

Comment on Dowell Myers and Elizabeth Gearin’s “Current Preferences and Future Demand for Denser Residential Environments”: In Praise...or at Least Acceptance...of Ambiguity

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Abstract

It is clear that attempts to discern consumer attitudes toward neighborhood form yield only ambiguity. Denser, more walkable residential environments are impossible to define in a universally applicable manner because of the unique characteristics of an individual neighborhood and its relationship to a region’s climate, tradition, and heritage. Consumer preferences are likewise ambiguous and contradictory; this is simply due to many Americans’ lack of personal familiarity with compact, walkable neighborhoods.

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Because we have conducted nearly 150 housing market studies on properties planned according to the New Urbanist principles, we are often asked to generalize about the characteristics and size of the “market” for the New Urbanism. To that, we have a set response:

The only distinguishing characteristic of residents of neighborhoods planned according to the principles of the New Urbanism that we have been able to discern is that they were fortunate enough to have had the choice.

That statement is the best we can extrapolate with any surety from the evidence of our analyses in various locations—from fragile inner-city neighborhoods to beachfront third-home communities—in 38 states, and we recognize that even this sweeping statement is somewhat ambiguous. By “fortunate” we mean not only that there was a neighborhood planned according to at least some of the principles of the New Urbanism in the area in which these households were seeking to live, but also that they could afford to live in such a neighborhood.

The more we have learned about housing consumers’ response to New Urbanist neighborhoods, the more we are convinced that the response is nearly universally positive. The failure of survey data to provide unequivocal support for that contention lies partly in the flaws of conventional research techniques—an argument we have expanded on elsewhere at length (Volk and Zimmerman 2000)—and partly in the difficulty of providing a simple, understandable definition of New Urbanist development. First, there are few existing developments that have

been built according to *all* of the principles of the New Urbanism, and second, the characteristics of these neighborhoods cover too broad a range to be summed up neatly in a sound bite or a single image. They range, after all, from high-density urban infill to hamlets with large edge lots in rural settings.

We are frankly relieved that thoughtful and rigorous scholars such as Myers and Gearin, in mining the literature on housing preferences, confirm that there is nothing that actually examines the core question of the desirability of “denser, more walkable residential environments.” The best they could muster was a single question on a 1999 NAHB consumer survey, and that, they admit, represents a “heroic leap” from available data to “actual demand” (634).

The weakness of the available source data and the applicability of the Myers and Gearin analysis are summed up in footnote 3:

Town house buyers are used as a proxy for home buyers who prefer New Urbanist developments. Because these developments typically include both town house and single-family detached units, using this proxy underestimates the market potential for New Urbanist development. (637)

To that we would add that the degree to which the market is underestimated is so substantial as to render the exercise meaningless.

As quoted in the Myers and Gearin article, the key question from the 1999 NAHB survey—put to a sample large enough and random enough to be statistically significant—was this (with our emphasis added):

You have two options: buying a \$150,000 *townhouse* in an urban setting close to public transportation, work and shopping. Or, you could purchase a larger, detached single-family *home* in a suburban area, with longer commutes to work. (643)

The problem with the survey is that the choice between a town house¹ and a detached house for most Americans is much more understandable and meaningful than the choice between neighborhood forms. A better question would have held housing type constant—either town houses or detached houses—and compared neighborhood setting.

Nevertheless, that question may well be all Myers and Gearin have with which to work. They forecast that many of the households that would choose a town house over a detached house in the coming decade will be baby boomers. Well, if we are to depend on them to lead us out of our current land use mess, we may well be disappointed. The baby boomers,

¹ Editor’s Note: Although the authors expressed a strong preference for spelling “town house” as one word, *Housing Policy Debate* follows *Merriam-Webster’s Collegiate Dictionary*, 10th edition, which spells it as two words.

after all, are the collective author of our present selfish risk-averse lifestyle; by their example, boomers have taught Americans to worship at the altar of convenience. As the baby boomers have plowed through the full-nest peak earnings years, it is as though, for 20 years, the country has been besieged by an annual in-migration of a million nouveau riche households bent on acquiring things, all kinds of things, anything, just as long as it is new and big. The baby boom generation has left in its wake a litter of sport utility vehicles and pseudo-historicist vinyl “mansions.”

