

Living and Working Downtown

By William F. Ryan and N. David Milder

IS IT A POPULATION GROWTH ENGINE FOR SMALL CITIES?

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living and working

DOWNTOWN

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INTRODUCTION

Within the downtown revitalization community, a broad consensus has formed around the maxim that the greater the number of people who live in our downtowns, the more likely they are to prosper. These residents help to spark the “activation” of the district, providing the visible evidence of people engaging in a variety of activities, and nurturing the perceived sense of vitality among visitors that makes the area a magnetic place to be. A number of factors can impact this downtown population growth. The real estate market certainly is one. Job growth, especially of creative class employees, is another. One that has gained notice, of late, is the number of people who both live and work in their districts, and the live-work environments that emerge both to support them and reflect their attitudes and behaviors.

Live-Workers: *Those who both live and work downtown*

Most of the attention paid to the live-work engine has focused on our largest cities. After a brief look at those downtowns, this article will look in greater depth at the numbers, behaviors and impacts of live-workers on suburban and independent cities, mostly in the Midwest, with populations between 25,000 and 75,000.¹

Live-work Environments as a Growth Engine for the Downtowns of Large Cities

Job growth alone often has had mixed impacts on a downtown's vitality and attractiveness in our larger cities. In the 1980s, for example, office de-

velopment – with its large numbers of white collar workers – was seen as THE downtown redevelopment strategy, but it produced a large number of disappointing projects in dull and perceived unsafe downtowns. Many of them had to be “redone.”² In office dominated districts, there were too many fortress-like office towers, and they lacked the multifunctionality and pedestrian activity that are critical for downtown vibrancy. Though somewhat active weekdays from about 11:00 a.m. to about 2:00 p.m., the downtowns were mostly quiet at other times. There were too few people around once the offices closed.

Suburban cities are located in a metro area in which there is a large center city. They usually serve more as bedroom and leisure communities than employment centers.

Independent cities are more geographically isolated and may be the cores of a small metropolitan/micropolitan area. They serve as employment and commercial centers as well as bedroom and leisure communities. They are often also government centers (e.g., county seats). They are more multi-functional than the suburban downtowns.

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Housing is recognized as a powerful growth engine for our larger downtowns, especially the variant that involves people who both live and work in the district. Looking at downtowns in 259 Midwestern cities of 25,000 to 75,000 population, those in the suburbs have had some residential growth, though they have low numbers of live-workers, while those that are in rural regional commercial centers have had practically no growth, yet have live-work levels on a level equal to most of our largest downtowns, though certainly not the levels of the superstars. A key factor is the residents' preferences for rural and suburban lifestyles.

Since the early 2000s, and especially after a major paper by Eugenie Birch in 2005, observers noted that our larger downtowns in the 1990s had been attracting significantly more residents.³ In the years since, housing development has become increasingly seen as the secret revitalization ingredient for a large number of downtowns, including those in numerous suburbs, and almost all of our largest cities. These new residents help activate their downtowns after 5:00 pm on weekdays and over the entire weekend.

However, not all downtowns experience household growth. For example, Birch found that about 27% of the downtowns she studied had declining numbers of households.

Downtown housing growth and district activation is thought to be strongest when downtowns have attracted large numbers of live-workers, those who both live and work in the district. They are there after 5:00 p.m. and on weekends. They don't spend much time in vehicles commuting, but often will walk to and from work, or make short trips on public transit. For example, in several zip codes in Manhattan over 50% of the residents who are in the labor force walk to work. The live-workers very often are also creatives with high salaries.

In a seminal monograph published in 2017, Paul Levy and Lauren Gilchrist researched the percentage of live-workers in 231 major employment centers located in the nation's 150 largest cities and within a one-mile radius that surrounds each of these centers.⁴ Their work is important because it:

- Demonstrates how downtowns are intractably inter-related with their immediately surrounding neighborhoods.
- Showed that a significant number of the downtowns in the nation had very significant levels of live-workers of 40.7% to 55.9%, especially those in superstar cities. (See Table 1.) The authors did not overtly make that claim, but, several of the high performing downtowns they listed are what Aaron Renn has termed as superstar cities: "These "superstar cities" – New York, Los Angeles, the San Francisco Bay

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Area, Boston, Washington, and Seattle – are among America's largest, most productive urban regions. They have well-above-average per-capita GDP and incomes and serve as the home bases of high-value sectors like finance (New York) and high tech (San Francisco)."⁵

- However, the vast majority of our largest employment nodes had considerably lower levels of live-workers: 60% had fewer than 20% of their workforce being live-workers, with 42% in the 10%-19% range.⁶

LIVE-WORK ENVIRONMENTS IN SMALL CITIES WITH BETWEEN 25,000 AND 50,000 POPULATIONS

The authors utilized a dataset compiled by William Ryan, of the University of Wisconsin-Madison/Extension, and Prof. Michael Burayidi, of Ball State University, that covers 259 downtowns in cities with populations between 25,000 and 75,000 in Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio, and Wisconsin. The dataset contained valuable information about the sizes of these downtown populations and their growth or decline.

Using the Census Bureau's On-the-Map online database, two variables were added to the original dataset: the number of people who both lived and worked in the city (N Live-workers in City) and the percentage of people participating in the workforce and living in the city who also worked there (% Live-workers in City). The limitation of these added data is that they are characteristics of the whole city and not just the downtown and its immediately surrounding areas. The reasoning for using these data is that the two live-work variables can be seen as indicators of a *proclivity to live-work* within a city and the analysis can be framed by looking at the impact of that proclivity on the size of these downtown populations and rates of population growth/decline.

