

Luncheon Speaker:

**Joel Kotkin
Irvine Senior Fellow,
New America Foundation
“The Future of Suburbia”**

MR. NORBECK: I would like to introduce Cliff Simental of David Evans & Associates, who was the sponsor of our lunch, and who would like to have the privilege of introducing our speaker.

(Applause.)

MR. SIMENTAL: Thank you and good afternoon. I just want to say, on behalf of David Evans & Associates, we're very pleased to be a part of the conference today. And in the inside cover of your booklet, there is a little bio of our firm.

I just want to highlight one thing about David Evans & Associates, and that's our core purpose. And the core purpose of David Evans & Associates is to improve the quality of life while demonstrating stewardship of the built and natural environments.

So with that, I have the honor of introducing your luncheon speaker today, Mr. Joel Kotkin. Mr. Joel Kotkin is an internationally recognized authority on global, economic, political, and social strategies, and the author of the critically acclaimed

book, "The City: A Global History." He is also author of the bestselling book, "The New Geography - How the Digital Revolution is Reshaping the American Landscape."

He is an Irvine senior fellow at the New America Foundation and is a highly respected speaker and futurist. He consults for many leading economic development organizations, private companies, regions and cities.

He has served as a television analyst and a contributor to several newspapers and magazines. He is currently completing a study for the Reason Foundation on the future of transportation mobility in the United States and a follow-up study for The Planning Center on "The New Suburbanism."

He has attended the University of California, Berkeley. He is a native New Yorker, but has lived in California since 1971. And with that, please welcome Mr. Joel Kotkin.

Joel Kotkin

He said you can use the silverware, but he didn't say that you can throw it.

So what I am going to probably do today is talk a little bit about something that would be at the real heart of what the Center at UC Riverside is about. And I know what Ali Sahabi and Ed Blakely have

been very concerned with is the future of suburbia, where it's going. Of course, there are a lot of people who would like to have suburbia have no future. I don't think that's going to happen. So what I would like to do is I am going to give you maybe about ten minutes and do about 5,000 years of urban history. The book's outside. You can get the long version.

I will try to give you an idea of how we got to suburbia, because I think it's important to understand why we're there to understand where we want to go.

Now, one of the concepts I always thought was very interesting was Jacques Ellul, a French theologian. He wrote "God's Eden," and he wrote what the purpose of building a city is. Obviously, the first city builder, according to Ellul, was Cain, who killed his brother. It was a good start to urban crime.

But this is really the sense of what are we trying to do in trying to build spaces, so we understand a little bit about how we got there. First of all, cities and any kind of place has to have three things. It has to be sacred, safe, and busy. Early cities had pebbles in the middle, they had walls around them, and they had marketplaces. And fundamentally a successful place has to have all three characteristics.

I think as cities grew -- the very early cities were very small. You could walk across them. You know, really there was no room for homestead in the city of Ur with a population of 10,000. You could walk across. You were still surrounded by nature.

As cities grew, we began to have to start to deal with some of these green issues. Cities that did best were ones that were cosmopolitan, open to entrepreneurs.

And, again, I want to discuss a little bit about how did we get to suburbia. Why do we have suburbia? Why did it start, why does it grow, and why do I think it's going to continue to grow. And when I think about what it is we want suburbia to be and what we want our spaces to be, an Arab historian made this remark about the Delhi at the end of the 16th century called the garden of Eden that is inhabited. And I think that's pretty much what we want to do. We want to create a kind of Eden going back to some point in our built environment. Not that we are going to achieve it, but that is kind of our ideal.

Now, if we go to early cities, what's very interesting, the early cities were pretty much the same all the way up until about 1800. They generally had a town square or some central point. They had a mosque or a temple or a church in the middle. They had government buildings. They had a marketplace, which was basically the exchange on some sort of one-to-one basis between a merchant and his customers.

In ancient Rome, they even had multi-level shopping centers. But nevertheless, cities are remarkably similar until the time about 1750, 1800. Then something happens in Great Britain in particular. They begin the industrial revolution. The industrial revolution changes everything, because whereas the city had always been a place with a center of worship, center of power, center of commerce, it now became the

center of production. And this changed the nature of what a city was there to do. It led to the very, very, very rapid urbanization of Britain in the early part of the 19th century.

