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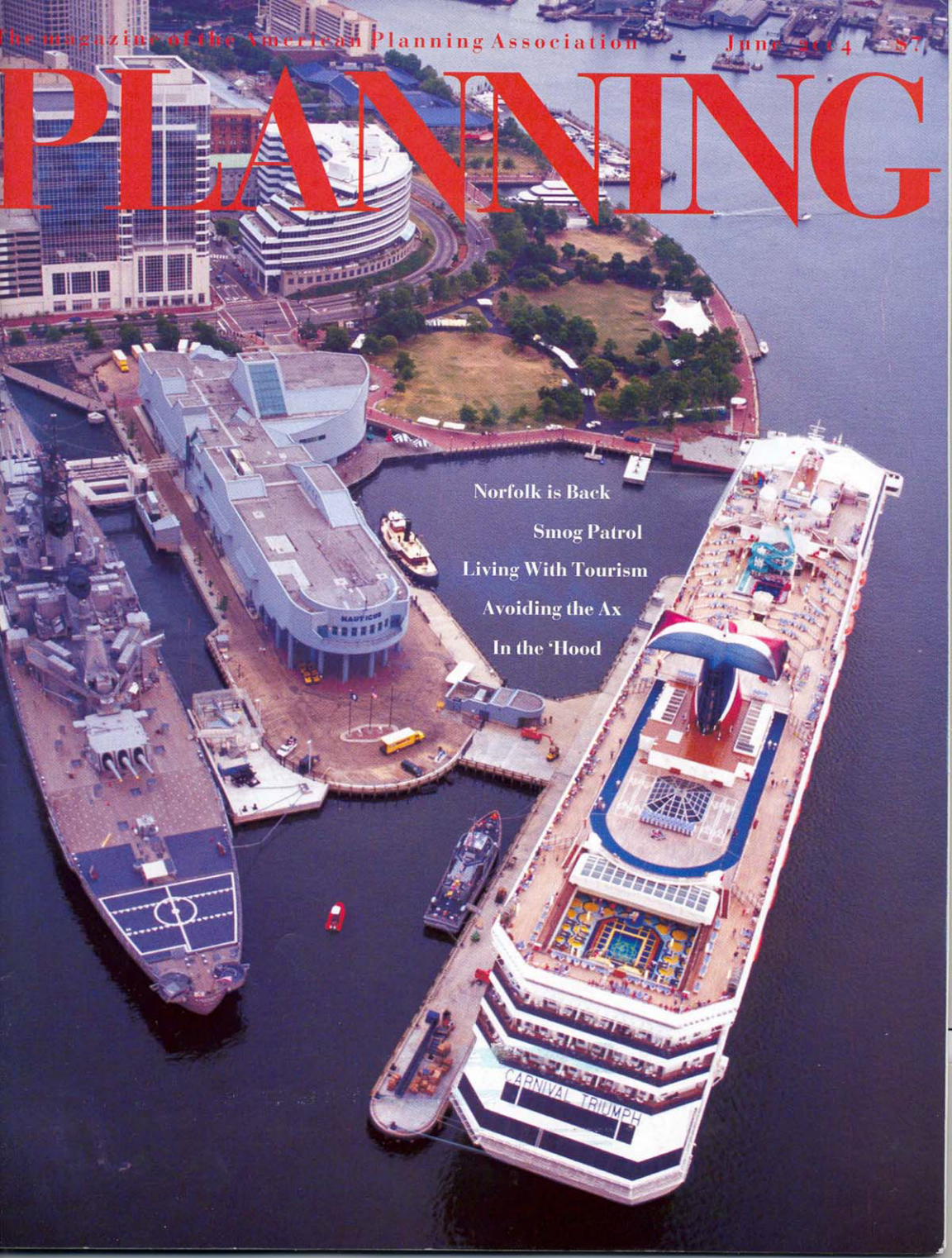


