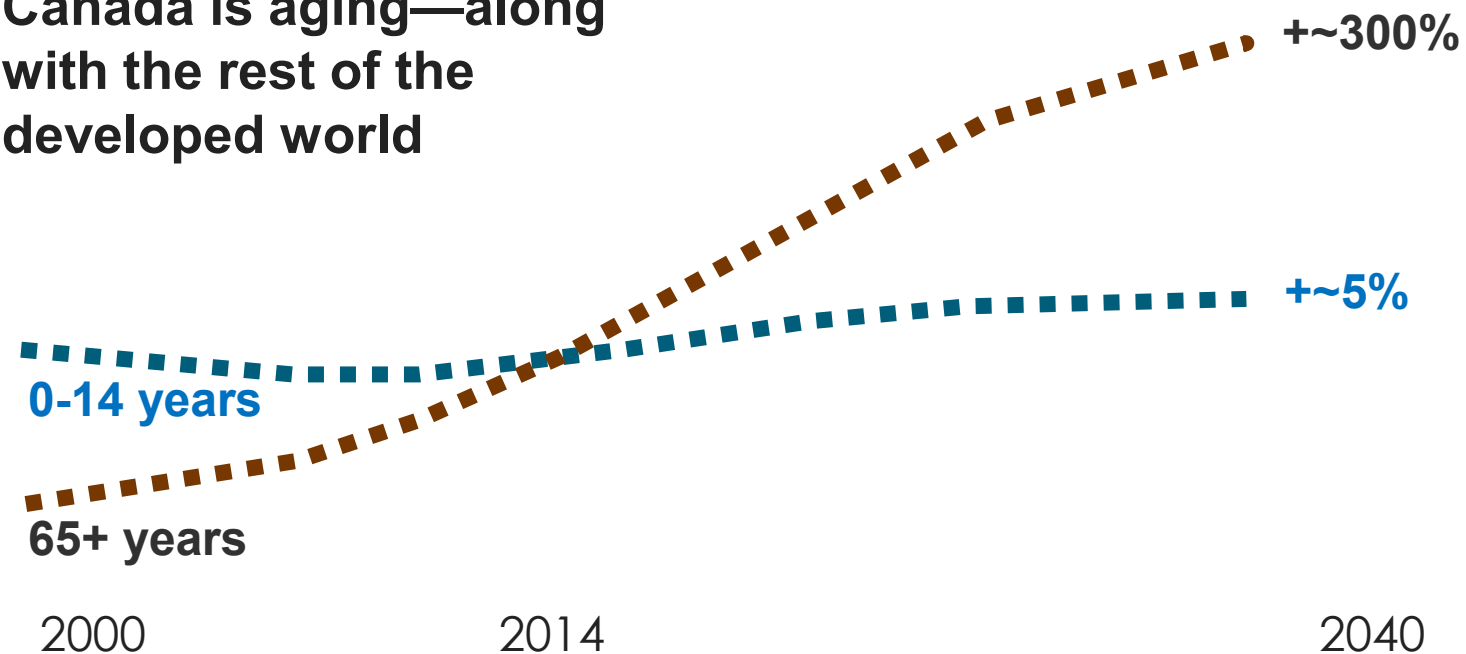


A demographic opportunity: Housing will build the future of our downtowns and urban neighborhoods

“Demographics are destiny”

- Households with kids dominated North American growth—and therefore housing markets—for decades
- For the next 2 decades ~80% of net new households will be singles and couples
- The number of kids under the age of 14 in Canada will remain stagnant for at least 2 decades

