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Developers reinvent themselves

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Driving through traffic-clogged streets and row after row of pastel-colored homes in Doral on a recent afternoon, real estate developer Armando Codina found something missing: a town center.

Codina smelled a business opportunity, and in April snapped up 113 acres in the heart of this western Miami-Dade suburb known for its luxury hotel and golf resort. If the city approves, he plans to transform an area containing mostly aging office buildings into a town center with condominiums, restaurants, shops and, perhaps, Doral's new city hall.

NEW DIRECTION

Suburban town centers represent a new direction for Codina, who for two decades has built industrial parks in South Florida. With open, developable land almost entirely gone in Miami-Dade and Broward counties, Codina has to look for alternatives. "I would do other industrial parks, but there is no place to do them [in Miami-Dade]," Codina said in an interview last month.

Other developers, too, are responding to the lack of available land by turning to urban center projects they believe will appeal to buyers seeking respite from suburbs plagued by traffic woes and a lack of identity.

Joseph Cavana, Jorge Perez, Jackson Ward and Stefan Johansson all have such projects in progress, from Sunrise to Aventura and Kendall. The city of Hollywood is reviewing proposals from developers to establish a town center in its beach area.

The projects -- some dubbed "new urbanism" developments -- are premised on creating walkable neighborhoods with open spaces and multi-use areas where people can live, work and play in close proximity.

"The consumer is hungry for it," said Ronald A. Shuffield, president of Esslinger Wooten Maxwell in Coral Gables. ``They want the two C's: community and convenience."

It's a reaction against the type of suburban planning that began rippling across the United States in the 1950s. The car was king and the model was based on driving to residential subdivisions, office parks and shopping centers.

URBAN VILLAGES

Some 14 years ago, in 1990, ideas were put forth to turn the area surrounding Dadeland Mall in suburban Kendall into an urban village. A group of architects, including Elizabeth Plater-Zyberk, dean of the University of Miami School of Architecture, founded the Congress for New Urbanism in 1993. It sought to encourage the growth of pedestrian-friendly communities not centered on the automobile.

Still, South Florida was slow to adopt new urbanist principles and rampant sprawl continued until development approached the edge of the Everglades.

"There is very little single-family housing land left, very little left for large-scale master planned communities," said Harry Posen, executive vice president of Coconut Creek-based Minto Communities, which is developing a 1,400 unit condo complex in Sunrise.

Now South Florida developers are changing gears; in many cases, because they have little choice. Among the local projects that could change the face of suburbia in South Florida:

- **Beacon Town Centre at Doral** -- Codina plans a mixed-use urban center that is to include residential, office and retail space and, possibly, Doral's new city hall. Plans have yet to be presented to the city for approval.

While architects draw up plans, Codina has been visiting newly developed urban town centers for ideas. This week he visited a town center project in Texas. He has also toured City Place in West Palm Beach and Mizner Park in Boca Raton.

He hopes construction will begin in mid-2006. "This would be the city's heart," Codina said. ``That's what we want to create."

- **Downtown Dadeland** -- In January, Miami-based Gulfside Development Co. started construction on Downtown Dadeland in Kendall. It's a seven-acre \$150 million residential and retail "urban village" built upon the site of a former car dealership. The development is to have seven condo buildings, each rising seven stories with a ground floor of restaurants and shops.

The project is located between a Metrorail stop, Publix supermarket, office towers, other new residential development and Dadeland Mall. Developers Johansson and Ward say their location allows residents, if they choose, to go weeks without ever driving a car.

- **Metropica** -- In the next two months, ground-breaking is to begin for Metropica, a 65-acre mixed-use town center development. In its first phase, it is to have 363 residential condo units, 520,000 square feet of office space and five restaurants that are all wrapped around a 3.5 acre park.

Developed by Aventura-based K Group Holdings, it aims to be nothing less than "the new urban core for the city of Sunrise." Indeed, the second phase of the project, which is still in the permitting process, is to include a new city hall for Sunrise.

K Group also hopes to build some 2,000 residential condo units in phase two.

- **Artesia** -- Minto Communities is building a 1,400-unit condo community in Sunrise. Minto boasts that it sits between the shops and dining of Sawgrass Mills Mall, entertainment at the Home Depot Center and Metropica.

