



what was
once old is

NEW AGAIN

SELLING NEW URBANISM

BY BRAD BROBERG

Once upon a time, homebuyers knew what they could expect to find in their new neighborhood.

After all, what would a neighborhood be without schools and parks, public buildings and private businesses — not to mention many types of housing — all within a few blocks of each other?

The answer: A typical suburban subdivision.

Suburban subdivisions were America's response to a pressing need for housing following World War II. Substituting expediency for variety and mass production for incremental growth, subdivisions succeeded in putting roofs over people's heads — but at a price. By devoting themselves to a single land use — housing — they narrowed the definition of neighborhood and set a tone for other single-purpose developments such as shopping centers and office parks that further segregate the activities of daily life.

Today, what was once old is new again. Across the country, a smattering of developers are striving to create communities that promote neighborhoods as people remember them. Known as New Urbanism, the strategy is a strong reflection — and compelling example — of the principles of Smart Growth.

In some ways, though, New Urbanism can also be a tough sell — not necessarily to home buyers, but to all the people, including REALTORS® involved in conceiving, building and marketing master-planned communities, says Peter Katz.

Katz is one of New Urbanism's biggest champions. A design and marketing consultant, he has published a highly acclaimed book on the topic. Filled with 24 case studies of projects from coast to coast, *The New Urbanism — Toward an Architecture of Community* advocates making traditional neighborhoods the cornerstone for building and rebuilding the nation's communities.

"Do folks want the New Urbanism?" asks Katz. "Yes, they do. But in some places there is resistance on the part of developers, builders, banks and local governments. Creating a real mixed-use community from scratch is a complex process, and unless all the players involved in its production are in agreement, nothing gets built."

The key, says Katz, is to help people understand that New Urbanism communities are not niche developments, but a return to the way many people used to — and still want to — live. "The model we're creating is neighborhood," he says.

Sounds simple. However, from a marketing standpoint, it requires a 180-degree turn from the way homes typically have been sold. "The house isn't the

most important thing," says Judy Howlin, a REALTOR® and resident of the New Urban community of The Kentlands. "It's the neighborhood, the quality of life and the environment."

Located in Gaithersburg, Maryland, a fast-growing community to the north of Washington, D.C., The Kentlands is a beacon of New Urbanism. The 352-acre development is home to more than 5,000 people who savor a lifestyle normally not found in the suburbs. As Katz writes in his book, "Kentlands is the first application of the traditional neighborhood development principles to a real, year-round, working community."

The Kentlands reflects most key characteristics of New Urbanism: Tree-lined streets form blocks interrupted here and there by small parks. Some lots are narrow, others more spacious. Houses are near enough to the sidewalks that residents can greet passersby from their front porches. With homes pushed toward the front, back yards become more usable.

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Garages, served by alleys, are sited to the rear. Civic buildings are sprinkled throughout the neighborhood and businesses can be reached on local streets. And everything — all the needs of daily life — is within walking distance.

As notable as they are, the physical differences between New Urbanism and typical subdivisions are not the end, just the means. "Grid streets and garages behind houses ... are not the message if it's done right," says Brooke Warrick, president of American Lives, an Oakland, California market-research firm. "The message is we're creating community in the truest sense of the word. There's a fabric to it. It's not just a sea of houses. That's the message."

In a mature community such as The Kentlands, buyers can see, touch and feel New Urbanism for themselves. "A lot of people say it reminds them of the little town they grew up in or their parents grew up in," says Howlin. "They become nostalgic." While The Kentlands is not for everyone, marketing the community is a relative no-brainer, says Howlin. "You stand out of the way," she says, "because it sells itself."

The challenge, according to some, is marketing a New Urbanism community in its early stages before the vision becomes reality. That's when buyers must make a leap of faith. Warrick's experiences with New Urbanism have made it clear to him that much more communication needs to be done on the part of sellers to help buyers make that leap.

"A lot of developers who are building these

residents. "People have a natural inclination to gather," says Warrick. "If you design a community right, that's what will happen."

Something else also happens. "Property values soar," says Katz. "People really want to live in a good neighborhood."

Neighborliness is another New Urbanism perk, says Long. "Celebration is such a tight community because the houses are so close



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homes don't know how to sell them, so how can you expect the REALTOR® community to know?" says Warrick. "REALTORS® are accustomed to selling houses. They are not accustomed to selling community. Most people don't know how to explain community."