Norfolk is Back

Smog Patrol

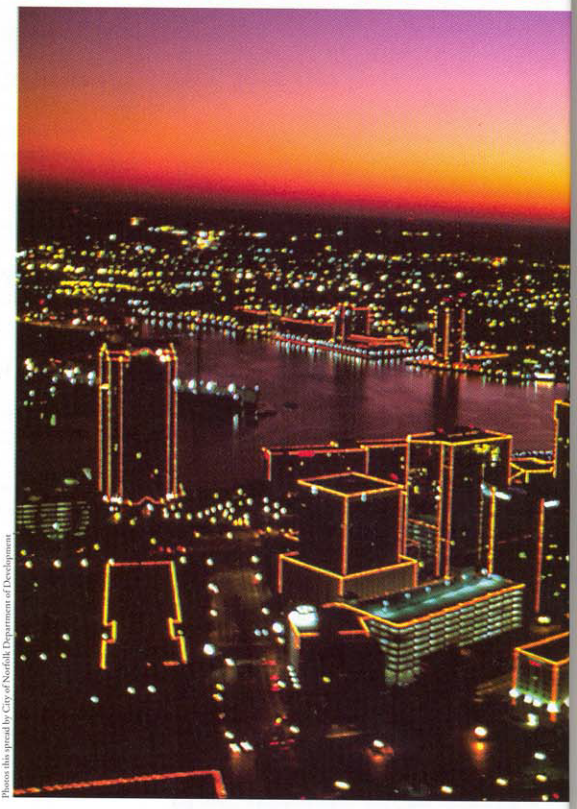
Living With Tourism

Avoiding the Ax

In the 'Hood

Norfolk Takes

Cathy Coleman, the executive director of the Downtown Norfolk Council, remembers looking out her office window onto Granby Mall and seeing a drug deal followed by a prostitute soliciting passersby.



Photos this spread by City of Norfolk Department of Development

GRANBY MALL HAD LITTLE TO OFFER AT THE TIME except a handful of restaurants, a few low-end clothing shops, and a lot of decaying and empty buildings. The downtown waterfront was derelict.

Even five years ago, long after the pedestrian mall had been reopened as a street and the city had invested millions in downtown, "you could shoot a cannon down Granby Street after dark and not hit a car," notes longtime Mayor Paul Fraim.

Today, the main complaint about Granby Street is that you can't find on-street parking at night. The street has once again become the center of a developing theater and restaurant district, filled with people every night of the week.

It's an example of how thoroughly Norfolk, a once decaying Navy town, has transformed itself into the vibrant, cosmopolitan heart of a metropolitan area (pop. 1.7 million) that includes Virginia Beach, Chesapeake, Portsmouth, and Suffolk. And it's made the leap without help from high tech or high growth by emphasizing planning–and by gambling on a huge urban mall to catalyze downtown development.

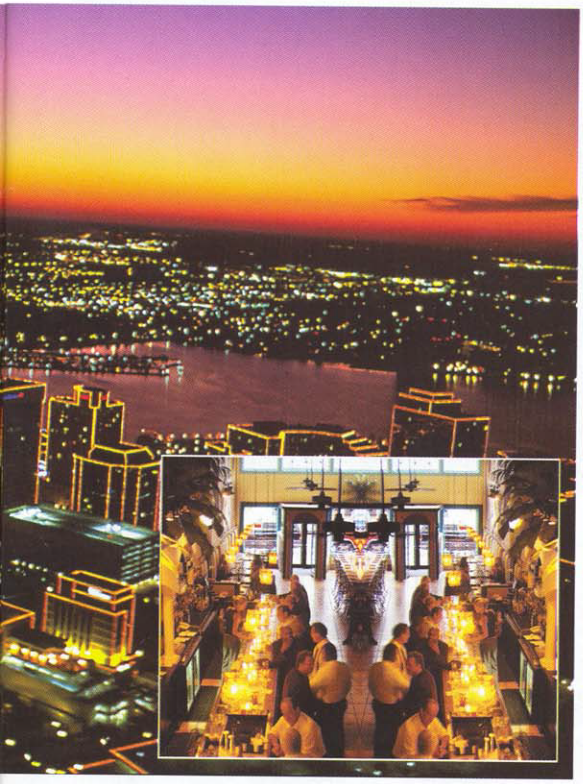
"I think what's unusual about Norfolk is that it's not in an enormous growth area that a place like Denver is, for example," says Ray Gindroz of Pittsburgh's Urban Design Associates, consultants for the city for the past 17 years.

Gindroz has always preached the power of planning to city officials. "Planning," he told them, "is an entrepreneurial act, an optimistic act, saying the future is going to be better than the past. Planning at its best creates what I like

Back its Heart

A success story in an old Navy town.

