



Older, Smaller, Better

Measuring how the character of buildings and blocks influences urban vitality

EXECUTIVE SUMMARY MAY 2014



National Trust for Historic Preservation
Preservation Green Lab

www.preservationnation.org/greenlab



THE KRESGE FOUNDATION



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COVER PHOTOS: FOGGY BOTTOM, WASHINGTON, D.C. (LEFT). PHOTO: FLICKR-DEWITA SOEHARJONO. BARRACKS ROW, WASHINGTON, D.C. (RIGHT). CREDIT: BARRACKS ROW MAIN STREET

ABOUT THE PROJECT TEAM AND COLLABORATORS

NATIONAL TRUST FOR HISTORIC PRESERVATION

(www.preservationnation.org)

The National Trust for Historic Preservation is a privately-funded nonprofit organization that works to save America's historic places for the next generation. We are committed to protecting America's rich cultural legacy and to helping build vibrant, sustainable communities that reflect our nation's diversity. We take direct action to save the places that matter while bringing the voices of the preservation movement to the forefront nationally.

PRESERVATION GREEN LAB

(www.preservationnation.org/greenlab)

A department of the National Trust for Historic Preservation, the Preservation Green Lab strengthens the fabric of communities by leveraging the value of existing buildings to reduce resource waste, create jobs, and bolster a strong sense of community. The Preservation Green Lab integrates sustainability with historic preservation by developing research, demonstration projects, and policies that decrease demolition and promote building reuse. Guided by a belief that historic preservation is essential to sustainable development, the Preservation Green Lab works with partners to create new pathways to shared prosperity and to bring people together around a common vision for their neighborhoods, towns, and cities.

IMPRESA, INC.

(www.impresaconsulting.com)

Impresa is a Portland, Oregon-based consulting firm specializing in metropolitan economies and knowledge-based industries. Founded by noted economist Joe Cortright, Impresa's policy advice is built around a proven framework for developing successful urban economies. Impresa developed the Vibrancy Indicators project for ArtPlace America, a collaboration of leading national and regional foundations and financial institutions supporting creative placemaking through grant-making, research, communication, and advocacy.

GEHL STUDIO—A GEHL ARCHITECTS COMPANY

(www.gehlarchitects.com)

Gehl Studio, Inc., a Gehl Architects company, is a dynamic group of talented urbanists from a variety of backgrounds that share the values and ambitions for creating Cities for People around the globe. With offices in New York and San Francisco, Gehl Studio is a networked organization capable of drawing on the experience and talent of its Copenhagen staff to leverage it locally through people that are in tune with the specific needs of a culture and place.

STATE OF PLACE™

(www.urbanimprint.com/about/state-of-place)

State of Place™ is a data-driven, decision-making and community engagement tool to guide investments, interventions, and policies that boost walkability and economic development. Using on-the-ground data covering over 280 built environment features, State of Place™ calculates the State of Place™ Index, an overall walkability score composed of ten urban design dimensions empirically known to impact walking. The Index is visually represented in the State of Place™ Profile, an easy-to-read snapshot of a community's walkability assets and needs. As each dimension is tied to different predicted returns on investment, the State of Place™ Profile produces customized strategic economic development and walkability plans based on communities' performance, goals, and capacity, and allows stakeholders to predict the impact of proposed plans on both State of Place™ and economic performance.

BASEMAP

(basemap.io)

Basemap is a data science and visualization consultancy focused on mapping data in a human context and matching indicators to actions.

EXECUTIVE SUMMARY

All across America, blocks of older, smaller buildings are quietly contributing to robust local economies and distinctive livable communities. Buildings of diverse vintage and small scale provide flexible, affordable space for entrepreneurs launching new businesses and serve as attractive settings for new restaurants and locally owned shops. They offer diverse housing choices that attract younger residents and create human-scaled places for walking, shopping, and social interaction. These modest, often-overlooked buildings are irreplaceable assets for America's new urban age.

This study demonstrates the unique and valuable role that older, smaller buildings play in the development of sustainable cities. Based upon statistical analysis of the built fabric of three major American cities, this research finds that established neighborhoods with a mix of older, smaller buildings perform better than districts with larger, newer structures when tested against a range of economic, social, and environmental outcome measures.

For generations, planners, preservationists, and community leaders have debated and discussed the importance of retaining older, smaller buildings. Jane Jacobs' 1961 book, *The Death and Life of Great American Cities*, launched the conversation. Jacobs asserted that urban renewal, which replaced richly textured streets of small, mixed-age buildings with blocks of much larger new structures, drained life from neighborhoods and deadened urban centers. She argued that older buildings provide critical space for entrepreneurial ventures and a healthy mix of local businesses. Today, after decades of advocacy by preservationists and community groups, Jacobs' ideas are widely accepted. Her insights about the contributions of older buildings inform community plans across the country.

