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City Lite

Fake Towns Rise, Offering Urban Life Without the Grit

Mix of Office, Home and Play Threatens the Real Thing; But Where's the Grocery?

Mr. Pettit Dodges 'Riffraff'

By THADDEUS HERRICK

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PLANO, Texas -- On a recent Friday night, Bishop Road was hopping. Land Rovers and Lexuses inched down the two-lane street. On the brick sidewalks, a steel band played Bob Marley tunes as couples strolled past boutiques, bars and restaurants, lines spilling out the door.

Until a few years ago, Bishop Road was a grassy field in the midst of a gargantuan office park. Today, it's the main drag of Legacy Town Center, a 75-acre development 20 miles north of Dallas that's home to 4,000 people. The project has been such a hit that developers are building on an additional 75 acres across the street.

Legacy Town Center is one of dozens of faux downtowns popping up across the country, from Kansas City to Washington, D.C., spurred by a demand for urban living scrubbed of the reality of city life. A careful mix of retail, residential and office space built with traditional materials such as stone and brick, Legacy looks like a city but has neither panhandlers nor potholes. Many residents rarely venture even to downtown Dallas, which has been trying to turn itself into place to live for almost a decade.



A view of Bishop Road, part of Legacy Town Center in Plano, Texas.

"There's too much riffraff down there," says Ron Pettit, a 36-year-old contractor, as he snacks on brie and grapes at a table outside Bishop Road's Main Street Bakery and Bistro.

In Flagstaff, Ariz., buyers have snapped up almost all of the 125 residential units on offer at Presidio in the Pines, a town center under construction on 91 acres of forest. North of Charlotte, N.C., on the site of a former dairy farm, is Birkdale Village, which consists of 52 acres intended to recall a New England coastal town. It features 320 apartments, most of which are stacked above shops and restaurants.

Even though these faux downtowns contain tinges of suburbia, they're taking advantage of a growing backlash against the sprawl that rings Dallas and other U.S. cities. The reaction began in the 1980s with the rise of New Urbanism, a movement of architects and planners calling

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for a return to traditional towns where people work, shop, live and play.

Among the most prominent of those theorists was Andrés Duany, a leading figure behind Seaside, a planned pedestrian community on the Florida Panhandle that was the setting for the 1998 movie, "The Truman Show." Suburban growth, Mr. Duany argued, was unsustainable because it consumes land at a high rate while creating horrendous traffic.

In the 1990s, Americans started venturing back into cities that had emptied out in prior decades. Basking in the glow of falling crime rates and glamorized by television shows such as "Seinfeld" and "Friends," cities themselves began to woo residential and retail development.

For a developer, however, it's much easier to make a fake city than it is to work on real downtowns with their patchwork landholdings and planning restrictions. The developers of Legacy were able to carve up the land pretty much as they pleased. The result: more than 1,500 apartments and town houses, some 80 shops and restaurants, two mid-rise office towers and a Marriott Hotel.

The concept also attracted developers looking for alternatives to malls, a concept rapidly losing favor among shoppers. Only one mall has opened in 2006, according to the International Council of Shopping Centers, a New York City-based trade group. By contrast, more than 60 so-called lifestyle centers -- outdoor shopping areas with plazas, fountains and pedestrian streets -- are planned to open this year and next.

To attract more shoppers, and therefore retailers, developers started building homes on these sites. Steiner + Associates of Columbus, Ohio, a leading builder of town centers, initially included only retail and office space at the \$300 million Easton Town Center near Columbus, which was completed in 2001. When another developer added apartments across the street, Yaromir Steiner, chief executive of Steiner + Associates, noticed the low vacancies and high rents. "We realized how a commodity apartment could turn into a specialty product," he said.

When Mr. Steiner built Zona Rosa, a 93-acre project on farmland north of Kansas City, he included 33 loft apartments. One of his latest projects, The Greene, near Dayton, Ohio, is built on woodland and will include 136 residential units when it opens this summer.

These projects could be bad news for real downtowns, especially those competing with redeveloped sites near the city center. AIG Global Real Estate Investment Corp. and Jacoby Development Inc. are redeveloping a massive steel mill just north of downtown Atlanta into a community known as Atlantic Station. The developers had to remove 165,000 tons of contaminated material. They now intend to build a small city on the 138-acre site, which could house as many as 10,000 residents.

Houston has poured some \$4 billion into downtown stadiums, roads and light rail in the past decade. But 27 miles to the north, the Woodlands Town Center has sold out of newly constructed lofts and replica brownstones in the midst of an affluent planned community.

"The question is whether this demand for urban-style living -- density, transportation alternatives, proximity to work -- is broad enough to accommodate the resurgence of traditional downtowns," says Bruce Katz, founder and director of the Metropolitan Policy Program at the Brookings Institution, a Washington, D.C., think tank.

Just like the real thing, faux downtowns are vulnerable to the vagaries of the local economy, a problem that's magnified by the big upfront investment required. Federal Realty Investment Trust bet heavily on Santana Row, a \$455 million project three miles from downtown San Jose that opened in 2002 on the site of a former shopping center. With its Mediterranean-inspired architecture, Santana Row was intended to provide an urban island for professionals in Silicon Valley.