Is this because baby boomers are particularly venal, crass, or stupid? Probably not. Rather, at every stage of life, the size of this generation has presented an enormous market opportunity for mass production of goods and services. From the housing perspective, one result of decades of mass-market mania is that the home building industry is now led by a few lumbering giants that provide housing “value” measured by size and novelty. Genuine housing innovations have been mostly limited to the areas of production efficiency and risk management, rather than any meaningful improvement of the product offered to the consumer.

Until a few years ago we would purposely reserve a small percentage of our practice for conventional builder clients. Our reasons were twofold: First, our experience was that most of these clients would seize the business opportunity presented by the New Urbanism (it is a market niche to conventional builders), and second, we felt that continued contact with conventional builders would keep us tethered to the grim practical realities of providing housing in America.

What ended this practice was a conventional builder who ignored our recommendations—and our invoices—citing his 30 years of experience in the specific market as more valid than our methodology. With that conviction, he left two or three million dollars on the table. (But he soon thereafter successfully positioned his firm for a merger with a public builder. We wonder how many units have been platted in a “safe” form simply to facilitate a building company’s acquisition.)

We learned that builders who depend on the evidence of the past—and particularly the recent past when housing providers have become ruthlessly efficient and severely limit the range of housing options—are doomed to repeat it. They cling to the admittedly elegant current delivery mechanism in which each isolated real estate asset is perfectly matched with highly specific target markets. From zoning to the secondary mortgage market, and at every step in between, each asset type is unambiguous and well understood. The disadvantage, of course, is that once put in place, these assets have very little ability to adapt to changing economic or market conditions; they are essentially frozen in place until the economics of a new use are so powerful that the cost of simply scrapping the site and starting over is justified.

Conventional builders are simply baffled by the ambiguity of a neighborhood with a wide mix of housing types and sizes that would appeal to a broad cross section of American households.

The ambiguity stems from the difficulty of definition: What makes a neighborhood New Urbanist? It also stems from the difficulty of finding a pure example: Built New Urbanist developments rarely incorporate all of the principles of the New Urbanism.

Then there is the ambiguity that stems from regional and cultural differences, which should also have a significant impact on the form of New Urbanist development. Neighborhood developments on the outskirts of two cities, one in the Northeast and one in the Southwest, for example, would each have a very different character. Their densities, housing types, housing mix, and physical organization would have little in common other than a vehicular and pedestrian network that connects a mix of uses at a relatively fine grain. The differences would be dictated not only by market, landform, and climate, but also by regional heritage and tradition. Thus, posing a question that would encompass these examples—and all the other local nuances across the country—to a national survey sample could yield nothing other than responses steeped in ambiguity.

So we believe that Myers and Gearin are shortsighted when they suggest that

[c]onflicting preferences suggest that neither traditional neighborhood design nor conventional suburban development may be the housing consumer's ideal. Rather, the ideal home style may be something else and may fall somewhere on the housing spectrum between these two design alternatives. (639)

These inconsistent and conflicting statements of housing and neighborhood preferences only serve to support our contention that Americans are incapable of responding reliably to questions, even unambiguous questions, that depend on an understanding of physical form; many, if not most, Americans lack any frame of reference.

The baby boomers in particular, when compared with previous generations, have had as a whole very limited neighborhood experience. The rapidly suburbanizing America in which they grew up would change forever many Americans' perception of the characteristics of a "normal" residential neighborhood. At the same time, the dramatic dislocations in urban America altered, one would hope only temporarily, the popular image of an urban neighborhood.

The ambiguity of survey research as it relates to housing options was brought home a few years ago in the speaker's lounge at a builders conference. We bumped into an old colleague who was of the "if Americans

wanted something other than the conventional subdivision, builders would be providing it” school. He asked, “Did you see the latest American LIVES survey? It pretty much drives the last nail in Duany and Calthorpe’s new urban coffin.” That struck us as odd, because just a few weeks earlier, Brooke Warwick of American LIVES had presented the findings of that same study, at Andres Duany’s invitation, at an Urban Land Institute seminar on the Techniques of Traditional Neighborhood Development. Clearly, the meaning of housing survey data is in the eye of the beholder.

Nevertheless, there is power in ambiguity. The most thoughtful of the New Urbanist practitioners resist absolutes, understanding that the more codified the New Urbanism becomes, the greater the risk of falling into the same rut as conventional production housing. The best practitioners embrace ambiguity, creating or restoring places that are uniquely responsive to their location, from the individual site to the entire region.

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Reference

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