The tools for implementing these ideas are not fully developed in many cities, however. Outdated zoning regulations, overly prescriptive building and energy codes, misdirected development incentives, and limited financing tools continue to make it difficult to reuse older structures and to retain the human scale of older blocks and neighborhoods. In addition, and perhaps more significantly, some leading urban thinkers have recently raised fundamental questions about the validity of Jacobs' ideas for today's world. Where do older, smaller buildings fit within cities



Analysis of data from three major American cities shows that areas with a mix of older, smaller buildings perform better than districts with larger, newer structures when tested against a range of economic, social, and environmental outcome measures.

that are seeking to maximize transit investments, increase density, and compete in the global economy? Are the lessons of Jacobs' 1961 book still valid in the 21st century? What have we learned from more than 50 years of experience? What does the growing mountain of data reveal about the contributions of older buildings to successful urban places?

In an effort to answer these questions, the National Trust's Preservation Green Lab mined newly available public and private sources to examine the role that older, smaller buildings play in the context of overall urban development. This research focused on three cities with strong real estate markets and extensive older fabric: San Francisco, Seattle, and Washington, D.C. Looking not just at historically designated or older buildings, but *all* existing structures across these three urban landscapes, the research team empirically documented the age, diversity of age, and size of buildings and statistically assessed the relationships between these characteristics and 40 economic, social, cultural, and environmental performance metrics. Each city was divided into a grid of 200-meter-by-200-meter squares (about one to two square city blocks). Squares composed of commercial and mixed-use areas of the city were analyzed using statistical models, generating "apples to apples" comparisons of results across diverse urban landscapes.



YOUTHFUL CROWD AT A STREET FESTIVAL ON WASHINGTON, D.C.'S HISTORIC H STREET CORRIDOR. Photo: Flickr - Ted Eytan



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KEY RESEARCH FINDINGS

In *The Death and Life of Great American Cities*, Jane Jacobs observed that “Cities need old buildings so badly it is probably impossible for vigorous streets and districts to grow without them.”¹ This Preservation Green Lab report provides the most complete empirical validation to date of Jacobs’ long-respected, but largely untested hypothesis: That neighborhoods containing a mix of older, smaller buildings of diverse age support greater levels of positive economic and social activity than areas dominated by newer, larger buildings. These findings support the idea that retaining blocks of older, smaller, mixed-vintage buildings can help cities achieve sustainable development goals and foster great neighborhoods.

Below are insights from this research that demonstrate how the character of buildings and blocks influences urban vitality in some of the nation’s strongest urban real estate markets:

Older, mixed-use neighborhoods are more walkable.

In Seattle and San Francisco, older neighborhoods with a mixture of small, mixed-age buildings have significantly higher Walk Score® rankings and Transit Score® ratings than neighborhoods with large, new buildings.²



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BARRACKS ROW, WASHINGTON, D.C. Photo: Barracks Row Main Street

Young people love old buildings.

In Seattle, San Francisco, and Washington, D.C., the median age of residents in areas with a mix of small, old and new buildings is lower than in areas with larger, predominantly new buildings. These areas are also home to a significantly more diverse mix of residents from different age groups.

Nightlife is most alive on streets with a diverse range of building ages.

San Francisco and Washington, D.C., city blocks composed of mixed-vintage buildings host greater cellphone activity on Friday nights. In Seattle, areas with older, smaller buildings see greater cellphone use and have more businesses open at 10:00 p.m. on Friday.

Older business districts provide affordable, flexible space for entrepreneurs from all backgrounds.

In Seattle and Washington, D.C., neighborhoods with a smaller-scaled mix of old and new buildings host a significantly higher proportion of new businesses, as well as more women and minority-owned businesses than areas with predominantly larger, newer buildings.

The creative economy thrives in older, mixed-use neighborhoods.

In Seattle and Washington, D.C., older, smaller buildings house significantly greater concentrations of creative jobs per square foot of commercial space. Media production businesses, software publishers, and performing arts companies can be found in areas that have smaller-scaled historic fabric.

Older, smaller buildings provide space for a strong local economy.

In Seattle and Washington, D.C., streets with a combination of small, old and new buildings have a significantly higher proportion of non-chain restaurants and retailers, and in Seattle, San Francisco, and Washington, D.C., areas of the city with older, smaller buildings host a significantly higher proportion of jobs in small businesses.