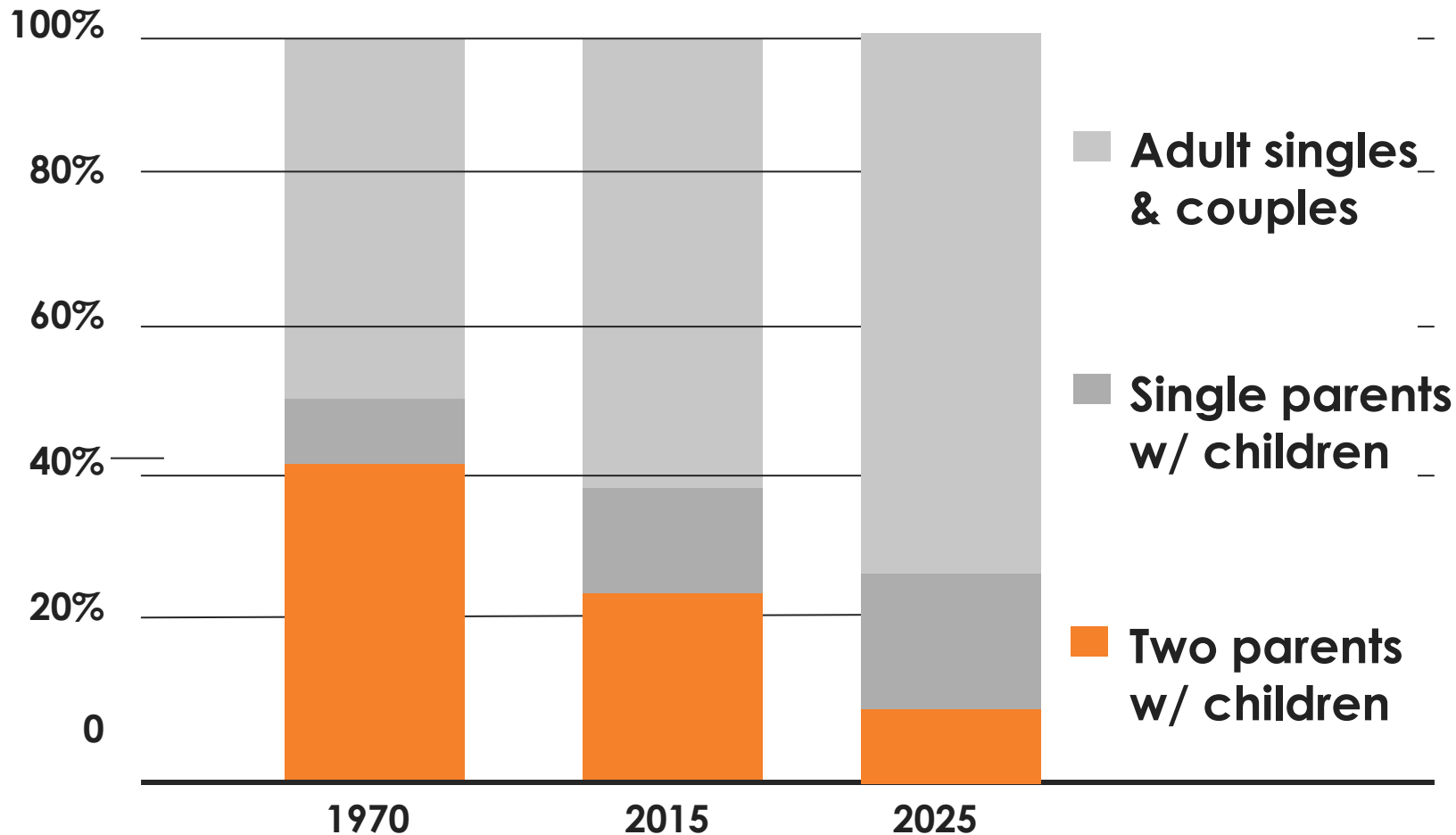
Canada is aging—along with the rest of the developed world