One of the things that I have been doing in the book that I really enjoyed was reading accounts all through history of cities. To read accounts of Britain in the early part of the industrial revolution, they would say it was almost miraculous to see the changes that were taking place there first. The bad side was there was terrible pollution. And in a way, we can go to modern China today and see some equivalence of that. Terrible pollution, terrible health hazards. So cities actually became, in that sense, dirtier, less safe.

The death rate in Manchester in the heart of the city was five times the death rate in the suburbs or in the countryside because it was so polluted. And that happened, you know, in part because the conditions were so bad and they became so crowded. And, of course, the countryside didn't have any doctors. Maybe that's why they lived longer. But nevertheless, it was very much a radical change in how cities were built.

So there were several responses. The middle class, at the beginning of suburbia, said, "We are going to go upwind." If you are living in St. Louis, you are going to go up to the bluffs. You are going to go out to the country. And you still have to go into the area near the river, because that's where the business is, but you are going to move out.

The aristocrats, in the case of England, made

up largely of people from the merchant classes who married the daughters of fascist aristocrats, they basically went, clipped their coupons, went down to the countryside and had their own masterpiece theater.

Who got screwed? Well, you can figure out who got screwed. The working class. They had to live in this terrible muck and in these very, very difficult conditions.

One of the things I found that was really interesting to me and was actually something I had never thought of, I always think of the medieval city or the renaissance city as being very crowded, very dense. And that was true, but it was much less dense than the industrial city. The medieval city had about 100 square meters per person. By the time you get into the industrial city of the 19th century, you're talking about 20 meters per person. So the amount of space per person was down substantially. Part of this is the needs of factories. You needed large numbers of people working in one place.

And even in New York City, where you might guess I'm originally from, in New York City, in the turn of the century, most people walked to work. So one of the reasons the Lower East Side had the highest densities in the history of mankind is people actually had to walk to the factories in New York City.

Now, this created a scene something like this. Now, today I'm sure the developers in the room will say, "Yeah, but look at all those wonderful Yuppie condos I could build." And that's true. Much of the nice redevelopment is basically what's left of the powers of the industrial revolution, of course,

but if you go to an account of the time, not so nice. One of my favorite books when I was teaching at the Pepperdine School of Architecture, Downtown L.A., one of my favorite books is "The Position of the Working Class in England" by Frederick Engels. Some of his politics went off a bit, but he was a great reporter and an excellent writer. Much better writer than Marx. And he describes what these places were like. And what's great about Engels is Engels doesn't just sort of rant and rave. He actually goes into the hearings of parliamentary and municipal corporations and reports exactly what they say. So these places weren't all that great.

So the question is, what are we going to do? Now, here was the problem. By 1850, in almost every industrial city in the world, including in the United States, there was a growing proletarian reaction to these conditions. At the same time, the middle class was moving out, the aristocrats in the countryside.

So Napoleon III was sitting in London before he took power and thinking about, "What am I going to do about Paris?" So he's thinking about it and saying, "I am going to change Paris." This is the ultimate new urbanist's dream, because he gets to be dictator. So this is what every architect and planner would love, if they'd admit that that's true.

And he was going to say, "Okay. This is what I'm going to do." So he took Paris and he literally re-did it. And he wiped out whole neighborhoods. And he created this tremendous city. Now, what's interesting about this Paris -- and I have a little bit of experience since my mother-in-law is from there -- I think it's really one of the great cities

of the world, but actually if you go to these apartments it's really not that nice to live there, but it's great to be a tourist.

But you have these very wide boulevards. One of the reasons that they designed the wide boulevards -- and Hausman writes about this -- is because every few years the French proletariat would get upset and they'd have a rebellion and they'd put barricades and they'd throw stuff from the windows, but he said, "We have these wide boulevards so we can put cannons and prevent something nasty from happening or make something nasty happen." In the Paris commune, that's exactly what happened. It became very difficult to overthrow the government by force after that. So this is one model, what I would call the French model. Since I live with a French model every day, I know how they think.

Now, there's another model which is more relevant to us, and that is the much more pragmatic Anglo Saxon way of looking at this. Britain, of course, was not a pure democracy, but certainly much more so than France, but what Britain had was this distribution of power and income, and there are so many fighting factions, so they figured out that they couldn't clean up London, that there was nothing they could do about it. They said, "Well, if we want to deal with the problems of the working class and the middle class and we want to improve the quality of life, maybe we ought to create a new city on the outskirts of the current city."