- **The Venture** -- The Related Group of Florida is building a 10-story, 500-unit condominium and retail development in the middle of Aventura, in walking distance of shops, restaurants and a park. Currently under construction, the project is expected to be finished in a year.

"People, in particular the newer generation, are getting away from an isolated type of living," said Jorge Perez, Related's CEO. "They are getting away from the suburban dream of a half-acre home where you have to drive huge distances for everything."

Even with these new projects, traditional suburbs aren't going away. Property values on single-family homes continue to spike and development in areas with open land, such as Homestead in southern Miami-Dade, is becoming enormously popular.

It remains to be seen how consumers will take to the projects. Will they be willing to move out of their subdivisions into the multi-use urban village being planned by Codina in Doral, for example?

The developers are bullish.

"We think it is a real trend that is happening," said Cavana, chairman and CEO of K Group Holdings. "People do not want to travel long hours. They like to be close to work. And add to that the scarcity of land, it makes a lot of sense."

Demographic shifts, such as a declining marriage rate and aging baby-boomers who are becoming empty-nesters, are creating less of a need for single-family homes too.

In 1970, more than 40 percent of the population was married with children. Now, the number is less than 25 percent, according to the 2000 U.S. Census.

Meanwhile, the percentage of baby boomers over 50 is predicted to be more than 65 percent by 2010, said Jack Winston of Goodkin Consulting in Miami.

"A majority of the population has changed so dramatically that a majority of the population really does not have to live in a traditional suburb," Winston said. "They are not tied to schools; they no longer need a big house. They want to be able to walk to conveniences and are looking for a more urban lifestyle."

MOVE TOWARD CONDOS

Some predict that home buyers will increasingly turn to condominiums in suburban town centers. One reason is that condos in the new town centers will likely be cheaper than condominiums in downtown areas. The other reason is that condos may remain a bargain when compared to single-family homes.

"Three years ago, 84 percent of all single-family homes in Dade were selling for under \$200,000," said Shuffield, who said that affordability may push buyers toward condos. "Today, only 34 percent are selling for under \$200,000."

Perhaps more importantly, there is an increasing thirst for community -- a desire for more personal contact and a restored sense of neighborhood.

Meanwhile, people continue to move to Florida and the demand for housing remains strong.

"Do we anticipate doing quasi-urban development?" said Stuart A. Miller, CEO of Lennar Corp., which is one the biggest builders of suburban communities in the country. ``No question. We will be doing more of that development."

The town center concept now being pushed is more akin to the way communities were organized prior to the move to the suburbs following World War II. "We are going back to the future," said Michael Cannon, analyst with Integra Realty Resources in Miami. ``They are creating what we used to have in the 1920s and 1930s."

To some, the move is predictable and makes sense. "It is a natural part of city growth," said Plater-Zyberk.

But in some suburban areas creating a multi-use town center won't be easy. Growth has been so rampant in some communities that there is scarcely any place to establish a town center. Codina cites Pinecrest as an example.

"This stuff is being done all over the country," Cannon said. ``But unfortunately in many communities across South Florida we have had poor planning, poor zoning and no visionary land planning for the future. So some communities could be stuck, unless they're creative."

The push to develop town centers is also prompting innovations that some predict will dramatically change architectural and urban design in South Florida.

One challenge is where to put cars because parking garages and wide-open parking lots can be unsightly and a barrier to walking and community living.

UNDERGROUND GARAGE

Johansson and Ward, who are developing Downtown Dadeland, are attempting to resolve the issue by digging a two-story underground garage beneath the residential and retail development. But the project, which is expected to be completed at the end of 2005, requires going more than 10 feet below the water table.

To remedy the problem, the partners are using a technique novel to South Florida to seal the garage from water.

Though some South Florida builders are skeptical, Johansson and Ward say it will work and is a procedure that has been successfully employed many times before -- including beneath the World Trade Center and in Europe.

"I think it will be done on every street corner [in South Florida] in the future," Johansson said. ``It is being done so widely in Europe because for centuries they have had . . . a scarcity of land.

"Now we have a scarcity of land," continued Johansson. ``so we have to reinvent ourselves."