2020-40: The great North American housing mismatch

18

Traditional single-family market—two parents with kids—is shrinking

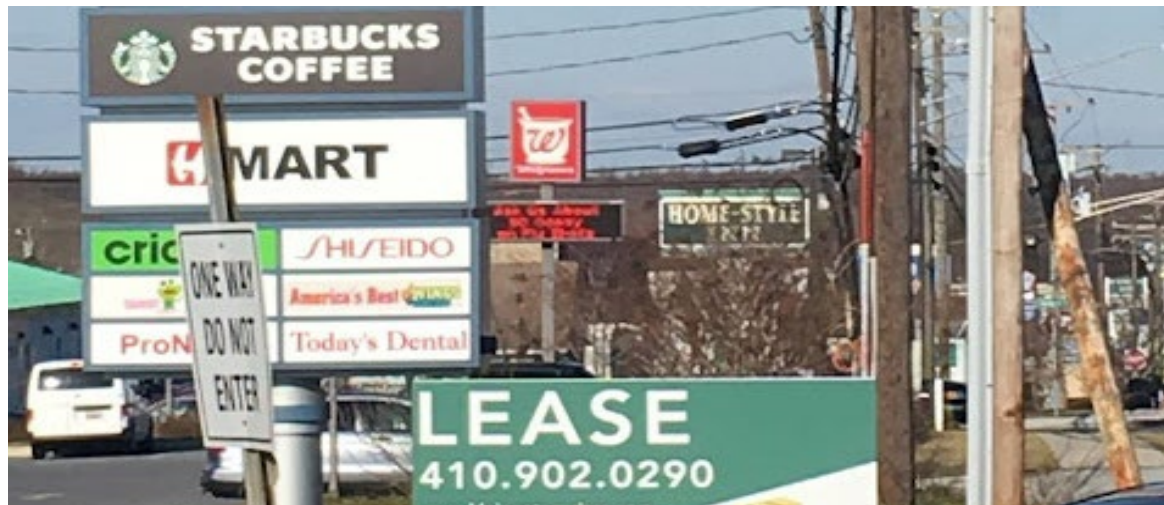


The large majority of housing demand 2020-40 will be for multifamily housing



In 2020 the large majority of housing today is single-family detached

Changing demographics represent a powerful tool for building more walkable, mixed-use downtowns



- Success starts with managing housing development—**BuildDowntown Memphis: “Locate new housing within a five-minute walk of existing or potential retail nodes.”**
- Housing represents 2/3 of North America’s real estate market
- A critical mass of “walkable housing” spurs retail and similar amenities-- ~1,000 units of housing—within a 5-minute walk—can bring a block of “Main Street” to life
- New auto-dependent housing supports minimal new retail

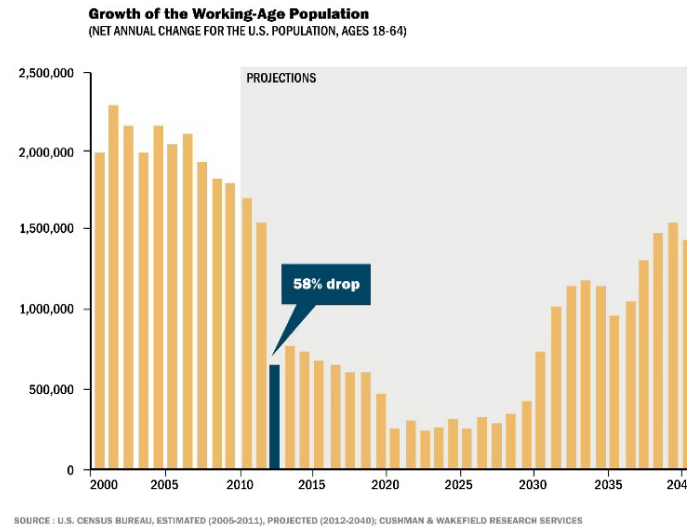
New mixed-use, walkable development models for cities and suburbs alike:

- Settle for 15-minute districts
- **Try for 5 minutes districts** rich in jobs, lots of housing, universities, cafés, breweries, niche retail, entertainment and similar places offer opportunities for people engage each other and promote creative collisions

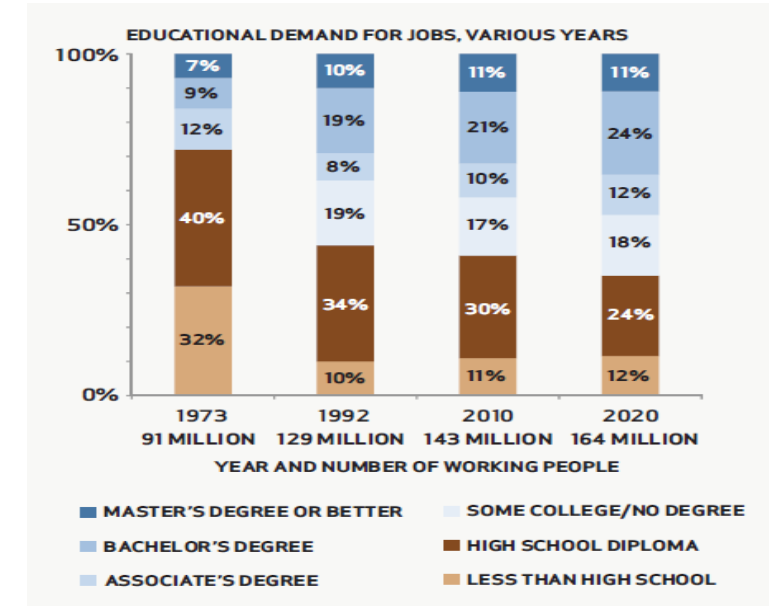


An economic imperative: A surging knowledge economy is accelerating global competition for increasingly scarce “talent”—an educated workforce

