Enlightened Urbanism: A Model for Development of Vacant Buildings Downtown

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“What is needed is not a new utopia... but rather a blueprint for a better reality.”

O.M. Ungers

San Antonio is a city rich with a culture and history that spans more than three centuries. Post World War II settlement patterns have expanded the city limits outward, but not without physical, social and economic consequences. Throughout time, the central downtown district has become a stranded asset, an island clearly defined by interstate highways and little pedestrian access. There are many vacant and abandoned buildings on this island that have been allowed to deteriorate and this has weakened the visual identity of the city center. The rehabilitation of these buildings is seen by many developers as cost prohibitive as they “can’t make the numbers work”. They would prefer to demolish the buildings and build new construction from the ground up.

My thesis seeks to explore a typology of development that is sensitive to the small scale historic buildings, the picturesque qualities of the River Walk and that is also a viable economic model for developers. This model investigates the role of an architect/developer to provide balance between cost, profit, and the social benefit of the project. The main objective is to restore population density in downtown San Antonio and explores different building typologies to provide a better quality of life by reconnecting people to the downtown urban core.

As a city that receives nearly $3 billion dollars in taxable revenue from the tourism industry and in light of the recent pursuit of World Heritage Site nomination for the historic missions, San Antonio needs to address the issue of vacant and willfully neglected buildings that plague the city streets. The City of San Antonio recent passed the Vacant Building Initiative whose goal is to “reinsert these buildings into the fabric of downtown and educate owners of development initiatives at the local, state, and federal levels - including historic tax credits.” One such tax credit is the state of Texas franchise tax credits that became available January 1, 2015. Federal tax credits have been around for a number of years already, with 20 projects in San Antonio between 1990 and 2010.
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HISTORIC DEVELOPMENT PATTERNS

Analyzing Sanborn maps for the area surrounding my site, certain trends became apparent. Between 1912 and 1951 with the introduction of the automobile to San Antonio and the effects of World War II, the land area used for transportation greatly increased. In a direct inverse relationship, the land area used for residences decreased. Downtown San Antonio today is covered by a large number of surface and garage parking lots and the surrounding buildings are primarily for commercial use.

RAPID EXPANSION & SUBURBANIZATION OF THE SAN ANTONIO METROPOLITAN ERA

The San Antonio Metropolitan Era has sprawled to cover a large land area. The population of the city has also steadily grown. By comparing these two statistics, it is apparent that the density (population per square mile) has decreased up until the year 2000. An encouraging statistic is that in 2010, the density of the city actually increased ever so slightly. This is a telling statistic that may indicate a new trend of redensification of the city, especially the city center located in the downtown.

WILFULL NEGLECT

Wilfull neglect occurs when the property owner is counting on the fact that if the building deteriorates enough to become a hazard to the public, they can receive a demolition by neglect permit to raze the building. A vacant lot downtown is worth more money to a developer, as they can build new construction from the ground up and mitigate any unforeseen conditions that always arise in rehabilitation projects. These unforeseen conditions are seen as an unwelcome risk that developers are not willing to take on and are part of the reason that developers argue that they can’t make the numbers for downtown development projects “work.”

601 N. ST. MARY’S

The Hedrick Building is an exemplar of wilfull neglect. Originally built in 1928 for the San Antonio Board of Realtors, the building was crafted with a great deal of terra cotta detailing that was covered by a storefront system in the mid-century. The current owner has little interest in developing this property and is choosing to not provide basic maintenance. The owner is facing fines through the new Vacant Building Registration Program.

617 N.ST. MARY’S

Another issue causing the vacancy of properties in downtown is that the tax valuation of the historic buildings is very low. The Hedrick Building is only valued as a $1,000 improvement. The adjacent property with a very ornamental facade is valued at only $100. This illustrates how these historic buildings are perceived as having little value to policy makers.

1 Photo courtesy of the Institute of Texan Cultures
2 All tax valuation information is for 2013 as found on Bexar CAD at bcad.org.
EXAMINING THE ROLE OF THE ARCHITECT

The typical model for development is a top-down tier with the developer and investors at the top. The main priority for the developer is minimizing cost, maximizing profit, and there may be an absence of concern for social benefit. My thesis proposes to have the architect take on the role of developer and to bring all stakeholders together with a balanced approach to cost, profit, and social benefit. Also, this gives the architect more control over the project and minimizes the opportunities for miscommunication and value engineering that cheapens the project.

PROGRAM

In order to bring people back from the suburbs, urban development must appeal to a wide variety of people. My program took shape by breaking down the resident’s needs into five areas: LIVE, WORK, EAT, PLAY, & DO. With today’s technology, many people are working from home and want a zero-commute. Also, many small start up companies need space and are looking for locations downtown. My thesis explores four building typologies as a way to attract the largest variety of residents with varying priorities and interest in living downtown: HISTORIC LOFTS, TRADITIONAL MIXED USE, RIVERWALK CONDOS and LIVE/WORK. Also, the reintroduction of the corner grocery store and cafe/coffee shop will attract those that work in the surrounding office towers.

DESIGN PROPOSAL

The design proposal seeks to connect the historic buildings and the new construction to the urban fabric of San Antonio. The buildings took shape by maintaining a pedestrian street in the location of a historic street that once divided the block, creating Riverwalk access and opening the internal courtyard to N. St. Mary’s Street.
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PRO FORMA

A key component to my thesis is the cost and profit analysis. Using city averages for construction, acquisition and rental rates, I developed a pro forma that includes the federal and state historic tax credits. By utilizing the tax credit, the architect-developer has an additional $5,000,000 to use elsewhere in the project. The program square footage also support the investment with a capitalization rate of seven percent, a number that is a key factor in an shareholder’s decision to invest.

The architect-developer must understand the historic development of the city, the reasons for the decreased density and urban decay, as well as the current trends of the market. In downtown San Antonio, there are many opportunities in vacant and underutilized properties that are prime for urban redevelopment. By concentrating efforts around a few strategic nodes, the individual efforts will eventually have a larger impact. The architect-developer can utilize their unique perspective on the development of downtown to bring about the possible city. This development does not seek to simply restore the city as it once was, but to develop both the existing urban fabric and new insertions. These new insertions are to be sensitive to the historic scale of the city, while balancing cost, profit and social responsibility.