But the collapse of the tech industry, the Sept. 11, 2001, terrorist attacks, and a catastrophic fire buffeted the project. Some high-end retailers that considered opening there ended up not making commitments, city officials say. In 2003, Federal Realty Chief Executive Steve Guttman resigned.

Improving Fortunes

Departing from the script, the company lured big-box stores such as Best Buy to generate foot traffic. As the economy improved, so too did the fortunes of Santana Row. Today, city officials say the project -- with 70 shops and 19 restaurants and a mix of town homes, condominiums and apartments -- is a draw for Silicon Valley residents.

Don Wood, the current chief executive of Federal Realty, says building an instant city is considerably harder than a standard development. Santana Row took seven years to complete. "Over that period of time, the world changed," he says. "We started construction in one economic environment and finished in another."

Legacy Town Center is built in a contemporary style, with hints of Frank Lloyd Wright. Its use of brick and limestone give it an old-time veneer. Retail buildings have been built at different heights to make the town center look like it's evolved over decades.

It's situated on 2,700 acres acquired by **Electronic Data Systems** Corp. under then-chairman Ross Perot in the late 1970s. EDS built its headquarters on one parcel in 1985 and began selling the remaining parts to other companies, including **J.C. Penney Co.**, which also built its headquarters there.

By the late 1990s, the Legacy area was an impressive industrial park, but little more. Although tens of thousands of people worked there, it didn't have a restaurant, a gas station or a dry cleaner.

Marilyn Kasko, who ran the office park for EDS at the time, says she was troubled that employees had to live, work and shop in separate places. She also felt EDS needed to offer something more to attract new companies to set up shop there. She didn't know exactly what.

One answer was provided by Mr. Duany of the New Urbanist movement. In the late 1990s, Ms. Kasko hired Mr. Duany's Miami-based architecture and planning firm, Duany Plater-Zyberk & Co., to sketch out a vision for the empty land. His idea: a lively urban enclave with little surface parking. By carefully setting distances between offices and shops and apartments, Mr. Duany tried to make Legacy a walking community. "The issue was how to bring people closer to the places they go," said Mr. Duany.

Sliding Back

Like many such projects, Legacy began to slide back into the classic suburban mold. Fehmi Karahan, whose Karahan Companies developed the retail portion of the project, wanted to lure national retailers, even though Legacy Town Center is sandwiched between two giant malls in Frisco and Plano.



One big out-of-town retailer, furniture chain Robb & Stucky of Fort Myers, Fla., had little intention of following the New Urbanist playbook. The company wanted more than 100,000 square feet for a store, plus surface parking. The upshot was a compromise: The Robb & Stucky store was built at an angle to the road to disguise its size, and its facade was covered in various textures to mitigate the big-box feel.

At the demand of other prospective retailers, Mr. Karahan built surface parking lots in front of shops facing six-lane Legacy Drive. Built in four phases, The Shops at Legacy opened in April 2002 with about a dozen stores, including

Starbucks. Mr. Karahan also went after established Dallas retailers and managed to attract popular restaurants such as Bob's Steak & Chop House and Mi Cocina.

Retailers that pushed for surface parking turned out to be wrong. Today, the hottest location isn't Legacy Drive but the narrow Bishop Road, where the stores are a sidewalk's width from the curb. Nancy Chesser closed her "vintage vogue" boutique Ambrosia, which was on Legacy Drive. "The [foot] traffic was terrible," she says.

Mr. Karahan says business on Legacy Drive is adequate. He has other headaches to worry about. Speeding has become a problem, so he's installing speed bumps on Bishop Road. Several retailers have reported thefts, despite the security cameras mounted on exterior walls and roofs.

For many, Legacy provides a sense of community that is lacking at typical suburban apartment complexes. The development is built around a three-acre park, complete with a man-made lake, a destination for runners and dog walkers. In the evening residents gather along Bishop Road, where jazz is piped through speakers beneath mature live oaks. Some live in town homes that sell for more than \$400,000. Others are renting studio apartments for about \$600 a month.

"It's perfect for someone who doesn't want to come home from work, sit on the couch and watch TV," said Mr. Pettit, the contractor.

On the recent Friday night, couples waited two deep to order Cabernet Sauvignon at \$18 a glass at a wine bar called Crú. Up the street, the five-screen Angelika Film Center was showing John Malkovich in "Art School Confidential."

But the most striking thing about Legacy Town Center is what it doesn't have. Like a modern suburb, it has no nearby hardware store. It has no churches or libraries. Nor is Legacy home to many children. The closest public elementary school is three miles away.

Legacy has no public transportation, so almost everyone has a car. Residents who work at corporate headquarters less than a mile away often drive to work because outside of Legacy there are no sidewalks. Residents jump in their cars to run errands at Plano malls and shopping centers as if they lived in a local subdivision.

Jon Stewart, 43, who moved here from suburban Maryland two years ago, says he's happy with the amenities, with one exception: "The only thing lacking is a grocery store."

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