Workforce growth has slowed dramatically



Most net new jobs require higher education



...creating growing competition for knowledge workers across the developed world:

Projected 2020 labor demand and supply by skill level,¹ millions of workers

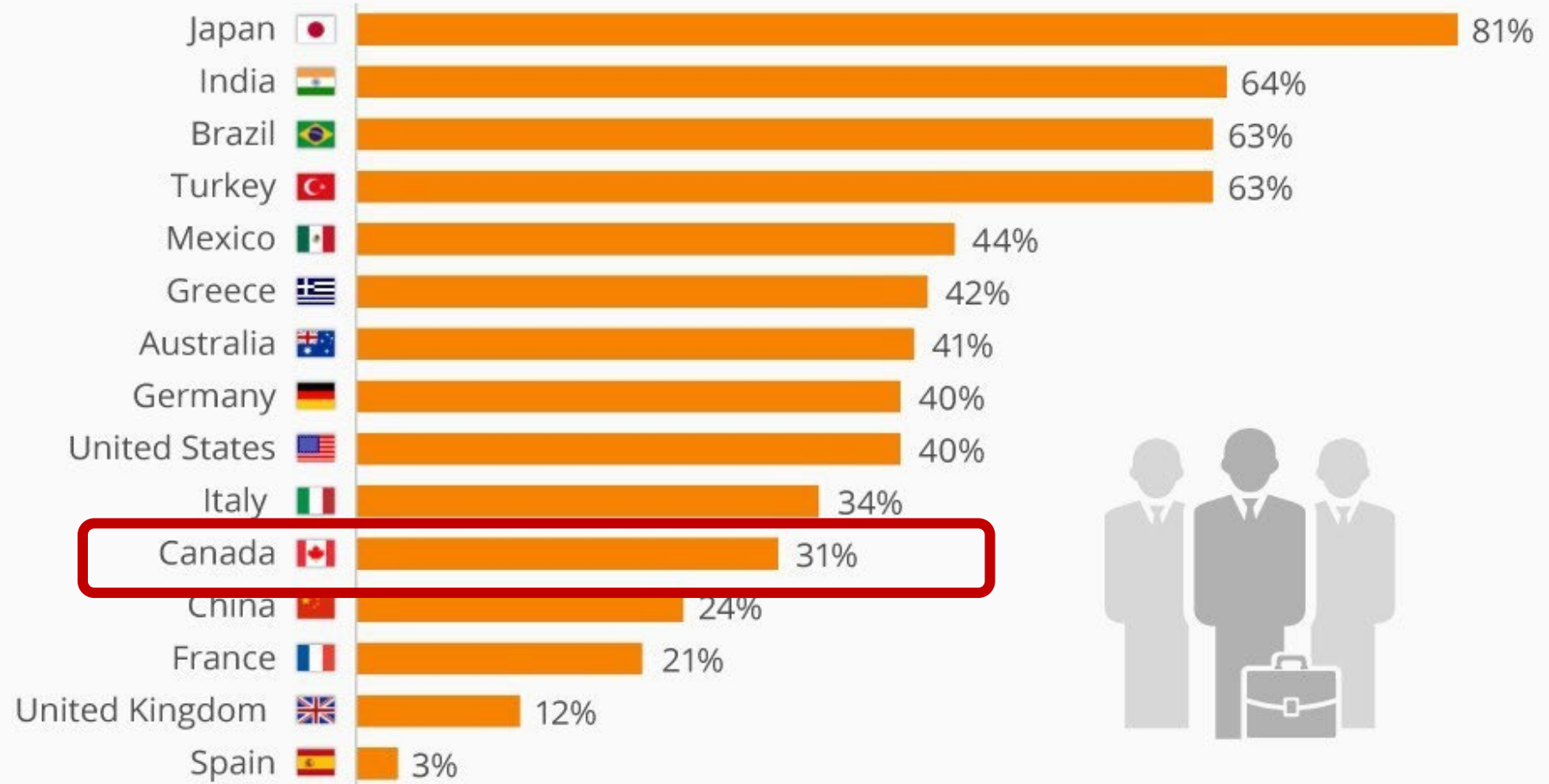
Share of total
% of demand (for shortages),
% of supply (for surpluses)



Canada is among
the top 15
economies facing a
shortage of talent



“The countries facing the greatest skill shortages:
skill shortages as a % of firms with 10 or more employees”



The Wall Street Journal “The Joys of Urban Tech”

“Goodbye, office parks. Drawn by amenities and talent, tech firms are opting for cities.”