And this is where we get the notion of the garden city. Now I am going to get back to this at the end because Ebenezer Howard and H.D. Wells and

Thomas Carlisle and Frederick Engels all were sensitive about what to do about this, is you would create not a bedroom community like we did so much in the United States in parts of Canada and Australia, and even in parts of Europe, but we were going to create a whole community where people worked, where they worshipped, where they shopped. And that was really the great ideal. By the way, that's one of my favorite cities. It's Perth, Australia, which is a spectacularly nice place.

So what we began to see around 1900 is in most countries the beginning of starting to clean up the cities, because the pressures of not doing it were too great. It's interesting. The one city where the worst conditions for working class people existed in 1900 was St. Petersburg. And we know what happened there.

So basically that's the beginning of reform. And they begin to think of the suburbs not as an escape or a renunciation of the city, but as a new and better way of life. And it was very much considered to be a kind of progressive idea.

And the penultimate example of that is here in Southern California. Southern California is very different than almost any other region in the country in that very early on Southern California's planners and business leadership and many of the people who came here said, "We don't want to be the next New York. We don't want to look like New York. We don't want to smell like New York. We don't want to have that kind of density. We are going to create a bunch of villas. We are going to connect them with a light rail system, a trolley system, and we are going to

create a different kind of environment."

And if you read the accounts of early Southern California, they really had a great idea. And still in pieces, in parts, we still have that wonderful way of life. We live in a great metropolitan area, and many of us have backyards. We do hear the birds singing in the morning, and we do have roses, and we get to enjoy this fantastic climate we have. So there was this vision of something different. And Southern California was the center.

Now, as that grew, it began to become clear that if we kept replicating this vision over and over again without any sense of planning, it was going to be a little bit uncomfortable. And so Olmsted Company came up with this wonderful plan, a regional system of parks. I believe that if Los Angeles and the region adopted the Olmsted plan, this would be the greatest city in the world today. But we didn't. Lots of things happened. History also did some weird things, things tend to happen. One, homeowners associations didn't want to pay it.

You are sitting in Encino circa 1930. There are 200 people in Encino, and your biggest concern is the smell from the chicken ranches. You are not concerned about the loss of countryside.

Business interests. They had other things that they were worried about. And then, of course, there was this little thing called the Depression, so they didn't do it.

Now, what they said was this is going to happen if we didn't adopt some of these notions. And this has been the great crisis of Southern California

really particularly since the Second World War as the region began to grow.

So those are some of the negatives, some of how we got to suburbia, and then what some of the problems were. But despite all that -- and this is where I disagree with many of the ideologues among new urbanists. You know what? It wasn't so bad in that we did create for more people than any period in the history of the world in the United States and in Canada and in Australia a quality of life that was unthinkable anywhere else. You know, people say, "Oh, wasn't it great when we lived in those old Jane Jacobs neighborhoods." I love Jane Jacobs, but she romanticizes these very dense neighborhoods. And my mother was a great expert. She grew up in a place called Brownsville, Brooklyn. Anyone familiar with Brownsville, Brooklyn? That's okay. Brownsville, Brooklyn, as my mother says, was a -- well, I won't use her exact language. It was a crummy neighborhood then, it's a crummy neighborhood now.

This idea of a house or even a townhouse or a flat in the suburbs where there were trees and there was light, this was a great attraction. And so the great miracle of suburbia, which should not be denigrated, is we created something absolutely fantastic on a scale never seen before in this world. So that's the good news.

Now, this appeal has been very strong. As you can see, suburban populations have been growing much more rapidly than the urban population. And the rural population has begun to take off a little bit, but that's a whole 'nother story. But basically suburbia rules. What we know from the demographics is

it rules in almost every group. The only group where you see a lot of movement to central city from suburb is in that 25-to-34 group. Many say, "Well, if we are going to get the 25- to 34-year-olds, yeah, but what happens when they get to be 35? You know, isn't that terrible?" Well, the alternative is worse.

So what happens is -- and the new numbers show the same pattern -- people may move into the city when they're in their twenties and early thirties. They still tend to move out. And as I will talk about later, the empty-nesters. All the new research is showing that the empty-nesters are mostly staying in the suburbs. They may be looking for different kinds of housing in the suburbs, but they are staying in the suburbs close to their jobs and the kids, because, after all, the IRA wasn't as good as you thought and you are not going to retire, and they want to be among their friends, they want to go to their local church or their local club. And also very important is the fact that many people want to be closer to parks, open space, outdoors.

