# ECONOMIC HISTORY Rooftops and Retail

BY CHARLES GERENA

As the population has decentralized, retail development has moved out of cities into the suburbs

ne can imagine how the first residents of Roland Park felt when they moved to this former suburb of Baltimore in the late 1800s. The community has since been incorporated into the city, but it retains the atmosphere of an urban refuge. Its winding streets and rolling hills defy the grid patterns that characterize the city's downtown.

Different, too, is the neighborhood's commercial development. Built in the late 1890s, the local shopping center is a two-story building with a steep gabled roof, narrow leaded-glass windows, and ornamental half-timbers, which blends in with the surrounding Tudor-style architecture. Storefronts that at various times housed a drugstore and a tea room are now occupied by two bank branches, a delicatessen, a French bistro, an antique shop, and professional offices.

"This was a new thing" for suburban residents. "They didn't have to go downtown for every single item," says Robert Hearn, a 17-year resident of Roland Park and a former professor at the Johns Hopkins Institute for Policy Studies. Hearn researched the community's history for the Roland Park Civic League.

Throughout the history of retailing, new formats have emerged to reflect changes in societal preferences, from the arcades in European cities to



the regional malls that dominate America's suburbs. Roland Park's shopping center illustrates how retail development has mirrored the decentralization of cities that started in the Northeast and Midwest and spread throughout the United States.

"Some would argue that ... it is part of the American psyche to be against cities because that is where evil lives and graft and corruption. It is the rural ideal," notes Michael Beyard, an urban planner and economist at the Urban Land Institute. Beyard contends that government subsidies helped support decentralization and suburbanization, although these trends had already been occurring as a result of rising incomes and other factors.

# **Mean Streets**

When most people think about suburbanization, they tend to picture the spic-and-span, cookie-cutter homes that began transforming America's landscape in the 1950s. In fact, the impetus to leave cities and settle the outlying countryside existed long before the days of Ozzie and Harriet.

"Suburbanization has been occurring for as long as we have had cities," notes Brian Berry, a geographer at the University of Texas at Dallas. He has studied urban development for more than 40 years.

Even though American cities were newer and generally smaller than their European counterparts during the 19th century, they became more densely developed as industry took root and European immigrants settled them. Streets were narrow, lot sizes were small, and houses were close to the curb. This pattern of development occurred as much out of necessity as to reap the advantages of economies of scale and agglomeration.

Cities formed near sources of raw materials or around hubs for long-

Roland Park's developers built this shopping center in the 1890s as a convenient place for Baltimore's early suburbanites to shop.

distance transportation, such as a railroad station or a port along a major waterway. But local travel was typically limited to as far as a horse or one's own two feet could carry a person. "As cities grew, more and more people had to crowd into that limited radius," Berry says. "Competition for land increased and land prices went up," forcing urban development to occur vertically, not horizontally.

Crowding led to public health and safety issues in cities. Diseases like cholera and typhoid fever spread easily, water and sewer systems proved inadequate, and fires occasionally engulfed entire blocks. In the eyes of many, the desire to have more elbow room and better living conditions began to outweigh the benefits of city living.

The same economic and social forces that have shaped people's preferences for housing have also led to changes in retailing. "Merchandising outside city walls began in the Middle Ages, when traders often established markets ... beyond the gates to avoid the taxes and congestion of the urban core," wrote Columbia University historian Kenneth Jackson in a 1996 journal article. Later, enclosed shopping spaces were created to provide a cleaner environment sheltered from the elements, from London's Burlington Arcade (completed in 1819) to Milan's Galleria (built in 1867).

## **First Wave**

The upper middle class and the wealthy led the initial decentralization and suburbanization of the United States during the 19th century. "Social change usually begins at the top of society," noted Jackson in his 1985 book, *Crabgrass Frontier: The Suburbanization of the United States.* "In the United States, affluent families had the flexibility and the financial resources to move to the urban edges first."