By Jim Morrison



More people, less fear. Pumped up retail and entertainment spots have helped bring the bustle back to nighttime Norfolk. Inset: the Havana bar and restaurant.

to call economic flypaper. It puts out a vision that attracts investment, that attracts people."

Hemmed in by the water on the east and north and other cities on the west and south, Norfolk had to look within to solve its problems. Beginning in 1980, it created a series of 10-year plans for downtown, tweaking them as needed, but always with the goal of returning the city to prominence as the region's urban core.

The Norfolk model

Blount Hunter, a retail analyst who has worked in several cities, refers to the city's revitalization plan as the Norfolk model. It calls for solidifying office space, using entertainment to remove the fear factor, clustering civic, theater, and museums for a regional draw, growing the restaurant base, and adding housing. "Retail," he says, "was adroitly used as one of the culminating layers of redevelopment rather than the initial element of rebirth."

Throughout, the city has pushed developers to fit into the plan, weighing in unapologetically on everything from major uses to street lighting. Fraim, who has been on the city council for 18 years, including as mayor for the last 10, says: "We have our own vision of what the city should be like. We're not willing to let someone set the city's agenda."

That vision calls for a 24-hour, mixed use downtown. Today, an estimated 3,000 people live downtown, where once there were only a few dozen. Three major condominium and apartment developments and numerous smaller residential projects are in the works. There is a stage company operating in a historic theater, a club with a capacity of 1,500, an 895-seat performing arts center, and more than 60 restaurants. There is a community college campus on Granby Street downtown, filling what once was a department store.

More than one million people annually visit Town Point Park, on the Elizabeth River, for festivals during the warm months. The battleship *Wisconsin*, moored at a downtown pier next to Nauticus, the national maritime museum, attracted 380,000 visitors last year. An adjacent pier expansion, built only two years ago and scheduled to be expanded into a state-of-the-art cruise terminal by 2006, is expected to attract more than 114,000 passengers this year.

And Coleman's Downtown Norfolk Council has more than 300 members, up from 150 when she started. They contribute $1 million annually to a business improvement district that pays for "public safety ambassadors" and "clean team ambassadors" to keep downtown streets appealing.

According to a survey for the downtown council done by Blount Hunter, 71 percent of the metro area's residents visited downtown Norfolk for a non-work related purpose in 2003. The city's overall population, which had been declining, partly due to the planned clearing of housing projects and blighted areas, rose to about 239,000 from 234,000 for the three years ending in 2002, and the crime rate is 40 percent lower than it was 10 years ago.

The Norfolk Redevelopment and Housing Authority once owned about two-thirds of the land downtown. Today, it owns comparatively few prime parcels. The value of taxable downtown properties rose to $592.2 million

last year, up from $339 million in 1997.

A huge upscale urban mall, what Rod Woolard, the city's director of economic development, calls "the mother of all catalysts," sits on a prime parcel of 21 acres at the downtown core. For years, the NRHA kept that land as parking lots, turning aside offers to develop bits and pieces of it until the right suitor came along.

That suitor was Nordstrom's, the upscale department store, which agreed to be an anchor tenant in a $300 million mall developed by Taubman Centers Inc. Called MacArthur Center, after the general who is buried nearby, the mall features 140 shops, plus restaurants and movie theaters. Cash-strapped at the time, the city gambled its mall could succeed when others had failed. It invested $100 million in the venture, including a $32.8 million loan to construct the mall's Nordstrom's store, which opened in March 1999.

Eyes on the prize

Norfolk's story, though, is more than just a tale of having a vision of a mixed-use downtown and a commitment to it. It's about patience. It's about a city paying attention to the details, demanding that developers meet its standards so that each project builds on the next.

It's also about working to change the region's perception of downtown by creating "people generators"–events and attractions to bring them down there again. Finally, it's about having a stable group of leaders–only three mayors and two city managers–over nearly two decades.

"They had a vision," Gindroz says. "It was in soft focus at the beginning. And they were able to adapt to changing times. But the vision was always to restore and enhance Norfolk as the unique center of the region."

Foremost among those leaders was Dr. Mason Andrews, a council member from 1974 to 2000 and mayor from 1992 to 1994, who saw the potential of downtown and the value of long-term planning.