Older commercial and mixed-use districts contain hidden density.

In Seattle, San Francisco, and Washington, D.C., streets with a mix of old and new buildings have greater population density and more businesses per commercial square foot than streets with large, new buildings. In Seattle and Washington, D.C., these areas also have significantly more jobs per commercial square foot.



Smaller buildings and blocks “punch above their weight class” when considering a full spectrum of outcomes on a per-square-foot basis.

PRINCIPLES FOR OTHER CITIES

This report provides new information about the role that blocks of older, smaller buildings can play in the future development of Seattle, San Francisco, and Washington, D.C. The results from these three cities suggest some general planning and development principles that can be applied in other communities as well:

Realize the efficiencies of older buildings and blocks.

This research shows that older, smaller buildings and blocks “punch above their weight class” when considering a full spectrum of outcomes on a per-square-foot basis—from the number of jobs and businesses to the vitality of nightlife and presence of young residents. Older buildings employ time-tested, practical solutions to achieve these efficiencies: mixed daytime and nighttime uses; common entrances and shared services; creative use of small spaces and storage areas; and very little space dedicated for cars. With the new “sharing economy” emerging, older buildings also offer lessons in how to get more round-the-clock performance from our bricks and mortar investments. Codes and regulations can limit these uses, however, and may need to be revised to encourage the efficiencies that older, smaller buildings offer.

Fit new and old together at a human scale.

Findings from the three study cities show that mixing buildings from different vintages—including modern buildings—supports social and cultural activity in commercial and mixed-use zones. Many of the most thriving blocks in the study cities scored high on the diversity of building-age measure. Scale also played an important role. Grid squares with smaller lots and more human-scaled buildings generally scored higher on the performance measures than squares characterized by larger lots and structures. These results support the concept of adding new infill projects of compatible size alongside older buildings.

Support neighborhood evolution, not revolution.

While this research indicates that successful commercial and mixed-use districts benefit from new construction, these changes should be gradual. The rate of change is important. The higher performance of areas containing small-scale buildings of mixed vintage suggests that successful districts evolve over time, adding and subtracting buildings incrementally, rather than comprehensively and all at once.

Steward the streetcar legacy.

Many of the highest performing grid squares in our study cities are commercial areas with buildings that date to the streetcar era. Nearly every American city (and plenty of small towns) once boasted a network of streetcar lines. From the late 1900s until World War II, these lines spurred the construction of neighborhood service centers. Although most streetcar lines are long buried, the commercial districts they created can still be found in urban neighborhoods across the country. Examples of streetcar-era districts from the study cities include Seattle's Pike/Pine Corridor and Washington, D.C.'s H Street NE, which both scored well (and will soon have streetcars again). As cities seek to re-establish transit corridors and foster mixed-use development, the armature of streetcar-era commercial districts provides a head start.

Make room for the new and local economy.

Richard Florida and other scholars have noted that technology start-ups and other creative companies are moving into diverse neighborhoods full of older buildings, such as New York's Silicon Alley, where even former warehouses are small relative to Manhattan buildings overall.³ The *Older, Smaller, Better* research confirms this connection, finding a correlation between a higher concentration of creative jobs and older, smaller-scaled buildings and blocks. These areas also support higher levels of small businesses and non-chain business, helping to keep dollars in the local economy, and providing more resilience against future economic storms.

Make it easier to reuse small buildings.

Vacant and underused buildings are an untapped reservoir of already built density. The *Older, Smaller, Better* research illustrates the value of keeping older, smaller, diverse-age buildings viable and in full use. In some cities, however, older commercial buildings languish, with empty upper floors or vacant storefronts. Cities can help unlock the potential of these spaces by removing barriers, such as outdated zoning codes and parking requirements, and streamlining permitting and approval processes. Targeted incentives and financing programs are also needed to assist small-scale projects.

This study is the first phase of a broader Preservation Green Lab research agenda focused on the role of older buildings in sustainable development. With the help of interested funders, local governments, and partner organizations, our research scope is expanding into additional cities with different economic, social, and physical contexts, including weak real estate markets and high building vacancy rates. The Green Lab's goals are to identify opportunities and to share solutions



Cities can help unlock the potential of these spaces by removing barriers, such as outdated zoning codes and parking requirements, and streamlining permitting and approval processes.

that benefit residents, property owners, investors, and community leaders alike.