So what we are finding is older people, there's a very small percentage moving in. Every one of them has had a feature story in The New York Times. There's a much larger number actually going from the city into the suburbs as empty-nesters, and then an equally large number from the group going from the city moving out into the countryside. So basically this whole idea, you know, of the Viagra generation saving the cities is a bit overblown.

If we go to 2000, 2005, the transverse practically is the same, if not stronger. Many reasons for that, but this is clearly what's

happening. Again, there is, you know, an urban revival taking place in certain areas, but the action is in suburbia. That's why what UCR is doing is so important, because you are dealing -- you know, people say, "Why do you study suburbia?" I say, "Well, why do people rob banks?" You know, it's where the people are. And from the development point of view, it's where the money is.

Take a look at Southern California for 2000, 2003, again. Most of the growth is in the suburban areas.

Just so you don't feel that we are just a bunch of sloppy Americans, same things are happening in other cities. What's interesting about this is this is happening in places with excellent transit, with very centralized planning in many cases, with \$6-a-gallon gas and, in most cases, not the population pressures that we have in the United States. So what you're seeing is this trend out is continuing to grow over time.

One of the things driving that, particularly here in Southern California, is the movement of the minorities. The idea of the predominantly minority inner city and the predominantly white suburb is ending. The most diverse neighborhoods in America are predominantly in suburbs. Ft. Bend County outside of Houston, San Gabriel Valley, California, parts of Santa Clara County, California. You know, very often if you want to find a good Indian restaurant, a Hindu temple, you are not going to find it in the middle of the city. You are going to find it in the suburbs. And that trend is going to continue, because -- why? -- because immigrants are more likely to have kids,

and they value that home. Those of us who grew up in the suburbs sort of sneer at the suburbs. People who grew up in Mexico City see a little more value to them.

What we do see -- this is one of the more interesting things that will change the shape of suburbia -- is that more and more suburbia is also not about Ozzie and Harriet. It's more and more people without children, both empty-nesters and people who never got married, and singles. One of the big growth markets in suburbia is going to be serving those populations, what I like to call the swinging suburbs.

Now, one last thing which I think is really interesting -- and I have audio coming out of this very soon -- is we are trying to figure out where are the educated? Because people are saying people with college educations are all moving to the cities and only the dummies are in the suburbs. Well, what we are finding here is, if you take a look at the numbers, is the red -- this is all new stuff -- the red is the 2000-2005. Now, the data is much better from 2000, so, you know, there can't be 100 percent sure, but what we can extrapolate is a movement away from expensive areas and more core city and more movement into the suburbs.

If you take a look at the tremendous growth of migration of educated into Phoenix, for instance, and, of course, Washington, D.C., is mostly -- I think Riverside should be -- yes, you can see Riverside is a dramatic change in who's moving to Riverside. Riverside isn't the sort of Archie Bunker place of California that it was 20 years ago. And what you're seeing is as middle income, college-educated people

who are in Southern California begin to look at their futures, and they want to own a home, they are more likely to do it here. And that's a big -- you see a tremendous change from the rather small percentage of annual growth to fairly strong.

Just to get a little bit of perspective on things, that everyone is moving back downtown, I put together all the projected increases for downtowns. And of all those cities by the Brookings Institution, there's 144,000 people. And San Bernardino/Riverside's growth in one year was 137,000. So the numbers are pretty strong.

What we're seeing in cities is cities are becoming increasingly the places where people without children are. It's just the reality. So we can see what's happening. The population surge driven increasingly by minorities and by people who are not your Ozzie and Harriet types, although they are obviously still there, that's driving things to the suburbs.

Now, parallel to that is what's happening in terms of economics. The economics are moving in the same direction.

If you take a look at where the job growth has been strongest, you can again see job growth being very strong in less dense suburbanized areas, Phoenix, Boise. Again, you see San Bernardino, Riverside compared to L.A. and Orange. L.A.-Orange is growing in long jumps.

In most of Southern California, there's not much of a big factor in downtown, as you can see. I

mean, one of the reasons why some of the ideas of transit that are ballyhooed about built around downtown L.A. works in New York when 50 percent of the work force works downtown. Seven percent of the work force works in Downtown Los Angeles. It's a very different environment.