This trend runs counter to what the rest of the world has experienced. In France and other European countries, the wealthy concentrated in cities. The suburbs were regarded as undesirable because they housed the urban outcasts who couldn't afford to live in the city.

"In many cases ... the density created

so much competition in the housing market that it was very expensive to live there," notes Samuel Staley, director of urban and land use policy at the Reason Foundation. So, shanty towns emerged as an affordable alternative for the poor and working class, built on the outskirts of the city where land was cheaper but close to where the jobs were.

Prosperous Americans often maintained urban residences but they regularly spent their weekends outside the city and summered there to escape the sweltering heat. The task for developers was to make the suburbs attractive for year-round living.

In order for residents to easily return to the city, railroad suburbs were located near a train station. Later, developers built homes at the end of horse-drawn and electric-powered trolleys, earning their communities the nickname of streetcar suburbs.

Along the East Coast, suburbanization started north and west of cities, according to ULI's Michael Beyard. Since they were often located on the fall line, this quadrant was typically at

# **Raleigh's First Shopping Center**

Opening in 1949, the regional shopping center at Cameron Village was, by some accounts, the first large-scale retail facility of its kind built in the Southeast. It was one of the components of a 158-acre planned community built two miles northwest of downtown Raleigh.

At the time, many planned suburban developments had only small neighborhood shopping centers, says Richard Longstreth, an architectural historian at George Washington University. Levittown, Pa., and Lakewood, Calif., were two notable exceptions. "They had the scale to warrant a regional shopping center," Longstreth says. In contrast, the Southeast didn't have the density and growth in population that the Northeast, Midwest, and the West Coast had, so there wasn't need for large-scale development.

Cameron Village was developed on rural land, but within the city limits of Raleigh. Also, the city had been rapidly growing since the early 1900s and drew shoppers from throughout eastern North Carolina.

Developer J.W. "Willie" York modeled Cameron Village's shopping center after Kansas City's Country Club Plaza, notable for its large-scale, tightly managed development, and distinctive, automobile-oriented design. York met the plaza's creator, J.C. Nichols, at the annual meeting of the Home Builders Association in 1946.

York's center opened with three stores and one restaurant. Within eight years, it expanded to 55 stores, attracting Sears and a number of downtown retailers. (The center now boasts more than 90 storefronts.) Eventually, the shoppers who had traveled to Fayetteville Street, Raleigh's downtown shopping district, chose Cameron Village for its variety of retail offerings and parking for 2,000 cars.

They were also attracted to Cameron Village's upscale atmosphere. Store signs were white metal, mounted to the building and backlit, not neon or hanging from hooks. Large canopies protected people from bad weather.

G. Smedes York, Willie's son and chairman of the family business that still manages Cameron Village, says the shopping center was built to be convenient for people living in Raleigh's suburbs. It was oriented to fashion consumers and other specialty segments.

Today, Cameron Village has reinvented itself as a lifestyle center. Its former owner, Atlanta-based Branch Properties, invested \$16 million to remove the canopies, build a town square, and give each storefront a distinctive facade to resemble an urban streetscape. — CHARLES GERENA

a higher elevation, making it less prone to flooding. Also, the prevailing winds came from the northwest, blowing pollution from urban factories toward the ocean and away from residents.

Roland Park, one of the earliest suburban developments, fits this description. Built on a series of ridges overlooking Baltimore, the community was marketed to the upper class and upper middle class who lived in toney neighborhoods like Mount Vernon.

"There was the worry of disease and pestilence in the city," describes local historian Robert Hearn. "And, it was cooler out here. ... There wasn't airconditioning" in residences. Finally, people wanted something different. "If you had big trees and lived up on a hill, that was better than living downtown where everything was brick and stone."

The community's landscape, part of which was laid out by the firm of Central Park designer Frederick Law Olmsted, appealed to potential suburbanites. They also were attracted to its clean water supply, drawn from artesian wells, and its sewer system, built underground versus the open system used in Baltimore.