Talent (plus the jobs and investment that follow) is heading to “complete” mixed-use, walkable places—in cities and suburbs

- Talent prefers mixed-use complete live/work/play places that don't require a car.
- They share qualities that mark traditional neighborhoods...
 - Walkable streets and walkways lined with cafés, unique shops, and similar amenities
 - Lively squares and “Main Streets” that invite informal gatherings and interaction
- Note: a rapidly growing virtual (work-from-home) workforce strongly prefers the same complete places



Confirmation? Ask the R&D and HR directors for Kanata North, Canada's largest innovation cluster

As hybrid work models take off, place matters more than ever.

Why?

- Innovation companies increasingly depend on being part of a live/work/play/learn innovation community that **attracts and retains increasingly scarce talent**.
- These innovation communities need to offer a critical mass of all these activities within a 5-minute walk (~400 metres) to **promote “creative collisions”—the informal, unplanned, non-zoom (!) conversations from which new ideas...and innovation...are born.**





New Hampshire No. 1 for High-Tech Startup Density

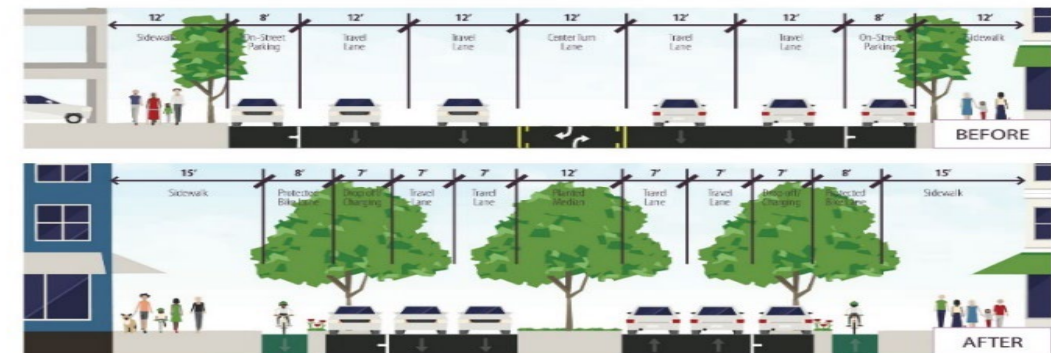
Source: Information Technology Industry Council

Mobility disruptions:

2-3 decades of rapid mobility innovations will reinforce the impact of economic and demographic trends

Mobility innovations will incentivize compact growth, support transit, and connect communities. For mixed-use, walkable places, innovations will:

- Decrease mobility costs
- improve safety
- Free-up ROW for people
- Enhance access to transit
- Reduce parking requirements