The complete *Older, Smaller, Better* report provides more detailed results and recommendations that expand upon the findings and principles discussed in this Executive Summary. The report details the research methodology, statistical modeling results, and mapping analysis, and includes community case studies from the three study cities. Recommendations based upon the research are offered for community leaders, developers, and policymakers, along with directions for future research and empirical investigation.

ABOUT THE PROJECT TEAM

This research was made possible through the generous support of the Summit Foundation, the Prince Charitable Trusts, and the Kresge Foundation. The project was managed and led by the Preservation Green Lab, a department of the National Trust for Historic Preservation that researches the sustainability value of older and historic buildings and identifies policy solutions that help communities leverage their built assets. This project benefitted from collaboration with Impresa, Inc., Gehl Studio, and State of Place™.



OLDER, SMALLER BUILDINGS, HAYES VALLEY NEIGHBORHOOD, SAN FRANCISCO.
Photo: Jim Lindberg.

Endnotes

1 Jacobs, J. (1961). *The Death and Life of Great American Cities*. New York: Vintage Books.

2 Walk Score® is a Seattle-based company that measures the walkability, bike friendliness, and transit accessibility of neighborhoods across the United States and around the world. It developed three proprietary metrics: the Walk Score® ranking, Bike Score™ index, and Transit Score® rating. A Walk Score® ranking measures the distance someone would have to walk to reach amenities like coffee shops and grocery stores. The Transit Score® rating is based on how well an area is served by public transit. The Bike Score™ index assesses the biking infrastructure, number of bike commuters, and road connectivity associated with addresses throughout the U.S. For more information on Walk Score®, visit www.walkscore.com.

3 For example, see Florida, R. (2012, July 27). "For Creative Cities, the Sky Has Its Limit." *The Wall Street Journal*. Retrieved from <http://online.wsj.com/news/articles/SB10000872396390443477104577551133804551396>



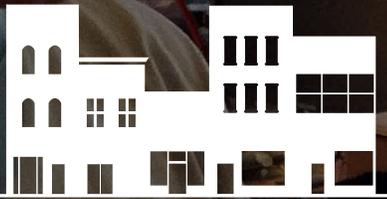
SEATTLE, WA



JOBS PER 1,000 SQ FT

36.8%
MORE
JOBS/SQ FT

There are more jobs per commercial square foot in areas of Seattle composed of older, smaller, more age-diverse buildings than in areas with mostly newer, larger buildings.



Oldest, most diverse & finest-grained buildings



4.39 jobs



Newest, largest, least age-diverse buildings



3.21 jobs

Photo: Nancy Leson



SEATTLE, WA



BUSINESSES WITH WOMEN OR MINORITY OWNERSHIP

2x
WOMEN AND
MINORITY
OWNERSHIP

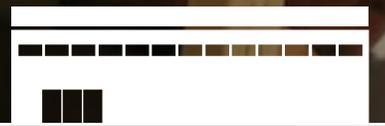
Areas of Seattle with older, smaller, more age-diverse buildings have more than twice the rate found in areas with mostly newer, larger buildings.



Oldest, most diverse & finest-grained buildings



19.2%



Newest, largest, least age-diverse buildings



9.5%

Photo: Flickr user Caffe Vita



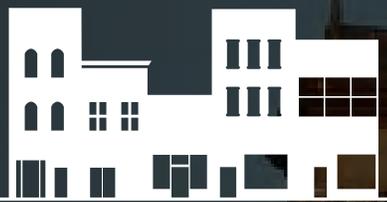
WASHINGTON, D.C.



NON-CHAIN LOCAL ESTABLISHMENTS

MORE NON-CHAIN ESTABLISHMENTS

There are significantly more non-chain businesses in areas of Washington, D.C. composed of older, smaller, more age-diverse buildings than in areas with mostly newer, larger buildings.



Oldest, most diverse & finest-grained buildings



Newest, largest, least age-diverse buildings



Photo: Flickr user afagen



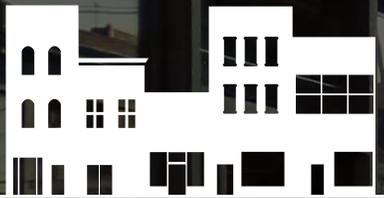
SAN FRANCISCO, CA



JOBS IN SMALL BUSINESSES

MORE JOBS IN SMALL BUSINESSES

Areas of San Francisco composed of older, smaller, more age-diverse buildings have significantly higher percentages of jobs in small businesses than in areas with mostly newer, larger buildings.



Oldest, most diverse & finest-grained buildings



44.6%



Newest, largest, least age-diverse buildings



34.3%

Photo: Jim Lindberg