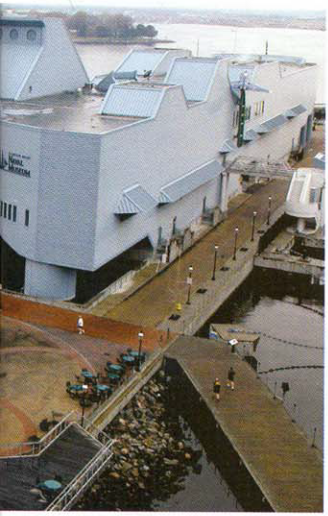
Like many cities, Norfolk had turned its back on the edge of downtown bordering the Elizabeth River. The waterfront was littered with rubble and old warehouses, including some that had been burned out and abandoned. During the 1970s, the city's historically aggressive redevelopment and housing authority had cleared blighted structures and acquired land. The city built new roads, including Waterside Drive, a boulevard entrance to downtown.

All along, the city and the NRHA acted as

Jim Morrison

City of Norfolk Department of Development

Norfolk uses its cachet as a waterfront town to encourage redevelopment. To
The Nauticus maritime museum opened in 1994. Above: A cruise ship



(foreground) with Nauticus and the battleship Wisconsin *behind it.*

developers, often drawing up plans and then building projects in public-private partnerships. In the mid-1970s, the NRHA began Ghent Square, a controversial redevelopment project near downtown that created 460 townhouses facing public squares with alleys in back and schools within walking distance.

The project took 15 years to complete. David Rice, the now-retired executive director, says it happened only because the NRHA acted as developer. No private company, he says, could have afforded to sit on the land that long.

It was typical of the city's desire to develop well-designed communities at its own pace. Joe Barnes, a Norfolk native and architect who worked on Celebration, the Disney new town near Orlando, says he visited Ghent Square while doing research for Celebration. "They were doing new urbanism before there was new urbanism," he notes.

In 1983, private developers completed work on the World Trade Center, a 200,000 square-foot office project. Then the city convinced James Rouse to build a festival marketplace called Waterside across the street on the Elizabeth River. The NRHA lent Rouse's firm $9.8 million in surplus federal funds to help cover Waterside's $13 million construction cost. The city invested another $45.4 million in downtown improvements, partly by creating Town Point Park and a network of parking garages, piers, berths, and promenades.

To change the perception of downtown, the city began marketing its waterfront as an entertainment venue. "The waterfront was our biggest asset, so we said let's get people down there and get things going," Rice recalls.

The visit of a single ship in 1975 turned into Harborfest, a weekend celebration held each June on the riverfront. That success gave birth in 1982 to Festevents, a nonprofit organization that offers 150 days of entertainment a year in Town Point Park. Festevents also marketed downtown as a fun place to visit.

"Festevents and Waterside proved you could get people downtown," says James B. Oliver, Jr., a native who was city manager from 1986 until 1998. "They were strategically important."

The city completed other projects, adding cultural amenities and office buildings during the 1980s, transforming the historic Wells Theater from an X-rated movie house into a playhouse. A former cold storage warehouse on the water was redeveloped into 84 condominiums in 1984. Two more large office towers opened. In 1985, Granby Mall became Granby Street and reopened to traffic, but it still struggled. However, parking garages and office buildings remained the dominant downtown features.

"Downtown was a whole series of small victories," Oliver says. "We just kept plugging away."

"Norfolk is fortunate that its incremental redevelopment steps were largely successful," adds Blount Hunter. "There were no fiascos that drove the elected leaders or the business leaders to take cover."

Through the early 1990s, the city continued to follow its plan, adding the Norfolk Waterside Marriott Hotel and Conference Center across from Waterside, another office tower, and Harbor Park, a minor league baseball stadium overlooking the water. It began to move inside the horseshoe of redevelopment along the Elizabeth River, enticing Tidewater Community College to open a branch campus in two old department stores and a new building on Granby Street, several blocks from the water. More than 2,400 students enrolled the first year, bringing new life to the street.

Fly in the ointment

There were also some missteps. Waterside stopped turning a profit in 1989. In 1993, the city began subsidizing the marketplace, eventually spending $11.6 million to keep it afloat. By 1999, with the MacArthur Center set to open just blocks away, city officials realized they needed to recast Waterside.