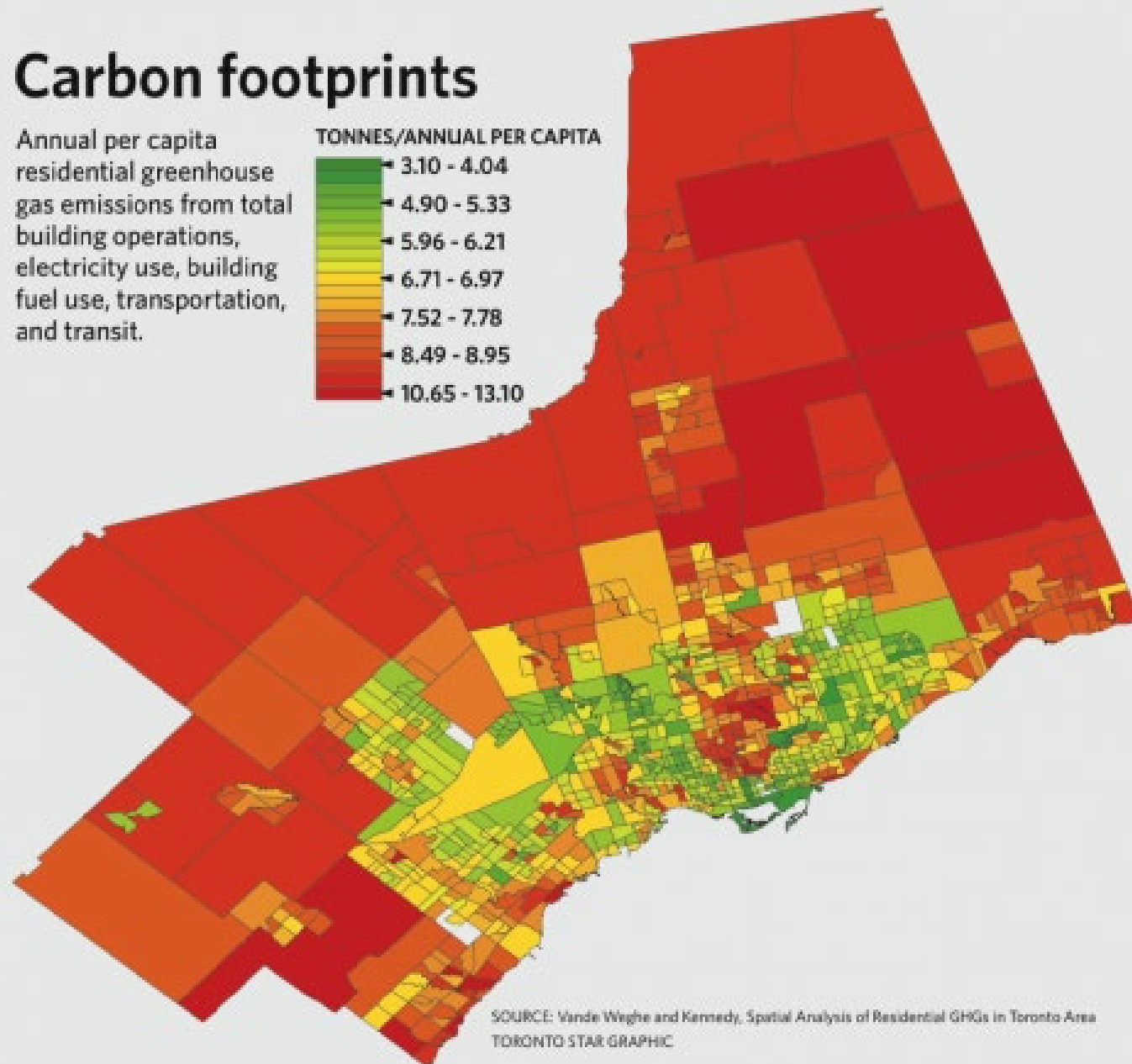
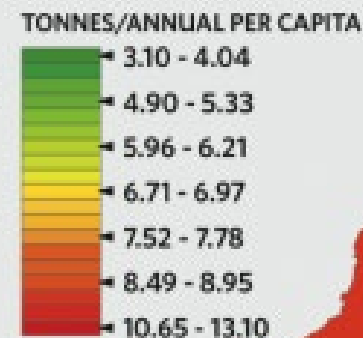


Growing environmental responsibility

Downtown is the most environmentally responsible place to grow

Carbon footprints

Annual per capita residential greenhouse gas emissions from total building operations, electricity use, building fuel use, transportation, and transit.



SOURCE: Vande Weghe and Kennedy, Spatial Analysis of Residential GHGs in Toronto Area
TORONTO STAR GRAPHIC



CITY
PLAN
2041

Planning for Change: *A Playbook*



Stantec

3. **Planning and urban design thresholds—for cities large and small and suburbs alike**



Planning thresholds:

1. Leadership
2. Engagement
3. Transformational planning
4. Putting markets to work
5. Public/Private Partnerships



Urban design thresholds:

1. Walkability
2. Connectivity
3. Public realm
4. Authenticity

1. Walkability:

Make walkability real
by starting with
compact critical mass
(Infill housing, BuildDowntown
Memphis)



1. Walkability:

Continue with
programming that
enlivens streets
(Crystal City, VA)