Now, one of the things that we are finding that's very interesting parallels those educated migration numbers is this shift of the higher wage jobs to Riverside and Orange County and Sacramento, all low-cost areas, and then moving away from San Francisco, and fairly bulimic in L.A. And this parallels with the growth in professional business services. And, again, we have the same pattern that we saw earlier. Again, with Riverside having very dramatic growth. Starting from a very small base, but it's now becoming pretty significant. And that growth will continue over time.

Now, one of the big things that's driving all this is affordability, housing costs. Absolutely, I think the biggest thing that has changed since 2000. Because of the amount of money that is in the capital of all these very low interest rates, there's been enormous amounts of speculation, and this has driven up the price of real estate beyond any kind of reason. Interestingly enough, in places that are not gaining population or jobs, we are still seeing this. This has obviously reduced the percentage of people who can buy a home in a place like California.

You see the tremendous comparisons from one region to another. Then you can see how like Orange County and L.A. compare to the U.S. median price. Very difficult, if you talk to executives, to recruit

somebody from Illinois to come live and work in L.A. They might love the climate and the topography, but they can't afford to buy a house. The older they are, the harder it is to buy a house. And a very high perception of people -- perception of housing is a major problem. Again, O.C. and San Diego being about 63 percent. Most people who live in these areas do not believe their kids will be able to afford to live there.

So what do people want? What are they telling us? Well, about 83 percent of people want a single-family home. That's from the National Association of Home Builders. Almost every other survey will show you that. That's 86 percent in California, according to PPIC. There is a great opportunity for suburban development. I don't think they're ready to move downtown. The Latino population, which is the driving force of many states, Texas, California, Arizona, New Mexico, Colorado, have the highest percentage of people choosing a single-family home. So the driving force is very much there.

This is something that always brings groans to audiences. About 40 percent of empty-nesters expect that their kids are going to move back with them at some point. That may be one of the reasons why, when people, even when they down-size, still want a certain number of rooms. One, because they may own a home or they have a home office, or maybe two home offices, but also the kids are going to show up, or they are afraid they are going to show up.

Another survey showed where people want to go. You do have about a -- the survey's different --

10, 15 percent want to live urban. Now, that's going to be a big market, about 15,000,000 new urbanites by 2050, but the action is going to be heavily suburban. Again, what people want, according to the PPIC study.

The big crisis we are going to have, big unmet demand, particularly here in California, Latino homeowners. There's a huge pent-up demand for single-family homes. Can we create single-family homes that are affordable for people? Now, I think Lewis Homes and others have been looking at some possible ways of putting more single-family homes on smaller lots. People talk about manufactured housing. There's a bunch of things that we could look at that deal with this, but there is this enormous pent-up demand. People say, "Well, they will just have to go to apartments." And I think what you end up doing is seeing the most upwardly mobile, ambitious people moving to Arizona, because they are not going to give up that single-family home so they can live in an apartment, you know. They will eventually go to Arizona, Nevada, wherever they can get that opportunity.

So let's look ahead. Growth of population will put more pressure on demand. I think price pressure will be reduced for a while. I think it will come back, and I'll show you why. And the question is how do we reconcile the desire for a low-moderate affordability environment in five minutes or less?

The driving force of everything in the United States in the next 20, 30 years is the fact that we are going to have 100,000,000 more people. And you know what? If Tom Encredo became President of the United States tomorrow, we'd have 100,000,000 more

people. And the babies are there and even some of us old people -- not me, but some of us old people -- might still be there. Big population gain. United States is the only advanced country with strong population growth. This is going to drive absolutely everything.

We are going to have a huge demand for built space. By 2030, half the buildings that will be built will have been built after 2000. We have the oldest built environment in the history of the United States right now. You know, I think in the next 10 to 20 years it's going to be doubled. "My son, the doctor," it's going to be, "My son, the plumber," because all those skills are going to be in fantastic demand. They are still not going to pay the architects, but the guys that drive nails -- anyway, so you are going to see this tremendous growth.

So where do we go? And I am going to try to end up back where Ebenezer Howard started. And what I look at coming is what I call the archipelago of villages. How do we live with sprawl? And I think the key thing is housing near jobs, emphasis on families, strong role for village shopping streets, provision of open space around the village core, essentially solving the problem of sprawl within the sprawl. You are not going to stop it. What you are going to do is you can make it so it works better. And you have to understand that we are going to end up being a country with lots -- in a funny way, going back to the free industrial period, where there were lots of small towns and villages that were essentially self-sufficient. I think we are headed in that direction.