The NRHA took over Waterside in 1999 and repositioned it as an entertainment and dining destination, attracting Outback Steakhouse, Hooters, Have A Nice Day Cafe, Bar Norfolk, and Crocodile Rocks Dueling Pianos. Waterside is completely leased, first turning a profit again in 2001.

In 1994, Nauticus, a downtown waterfront maritime museum, opened to a consultant's predictions that it would attract 850,000 visitors a year. Attendance never came near that number. In its second year, the $52 million museum, built with $40 million in city-issued bonds, attracted only 280,000 visitors, forcing the city to chip in a $1 million subsidy. A year later, the city took over the facility from the nonprofit foundation that managed it. In 2000, city officials convinced the Navy to moor the battleship *Wisconsin* at Nauticus, driving attendance up to nearly 400,000 people annually.

Norfolk tends to self-correct, Gindroz says. "That's what's interesting about the city. You don't expect government in any form to be as

Design and Neighborhoods

Norfolk has long focused on its neighborhoods. In the early 1990s, when the city decided to redevelop Diggs Town, a 40-year-old public housing project for 1,200 people, NRHA director David Rice and urban design consultant Ray Gindroz came up with a bold plan for the $17 million redevelopment, abandoning the typical public housing "park" and instead creating a neighborhood with input from residents.

New streets were cut through blocks. Existing residences were given backyards and play areas. Front porches, previously considered frills not permitted under federal funding, were added to increase safety.

"The turnaround of Diggs Town was extremely fast," Gindroz says. "It's become a national model." After HUD Secretary Henry Cisneros visited Diggs Town in the early 1990s, he invited Gindroz to Washington to help rewrite the guidelines for what is now called Hope VI housing.

Norfolk officials tend to push for design consistent with their vision. And they rely on Gindroz so often that developers have turned his name into a verb, saying their projects must "get Gindrozed" before they're approved.

"Norfolk has understood for some time that good design is not simply to make things nice," Gindroz adds. "It is actually a tool for economic growth and development."

The city has five neighborhood plans in the works, says planning director Tim Polk. He says more than 5,000 new housing units will be built in the next few years, continuing the trend of raising the city's population. The city's biggest current redevelopment project is 100-acre East Beach, where it spent $55 million to clear 1,600 buildings along the Chesapeake Bay. Construction on a $300 million neighborhood featuring homes from $200,000 to more than $1 million began this spring.

Part of the vision for East Beach includes pedestrian-friendly streets that required modifying regulations and guidelines, something the city was willing to do. But the city also has kept a close eye on the plans through NRHA and Gindroz.

"Most of the time when they have looked over our shoulder, I'm glad they looked over our shoulder," says Joe Barnes, the architect acting as general manager of the project. "It goes back to the fact that they have a clear vision of what they want to try to achieve rather than just letting things randomly happen."

Barnes says it makes for a stronger project when a city creates the design expectations, rather than trying to alter them through review later. To that end, the city and Urban Design Associates recently published "A Pattern Book for Norfolk Neighborhoods" and opened a Design Center to provide technical assistance on home rehabilitation or remodeling, as well as information on financial and other incentives.

The city's rich architectural heritage is an asset city officials want to nurture and enhance. "We want to be able to set up a Norfolk style," Polk adds.

An Arts and Crafts house captured in "A Pattern Book for Norfolk Neighborhoods," commissioned by the city to help document and preserve the city's architectural styles.

Urban Design Associates

Jim Morrison

The Heritage at Freemason Harbour (above), an $18 million new urbanist infill project.

agile as Norfolk has been in responding to changing conditions."

Agility was needed to push through MacArthur Center. City officials had been pursuing the Seattle-based Nordstrom chain for years. In 1993, Robert Smithwick, then the city's development director, helped woo Nordstrom's into anchoring the city's proposed downtown mall. As it turned out, Nordstrom couldn't resist the city's offer to build the store and then lease it back at $1.25 a square foot (compared with the national average of $3.43) until sales exceeded $40 million annually, when a percentage scale kicks in.

For years, the city had refused to piecemeal develop 17 acres of prime downtown land, letting it lie fallow as parking lots. With the Nordstrom's commitment in hand, city officials soon attracted a developer, later replaced by Taubman Centers, operators of more than two dozen shopping malls.