The first planned developments outside of cities had to provide some of the amenities that urban dwellers were accustomed to. The one thing they didn't re-create was a business district. Stores and factories were next to houses out of necessity in the city, and that was something suburban residents didn't want to deal with again. "At the time, commerce was considered something that detracted from land values," says Richard Longstreth, an architectural historian at George Washington University who has researched the retail decentralization of metro areas.

That's why commercial activity in Roland Park was confined to a single "business block." It would contain "only those businesses which are necessary for the comfort of our residents," noted Edward Bouton, general manager of the development company, in an 1891 letter to a member of the company's board. Saloons and other businesses were banned. Roland Park's business block is widely referred to as the nation's first shopping center, though some would argue that later developments near Chicago and Kansas City were more representative of the genre. According to Longstreth, the development proved that a collection of retail locations managed by a single owner could add value to a residential suburb. The facility resembled a large country house rather than a commercial building, plus it was set back from the street and had a landscaped front yard.

Not much retail development occurred outside of cities at first. Only a few, small shopping centers like Roland Park's were built through the turn of the 20th century. Aside from the desire to keep commercial activity out of residential areas, suburbs didn't have the customer base to support larger-scale, regionally oriented retail. They weren't densely populated, nor was it easy for people to travel long distances.

Instead, the earliest shopping centers focused on being a convenient source of necessities for the neighborhood's residents, complementing rather than competing with downtown shopping districts. If suburbanites wanted the latest fashions and a broad selection of specialty goods, they made a special trip back to the city to browse its stately department stores and specialty retailers.

Roland Park's developers facilitated such a journey — they built an elevated railway line that could get residents to City Hall in downtown Baltimore in about 30 minutes. In fact, one of the stops on the line was at the shopping center.

Department store operators opened a few suburban locations, but their focus continued to be their flagship stores in downtown shopping districts. Business historian Daniel Raff at the University of Pennsylvania says cities provided the foot traffic needed to create sufficient turnover of their broad inventories.

"The profitability of the company depends on how rapidly the stores sell their inventory and replace it with more merchandise," Raff describes. For a store in the middle of Herald Square in New York, "there is a large enough population of heterogeneous tastes [that] it will be sooner rather than later [when] someone is going to want that special thing."

# For the Masses

As white-collar and working-class Americans became more affluent in the early 20th century, Reason's Sam Staley notes, they, too, started seeking housing alternatives. They gradually moved from the crowded tenements of central cities to less dense townhouses to single-family, detached homes with small lots.

Meanwhile, the challenges of city living multiplied. Progressive Era reforms to eliminate poor living conditions, while providing some benefits to residents, often resulted in higher housing costs. A second wave of European immigration and the "Great Migration" of Southern blacks seeking a better life added to the competition for housing. The introduction of the mass-produced automobile in 1908 led to urban congestion and pollution, as well as provided a means for people to venture farther away from cities.

Suburban retail growth picked up in the 1920s, with the development of more ambitious shopping centers containing 10 or more stores and parking for automobiles. "The accelerated rise of controlled residential development just before and particularly after World War I spawned the creation of [a larger] shopping center," wrote historian Richard Longstreth in a 1997 journal article. "These complexes provided numerous goods and services either not available nearby or scattered in less compelling, unplanned nodes along traffic arteries."

Residential and retail decentralization slowed during the Great Depression and World War II, then the exodus from cities accelerated from a trickle to an outpour. Several factors opened suburbia to the masses in post-war America.

First, the establishment of the interstate highway system during the

late 1950s and 1960s greatly improved travel compared to the patchwork of state and locally funded roads, encouraging people to use their cars more often and travel farther.

Second, advances in construction enabled the mass production of affordable single-family, detached homes to meet the demand for residential development that had built up in previous decades. The first large residential subdivisions were filled with small, similarly designed homes that were criticized for being "little boxes," geographer Brian Berry describes, but they were viewed by many as a better alternative to the cramped, expensive quarters in central cities. The land surrounding cities was a good place to build these subdivisions because it was usually relatively cheap and unencumbered by land-use regulations.