Now, there are different visions of where suburbia is. Not everyone agrees. Some people think it's the brain-dead land of desperate housewives. They're my neighbors. I mean, there is amazing literature that's incredibly hostile. Andrew Sabati wrote about Phoenix. It's a place where civic life ceases to exist.

Well, where's your footnote? Well, just because you don't see it doesn't mean it's not there.

And I love the Australians. They have a good point. "Plenty of dreary lives are lived in the suburbs, but most of them might be worse in other surroundings." It's not like we always look at the ideal.

What's going to drive the change? Obviously, traffic. You know, I have somebody who wants to see me out here, better be between 10:00 and 2:00. I've got to get back to the San Fernando Valley. You know, it's death driving the other way. A long time. You know, as a friend of mine who was in the secession booth in San Fernando Valley said, "We might have lost the election but we have secession. It's called traffic." People live and work in the same areas. What we find is that the commutes are particularly bad. Interesting enough, New York, which has the bulk of the commuters have the longest commutes, but L.A. and San Bernardino/Riverside rank pretty low compared to a lot of other places.

Transit. You know, I am not against transit. I think we should focus transit on the people who actually use it, which are predominantly poor people. I think BRTs are a great idea for getting people

around, but there is so much evidence and so much research now that in most of our cities we are too sprawled out, there are too many job centers, there aren't enough places where people are going, everyone is going to Point X to make this happen, unless we bring back Napoleon III and we have a dictatorship of the planners. And fundamentally, I am not against transit. I just think you've got to be realistic that it's only going to have a marginal effect.

Where do I think the action is going to be?
I think it's going to be the change of people working at home. If you take New York out of the equation, there are now more telecommuters than there are people taking public transit. This is going to be the revolutionary step of the next 20, 30 years. If you think about the new generation that's, you know, got the cell phones and the IPODs and are used to computers, I mean, you know, we are like Neanderthals, my generation is, relative to them. Their whole idea of how to interact, how to do business. How many of my students actually go to the library and how many of them do everything on the Internet? There's going to be a complete different consciousness. I think we are going to see more and more people say, "Wait a minute. Why do I spend an hour commuting from one computer screen to another?" It makes absolutely no sense. And, you know, higher oil prices will help us see the light there.

It's not just an energy or an environment issue. It's also a measure of how people want to live. Valencia, which is one of the better of the new communities, they asked about 50 percent of the people living there if they would take a 20 percent pay cut if they could live and work in the same area. The

change in how people live is going to be the driver of the new communities in suburbia in the next 20 or 30 years. That, plus the green element, the environmental element, I think will be dominant.

I think we are on the verge of something absolutely interesting. When I studied the history of the family, it was interesting to note the idea of commuting did not exist until the 19th century on a large scale. People didn't commute. They worked at home, they walked to work. That was it. The industrial revolution broke that, and in the process almost broke the family. Now, I think more important than anything, you know, speaking as a father, family is the most important thing there is, period, end of story. We really made a terrible turn. It was an inevitable turn for lots of reasons. Now we have a chance over the next 20, 30 years -- so I am talking not about tomorrow. I am talking about 20, 30 years -- but the numbers that are telecommuting are pretty spectacular. The amount of dispersed work, people who work at home one day, two days a week, it's pretty interesting.

So what we have is my friend, he was talking about something that had something -- it was art for the environmentalist, for the technologist, for the entrepreneur, a whole new way of life. Now, that's not saying everyone is going to telecommute, but people will telecommute part of the day, they will telecommute full-time. Maybe one person in the household will work at home. I know I run projects around the world, and most of the people I'm working with are working at home most of the time, if not all the time, all over the world. This is going to be a new era, and we need to plan for that new era.

In doing that, for developers, I think Robert Simon, who is the guy who was the founder of Restin, made this comment. He said, "You can't just start with housing. Our big problem in suburbia was we had a huge demand. We built lots of tract homes. We didn't build anything else. We didn't build a community. We didn't build business. We didn't build anything. Stuff came later." His idea was to try to build it at the same time. And that's beginning to happen. And what we're seeing now is what might be called new suburbanism.

There's great case studies. Take Naperville and Fullerton. These are communities where they took an old neglected downtown of an old world town, restored it, and created a center for their community. The Woodlands, probably the most extensive and interesting of all the developments. Basically, using natural drainage. It is a tremendous accomplishment in how you build a community. And now it's very high percentages of people who work nearby. In some of these communities, you have got 20, 25 percent of people working in the same area that they live compared to 5 percent in the suburbs.