But the announcement of the deal in 1996 came in the wake of Nauticus failing to live up to expectations. That made the downtown mall a big gamble. The city put up valuable properties, including its main library building, convention center, Scope arena, and Town Point Park as collateral.

A consultant hired by a federation of outlying businesses opposing the project said the region was too geographically fragmented to sustain a downtown mall. "I wouldn't touch it with a 10-foot pole," said Paul G. Vogel, president of Realty Development Research Inc. of Chicago, in a 1996 newspaper article.

Others, including local architects, complained that the mall turned a cold shoulder

MacArthur Center (above right), a big retail mall, has jump started downtown development and turned a profit for the city ever since it opened in 1999. The mall sits on 21 acres of former parking lot land that the local housing authority had resisted selling piecemeal. Nordstrom's is the anchor tenant. Other tenants include 140 smaller shops, plus restaurants and movie theaters.

to the surrounding streets. In Taubman's original design, one end of the mall featured a garage entrance off an expressway, while the other end faced Granby Street with a suburban-style glass facade. The city accepted the garage entrance, but stood firm with Taubman by requiring a more classical, pedestrian-friendly facade on the other side, the mall's "front door."

"It is a remarkable story in the sense that the city had to buy it, had to be a financial partner, but at the same time it had the guts, vision, and perseverance to insist on good design," Oliver says. "We were trying to build a city, not build a shopping center. We asked how does this make a better city?"

Confounding the naysayers

Five years later, everyone has forgotten the arguments over whether the mall connects to the street. A Downtown Norfolk Council study indicated in 2003 that 30 percent of mall visitors ventured outside, up from 17 percent in 2000.

The mall opened in 1999. In its first full year, tax revenue was $6.53 million, nearly $1 million more than the city needed to meet its debt payment. For 2002, the last year for which figures are available, city officials said they turned a $3 million profit on the deal.

Just as important to city officials, the mall helped create a frenzy of development downtown, especially housing development. Shortly after the mall deal was announced, Collins Enterprises, a Stamford, Connecticut, developer with experience in urban infill, committed to building The Heritage at Freemason Harbour, an $18 million new urbanist project with 184 apartments a block from Granby Street and two blocks from MacArthur Center. It was the first of five Collins projects in Norfolk, including an innovative mixed-use development nearby that blends a ground-floor grocery store, a parking garage, and condominiums.

The city's focused master plan and economic analysis of the demand downtown proved persuasive, says Arthur Collins II, a partner in Collins Enterprises. "When a new project comes into this town, Ray Gindroz is reviewing every one of them to make sure they're consistent with that 2010 master plan." Collins adds. "That just doesn't happen elsewhere."

Spinoffs

Norfolk, which never stopped funding projects in neighborhoods, tripled the budget for neighborhood revitalization in four years from $4.5 million to $14.4 million. The city has run a surplus the last three years.

"The downtown is throwing off millions more in cash than it is absorbing and that's helping to pay for the school system, public safety, and a whole range of neighborhood services," says Mayor Fraim.

Now the city is building connections between downtown and nearby neighborhoods by developing more residential units. It is encouraging mixed-use development of the near-downtown neighborhoods. And it has added a citywide tax abatement program for owners who significantly renovate older properties. In one project, a developer invested $5.2 million, transforming a former department store on Granby Street into retail spaces on the ground floor with 49 apartments above, renting from $1,000 to $1,600 per month. The project, completed last year, is fully leased.

All along Granby Street, once boarded-up building fronts are alive with the sounds of renovation. And when Cathy Coleman looks out her window, she sees Dillard's Department Store at the corner of a million-square-foot shopping center, a skyline of office buildings, tourists on their way to the *Wisconsin*, and a parade of visitors heading into restaurants and shops.

Jim Morrison is a Norfolk-based journalist whose work has appeared in *Smithsonian*, the *New York Times*, the *Wall Street Journal*, *This Old House*, and numerous other magazines.

Resources

On the web. City of Norfolk: www.norfolk.gov. Norfolk Redevelopment and Housing Authority: www.nrha.norfolk.va.us. Norfolk Economic Development Department: www.norfolkdevelopment.com. Norfolk Downtown Council: www.downtownnorfolk. com. Neighborhood Design and Resource Center: www.norfolk.gov/Planning

Pattern book. For copies of the Norfolk Pattern Book, contact Mary Miller, 757-664-4752; email: mary.miller@norfolk.gov.