Crystal City, Arlington VA

1. Walkability:

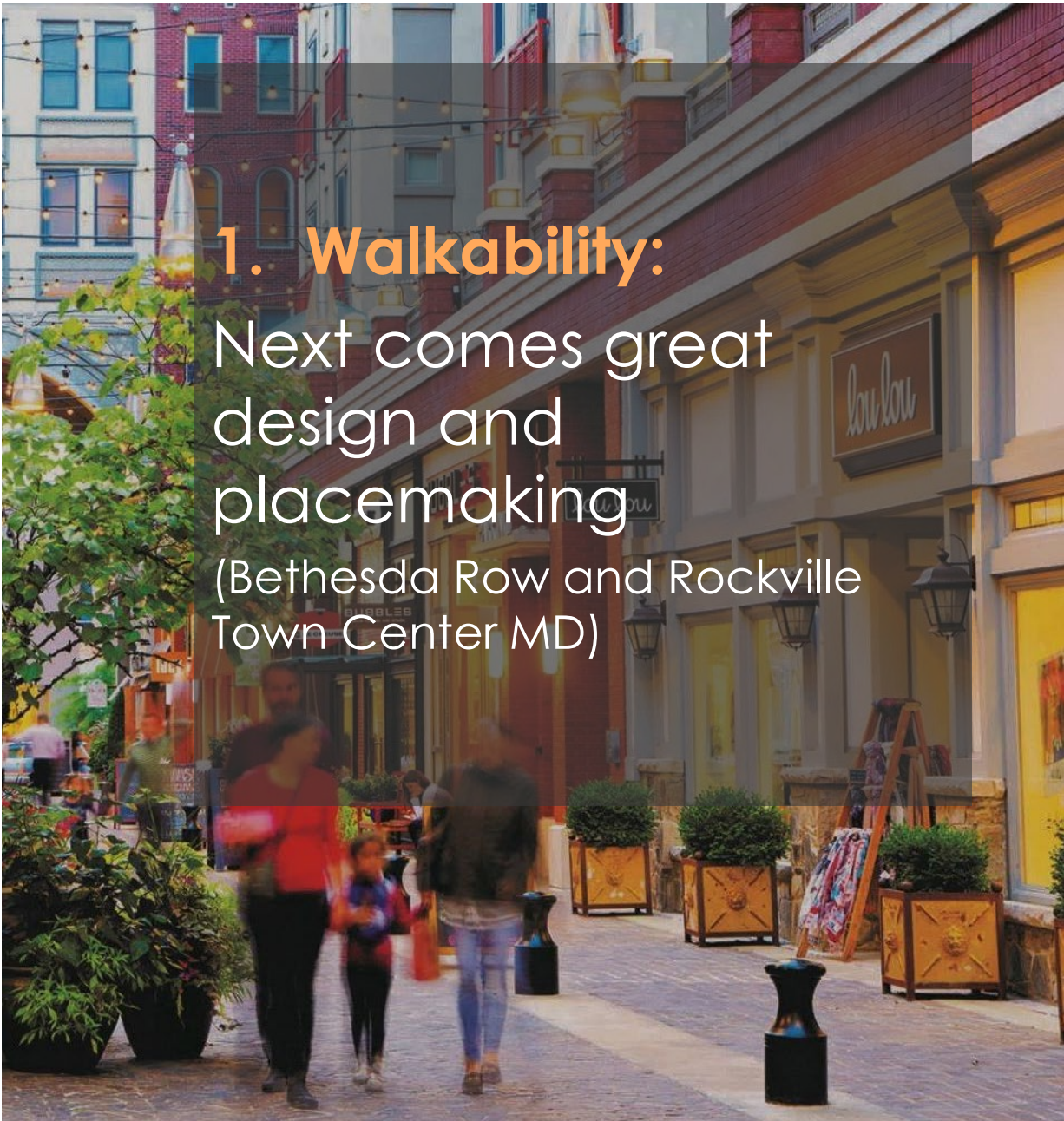
Continue with programming that enlivens streets
(Crystal City, VA)

Crystal City, Arlington VA

1. Walkability:

Next comes great design and placemaking

(Bethesda Row and Rockville Town Center MD)



2. Connectivity:

Integrate modes to link people to their communities



...connectivity:

Program downtowns—
for cities and suburbs
alike—with uses that
connect increasingly
diverse communities to
each other



Sandy Springs GA

3. Public realm:

Provide a connected hierarchy of public spaces from places that invite the entire community together to place that invite quiet reflection