And Dos Lagos will be the same idea. And I have talked to Ali about this when there was just a bunch of gravel out there. I think we are headed in this direction.

Again, this notion of the garden city -- now, that doesn't mean that downtown Los Angeles won't exist or that downtown Pasadena won't exist or San Francisco won't exist, but they will exist in a different way. You will go there for specific kinds

of things you can't get anywhere else, but the necessity of going downtown will change.

It's just like -- to take a good example -- a Chinese restaurant. When I first came to Southern California, pretty much you would go to Chinese restaurants in Chinatown. Today if you are in the San Gabriel Valley, you are into Chinese food heaven. You will see all sorts of amenities, clubs, restaurants, and, of course, other facilities moving out.

You have the tremendous growth of culture in the suburbs. But the biggest new set of programs are not in cities. They are spread out in the suburbs. Of course, the Orange County Performing Arts Center being a pretty good example of that.

And then something I think is very important, very unfashionable among urbanists -- it's amazing people write thousands of pages about cities and the word "Christianity" appears once. I thought that was sort of bizarre. It seems to me that religious institutions are part of mixed places together.

Now, if you look at all these, these are all in the suburbs. My favorite one, not necessarily for religious reasons, but the one in the corner is the Thai temple. It's about ten minutes from my house, in North Hollywood, California, and it's the biggest Thai temple in the United States and it's got all sorts of amazing -- Saturday and Sunday, they have these open markets, sort of like being in Bangkok.

But what's happening is if you want to see where our families are moving, where our community is moving, much of that is in the suburbs. Movement of

religious institutions from the center's core into the suburbs is probably as strong a sign as any that there is something happening in suburbia, that suburbia is beginning to evolve and move towards the kind of, if you will, more holistic community.

And that's basically the commission. The commission is going to be how do you create a suburb that's not just a place where people sleep. It's a new kind of city.

Thank you.

(Applause.)

MR. NORBECK: We have time for questions.

MS. BILLINGTON: What I wanted to ask is where in the suburbs are you showing arts and culture? I know the performing arts center is one thing. And I would like to know amongst all of the speakers today, and that will continue through the rest of the day, but please address it and give specific examples. Thank you.

MR. KOTKIN: If you go to my Website, www.joelkotkin.com, I did a piece for The Wall Street Journal where I actually tracked this. There was a very good study by the McKnight Foundation, which is out of Minneapolis, which talked about the growth of cultural institutions in the suburbs, largely of Minneapolis. There are several. Naperville has some. Well, here in Southern California, Cerritos, La Mirada. Now Anaheim is thinking of it. I know that there's a very serious move in Riverside –

MR. NORBECK: Palm Desert.

MR. KOTKIN: Yes. The growth of

particularly libraries, performing arts centers. The Baltimore Symphony now puts plays half its days in Bethesda, Maryland. The Atlanta Opera is in the Galleria.

So these things are happening all over the country. Some of them are small scale.

The one that actually got me started on that topic was my daughter dances ballet. And she was giving a performance at the Thousand Oaks Performing Arts Center. And, boy, I'll tell you, they pack them in there. And, you know, as places like that begin to develop their own cultural products, people say, "Well, am I going to drive two hours to downtown L.A. to go to a performance? Or maybe I'll wait for those three, four days when that same product is being offered closer to home." And so I think it's a very exciting thing.

The other thing about it is many of the suburbs can, I think, do more. They have better credit ratings than most of the cities, which helps them in that area. And when I talk to the city people -- because, obviously, I am an urban person, I live in L.A. -- I think cities think that arts and culture are going to save their buns. But the cities who feel that arts and culture will save them, that that alone is going to be their salvation, are way off.

The suburbs are beginning to develop this. Also, think about it this way. You love the arts. You live in New York City. You move to Upper Westchester County, New York. You know what? Your taste buds didn't get shot off. You didn't go deaf. You still like Mozart and you still like a nice jazz

club. You know what? Go to Upper Westchester County. You can find all of that stuff now. And that will continue as we get this next 100,000,000 people. We are going to see more and more vitality. It's not the end of urbanism. It's the triumph of urbanism on a scale that we never saw before, but it's not going to be the dense, packed urbanism that some people want to see, because I don't think that that's what people want.

MR. NORBECK: Yes? Next.

MR. PONTIUS: Pontius. Patrick Pontius. USC, master's student. We have a big group here today.