Finally, efforts by the federal government to encourage home construction and ownership helped support the postwar development boom. These included loans backed by the Federal Housing Administration to both developers and prospective home buyers, and federally guaranteed mortgages for veterans provided under the GI Bill.

Once suburbanization kicked into high gear, communities outside of cities became dense enough to support retail development on a larger scale. The increased mobility of suburbanites also enabled retailers to draw from a wider geographic radius.

Initially, department stores and other retailers opened additional branches to serve growing suburban markets, maintaining their presence in downtowns because they thought cities would continue to thrive, according to Longstreth. Instead, cities became less desirable locations for retail development as they lost population.

As populations continued to decentralize, retailers sought to locate near each other to attract a critical mass of customers. Regional shopping centers emerged and enclosed regional malls followed, offering a wider selection of more specialized merchandise in an attractive environment that competed with downtown shopping districts. They also offered something that was hard to find in land-locked cities — a generous supply of parking. By the 1950s, suburban shopping centers reportedly surpassed urban downtowns in total retail sales.

### Back to the Future

Retail development has become closely tied to residential development and the lag between the two has narrowed. Malls need lots of room for large anchor tenants, parking lots for cars, and space for future expansion. So, rather than risk waiting too long for a suburban community to fill in, some retail developers follow the first wave of residential growth to communities where they think more growth will occur in the future.

Today, suburbs have matured into centers of industry and commerce in their own right, extending the boundaries of metropolitan areas far beyond their central cities. They have reinvented the urban aesthetic to reflect today's economic and social realities.

Such changes can be seen in the Baltimore metro region. Roland Park's

shopping center continues to offer convenience, but residents also travel outside of the city limits to satisfy their retail needs. There's Towson Town Center, a super-regional mall with 195 stores just five miles north of Roland Park in Baltimore County. Outlet shoppers have Arundel Mills, only 19 miles to the south.

Suburbs have achieved the economic vitality of cities, Sam Staley notes, but without the skyscrapers. Reflecting this evolutionary step, some suburban retail developers are trying to re-create the feel of a downtown shopping district in the form of lifestyle centers. Rather than provide a climate-controlled shopping oasis separated from the surrounding neighborhood, these centers are open to the elements and offer sit-down restaurants and specialty retailers situated in an attractive streetscape. Two such malls have opened in or near Richmond, Va., in the past few years.

Going forward, retailers will continue to evolve. In some cases, that will mean "power centers" anchored by big-box retailers. In other cases, it will mean infill development and redevelopment in cities that are managing to attract new residents — Canton Crossing, a 65-acre, mixed-use development on Baltimore's waterfront, will include street-level retail and restaurants to serve office workers and condo tenants in the complex.

"Retail development is responding to a complex set of values, needs, and preferences," Staley says. "It is a metaphor for the way our communities are changing. In some ways, it is a leading indicator." **RF** 

#### READINGS

Gillette, Howard Jr. "The Evolution of the Planned Shopping Center in Suburb and City." *Journal of the American Planning Association*, Autumn 1985, vol. 51, no. 4, pp. 449-60.

Jackson, Kenneth T. "All the World's a Mall: Reflections on the Social and Economic Consequences of the American Shopping Center." *American Historical Review*, October 1996, vol. 101, no. 4, pp. 1111-1121.

\_\_. Crabgrass Frontier: The Suburbanization of the United States. New York: Oxford University Press, 1985. Longstreth, Richard. "The Diffusion of the Community Shopping Center Concept During the Interwar Decades." *Journal of the Society of Architectural Historians*, September 1997, vol. 56, no. 3, pp. 268-293.

Waesche, James F. Crowning Gravelly Hill: A History of Roland Park-Guilford-Homeland District. Baltimore: Maclay & Associates, 1987.