...public realm:

Provide a connected hierarchy of public spaces from places that invite the entire community together to place that invite quiet reflection



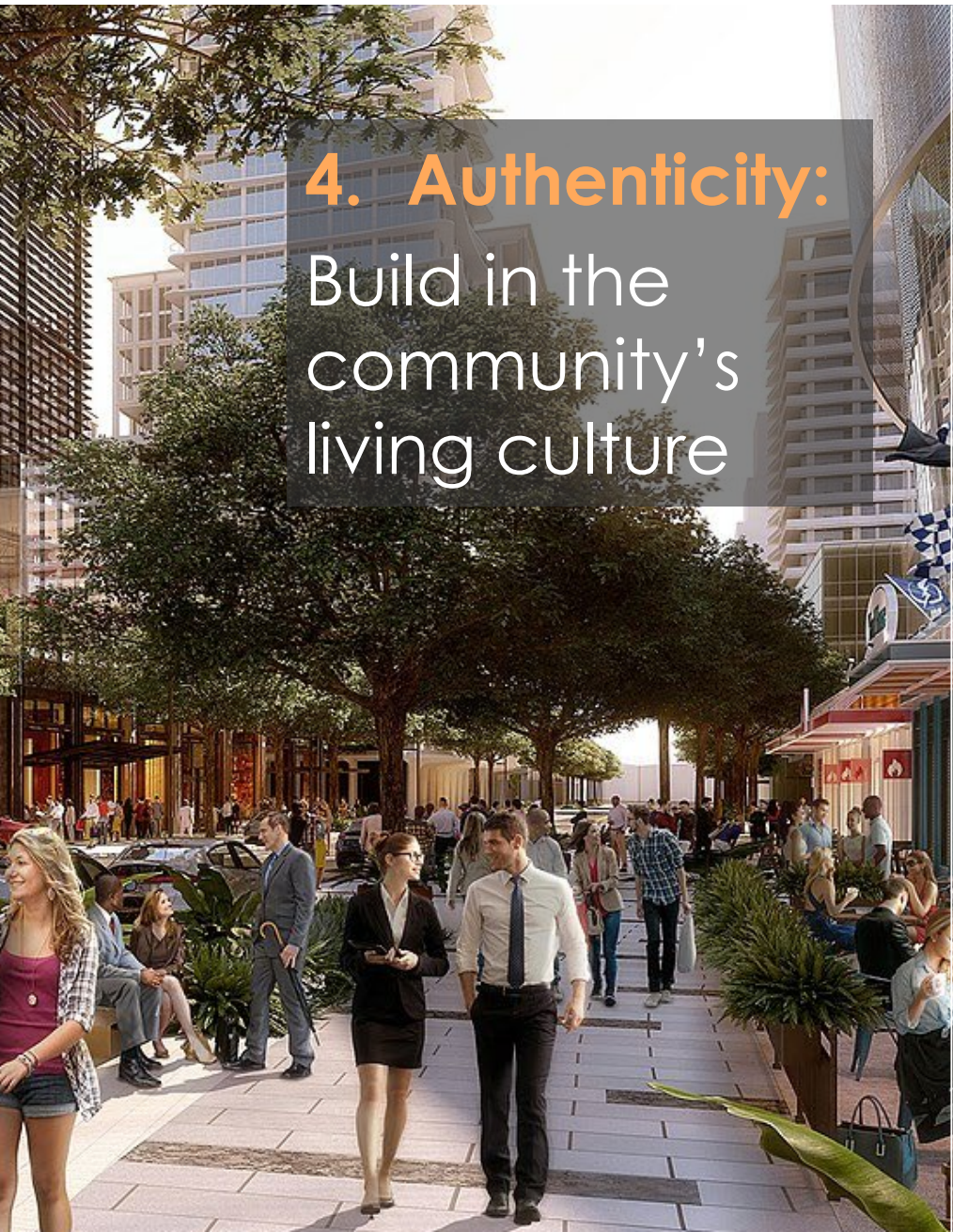
...public realm:

...and use digital and interactive public art to promote inclusivity (tell everyone's stories to encourage everyone to call a place "mine") and invite strangers to become friends



4. Authenticity:

Build in the
community's
living culture



...authenticity:

Build in the
community's
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...authenticity:

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Thanks.
Go forth and
create great
communities!

Q&A

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