I have a question regarding the trend you said over the next 20 or 30 years regarding telecommuting. I do see that happening. In fact, I worked the last four years at home quite a bit. But there was an article in The Washington Post and The L.A. Times this past week regarding promotions. And it's still -- the result basically was that face time in the office is still the number one determinant in job promotion. And it actually talked about how this telecommuting trend really won't pull out significant numbers for significant durations of time.

So I am wondering how you might see that play out.

MR. KOTKIN: The first thing, I just looked at the numbers. The number of people telecommuting are growing faster than any form of commuting. I think basically it's because the corporations are behind the curve. I think they still want to look

over you and have you schmooze them and God knows what else to get a promotion. I think as work disperses, where companies do more and more of their work, sending it out, I think you are going to see more telecommuting.

The other thing is this: Telecommuting works best for people who have already been in the marketplace. In other words, if people already know who you are, it's probably much easier. Like, most of the people I work with who are really successful work at home because they can. I can work at home. I don't have to be out there in front of people all the time.

I do think progressive companies, intelligent companies, are beginning to notice that they are limiting the number of employees they can get. Let's say I am located in West L.A. and I insist you come to work every day. Well, unless, you know, you robbed a bank or have wealthy parents and you want to own a home, you are commuting 45 minutes to an hour every day. The person will go somewhere else.

So I think we need to have new ways of managing companies. Newspaper reporters who are stuck at an office in an antiquated and dying industry, which I spent a large part of my life in, you know, of course they are going to believe that. And I'll tell you what. Big scam office developers will sell you that one too. But you can take a look at how much new office space has been built in downtowns in America, and there's only one in that entire lot, and that's Charlotte, North Carolina, and that's because their traffic hasn't gotten too bad.

So, I mean, long-term, I don't think there's

any changes, and I also believe that your generation will change this because you have grown up with the technology and you understand it better and you don't have to watch over people. I think that we will see a change.

Now, how do companies manage? Personally, when they ask me, I say, "Look, let people work at home, let them be productive, and then if you are going to have a company meeting or a discussion, do it over lunch when it's easy to get in and out, and do it in a way that's" -- you know, the water cooler stuff -- you know, it's like that TV show "The Office." I don't know how productive that is.

MR. NORBECK: Okay. Anybody?

MS. PEPPER: My name is Leticia Pepper. I am with the Riverside University Neighborhood Association.

First, I would like to say I think you are probably the best luncheon speaker I have ever heard. And it's not like I haven't heard a few.

(Applause.)

And now having made that lead-in, I would like to ask you for some free advice for the City of Riverside. And I am reminded of it because in your presentation you mentioned that the parks and the Olmsted -- and if only we had done that, well, the city of Riverside has an Olmsted park. It's Fairmont Park. And the city council just voted to turn over the whole frontage of that park that you can see as you come into the city to be developed in some

unspecified way, but I am afraid it is going to block the vista of the park from the people who come into the city.

What would be your advice in terms of the best use of parkland in a city of this size?

MR. KOTKIN: That's a great question. First of all, I think park land is -- one of the reasons for the archipelago concept is to preserve park land. You know, people say, "Well, you know, we are losing our open space." Actually, we have more open space now, public open space, than we have ever had in our history and there's more coming on-line all the time.

I think you've got to look at a park as both a social and an economic asset. Did you ever check what the prices are of housing near Central Park? You know, it's a lot more. I am not necessarily sure that you wouldn't want to -- depending on what you -- I know -- I am not going to comment on a park that I have driven by and I don't have expertise on. I mean, you know, even if you said I was a good luncheon speaker, you didn't pay me enough for that.

But I think here's what I would say. I would say that you look at your park as a great asset. Now, if you want to revitalize a part of your town, selling land adjacent to or across might make sense. And perhaps one idea that I -- a friend of mine in L.A., a former member of the Planning Commission, and I had the idea once of selling the air rights around the L.A. River to pay for the restoration of the L.A. River and creating a greenbelt through L.A. You know, just too good of an idea to ever get through L.A., but -- you know, Kahn is not there anymore. It's not

going to happen.

But I think that you can think about that as an asset. For instance, if you want to expand the park or increase the park or pay for the maintenance of the park, think of that as kind of -- after all, if a developer is going to make money or the homeowner is going to make money through the asset, then they should pay for the maintenance of the asset. So that would just be one alternative.

(Applause.)