People who've experienced New Urbanism for themselves often explain it best. Brad Long, an appraiser, REALTOR® and former resident of Celebration in Orlando, Florida describes it this way: "It's having your son hop on his bike and say, 'I'm going downtown to see a movie.' We loved living there."

Like The Kentlands, Celebration, which was developed by Disney, is a popular poster child for the charms of New Urban life — especially the way it energizes neighborhoods. Warrick recalls taking a bus tour of Celebration. Marveling at the number of people out on the streets — and taking note of the developer's show-business acumen — he joked that they must be actors. "All those people are Disney employees," he announced. "They were hired to sit on park benches and eat ice cream cones."

They weren't actors, though. They were

together and you get to know everybody," he says. "I probably knew 80 percent of the people there. You could sit on your front porch and talk with your neighbor across the street. That was neat."

Even so, New Urbanism's compact development pattern seems out of step with long-standing suburban preferences for large homes and even larger lots. That's why the New Urbanism requires "a complete shifting of the marketing battleground," says Katz. "Instead of selling private space, one is selling the public realm." Though it seems like a radical approach, Katz sees opportunity for real estate professionals: "In the New Urbanism, the skills of REALTORS® really come into play."

Consider the usual way homes are marketed in most new subdivisions. There, the sales strategy focuses on model homes, where customers can easily evaluate one offering in relation to others. The customer's comparison process typically centers on issues related to house size, features and construction quality. Concerns related to the larger neighborhood become secondary. In this environment, the sales staff — be they REALTORS® or representatives of

the builder — essentially become order takers, says Katz.

As familiar — and maybe even effective — as that strategy may be in conventional subdivisions, it's a poor way to market New Urbanism, says Katz.

If the house and lot are all the buyer cares about — and indeed are the subdivision's major selling points — then it doesn't matter if model homes are surrounded by raw dirt and bulldozers. However, if community is the star attraction — as it is with New Urbanism — model homes are lousy vehicles for delivering the bigger message. But there's also an important business concern: Since New Urbanism promotes a broader mix of residential offerings — up to 60 different choices in some communities — providing full-blown models of each dwelling type is simply not cost-effective, notes Katz.

For anyone trying to market New Urbanism, it all comes back to the same challenge. "How do we effectively showcase the larger vision of a neighborhood before it's built?" says Katz.

Katz advocates a strong presale marketing program. He suggests opening an information center as soon as the project is announced to capitalize on the publicity and curiosity that New Urbanism communities typically generate. Armed with high-quality plans and evocative renderings, the sales staff can paint an appealing picture and build a promising prospect list before a single shovel of dirt is turned. "The greatest marketing environment," says Katz, "is the customer's imagination."

To Katz, marketing the New Urbanism is not about order taking; it's about "consultative" sales. Sellers must engage with homebuyers to find out how they really live and what they most value in a new home, says Katz. And since research indicates that the best neighborhood — not the grandest home — is what many buyers want most, marketing the New Urbanism doesn't have to be an uphill fight. "When you take control of that battlefield ... you effectively counter any negative perceptions customers might have about

traditional neighborhoods," says Katz. "It's powerful stuff."

Not only is it powerful, it calls on skills most REALTORS® already possess, says Katz. "They understand the complexity of offerings that exist in established urban areas and they're masters at the art of consultative sales," he says. "To REALTORS®, selling the New Urbanism's rich mix of product offerings is a piece of cake." As for the disadvantage of not having model homes to show, new computer technology makes virtual tours the next best thing, notes Katz.

Katz may be one of New Urbanism's leading proponents, but he acknowledges that many people move to the suburbs to escape urban life, not rediscover it. Even so, statistics indicate there may be a strong — if perhaps unrecognized — appetite for the kind of neighborhoods New Urbanism cultivates.

In the state of California, resales generate triple the sales of new homes, according to statistics compiled by Brooke Warrick. While abundant inventory explains much of that difference, it doesn't explain it all. But other findings by Warrick reveal that more than half of the people who bought resale homes would have actually



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preferred new ones.

What stops those resale buyers from purchasing new homes? Perhaps it's because of the sterile look of most new subdivisions that consist of "the same darn house over and over again," according to Katz. If that's true, the demand for New Urbanism — the antithesis of the cookie-cutter development — appears strong. "It's a potential doubling of the new home market if you can deliver the kind of neighborhoods resale buyers would like to find outside their front door," said Katz.

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