Table 1. Population Change Around Job Nodes With Largest Residential Populations

Employment Node	Commercial Downtown		Population in 1/2 Mile		Population in One Mile	
	2010	2000-2010	2010	2000-2010	2010	2000-2010
	Population	% change	Population	% change	Population	% change
Midtown Manhattan, NY	78,579	13%	378,553	7%	586,652	9%
Downtown Manhattan, NY	65,714	65%	148,396	16%	173,179	13%
Center City - Philadelphia, PA	57,239	16%	107,853	16%	170,467	9%
Downtown Chicago, IL	53,832	96%	101,885	46%	144,051	46%
Downtown San Francisco, CA	52,008	16%	117,312	15%	134,312	14%
Downtown Seattle, WA	42,423	25%	86,427	16%	119,590	13%
Downtown Miami, FL	40,414	68%	90,142	34%	140,889	28%
Downtown Boston, MA	33,828	17%	77,610	18%	170,934	10%
Downtown Jersey City, NJ	31,538	58%	77,015	20%	160,186	10%
Downtown Sacramento, CA	30,544	-2%	52,684	2%	73,225	19%
AVERAGES	48,612	37%	123,788	19%	187,349	17%

Source: Paul R. Levy and Lauren M. Gilchrist DOWNTOWN REBIRTH: DOCUMENTING THE LIVE-WORK DYNAMIC IN 21ST CENTURY U.S. CITIES. Prepared for the International Downtown Association by the Philadelphia Center City District

Downtown Population Growth and Decline. These downtowns do not appear to be having the impressive level of population growth that is to be found in our larger cities, and this is especially the case for the independent cities that are not part of a large metro area.

The suburbs averaged downtown populations that were about as large, 3,089, as the independents, 3,294, but had a slightly larger maximum and a lower minimum. The suburban downtowns captured only a slightly lower proportion of their city's population, with a median of 7.6%, than the independents did, with a median of 9.2%. Their highest proportions were close, too, 28.4% among the suburbs and 27.3% among the independents. (See Table 2.)

However, the suburban downtowns had an average growth rate between 2010 and 2018 estimated at 5% compared to just 0.53% for the independents. Both growth rates were far below the two digit growth rates many of our larger downtowns have been experiencing. Unexpected is the large percentage of these downtowns with negative growth rates, 36%. One might think that we were back in the 1960s or 1970s. In this regard again, the comparative strength of the suburbs stood out: while 31% of the suburban cities were dealing with declines in their downtown's population, 46% of the independents experienced such decline. The suburbs also showed much more variation in their growth, with a low of -57.2% and a high of 140.2% compared to the -11.6% and 17.9% for the independent cities.

Many of these downtowns could benefit from a strategy that can increase their downtown populations. An important factor in the different downtown population growth rates of the suburban and independent cities is their current economic growth potentials. Recent studies by Brookings and AEI have noted that economic development these days is stronger in communities that are attached, in a metro area, to a large city that has a population above 250,000.⁷ Many of the suburban cities in the Ryan-Burayidi dataset are attached to such cities (e.g., Chicago, Minneapolis, Columbus). In contrast, the independents, all under 75,000, probably are not, and instead are themselves the core cities of smaller and weaker metro areas.

Levels of Citywide Live-Work. Again, because of their very natures, these two types of cities display quite different levels of live-workers at the city level. In the more

Table 2. Downtown Population Size and Growth in Suburban and Independent Cities in the Midwest With Populations Between 25,000 and 75,000

CITY TYPE	N	Minimum	Maximum	Mean	% Dtns With Negative Growth
Independent					
2018 Dtn Pop.	92	1,065	12,072	3,294	
2010-18 Dtn. Pop % Chg	92	-11.60%	17.90%	0.53%	46%
Suburban					
2018 Dtn Pop.	167	12	13,810	3,089	
2010-18 Dtn. Pop % Chg	167	-57.2%	140.2%	5.0%	31%
ALL					
2018 Dtn Pop.	259	12	13,810	3,158	
2010-18 Dtn. Pop % Chg	259	-57.20%	140.20%	3.16%	36%

Source: A data set compiled by William Ryan, of the University of Wisconsin - Madison/Extension, and Prof. Michael Burayidi, Ball State University from data developed by the Census Bureau, ESRI, and Info USA.

Table 3. Some Descriptive Statistics About City Live-Workers in Independent and Suburban Cities in the Midwest

Type of Statistics	LiveWork_N		% L-Wers of Residents in Workforce	
	INDEPENDENTS	SUBURBS	INDEPENDENTS	SUBURBS
Mean	6,103	2,046	34.1%	10.5%
Median	4,687	1,548	33.1%	9.9%
Minimum	40	69	1.5%	2.2%
Maximum	17,965	16,340	67.7%	36.0%
Percentiles	CUTOFF POINTS		CUTOFF POINTS	
10	2,324	659	16.5%	4.9%
20	2,883	856	20.3%	6.0%
30	3,322	1,144	22.9%	7.1%
40	4,207	1,330	27.2%	8.4%
50	4,687	1,548	33.1%	9.9%
60	5,938	1,906	38.5%	11.2%
70	7,305	2,393	43.2%	12.2%
80	9,312	2,901	47.9%	13.5%
90	12,742	3,598	54.7%	17.6%

Source: A data set compiled by William Ryan, of the University of Wisconsin - Madison/Extension, and Prof. Michael Burayidi, Ball State University from data developed by the Census Bureau, ESRI, and Info USA.

geographically and economically isolated independent cities, half of them have over 33% of their residents who also work in the city, with 10% having between about 54.7% to 67.7% of their residents being live-workers. Those numbers, though at the city level, compare favorably with the percentages of live-workers in and near our big city downtowns identified by Levy & Gilchrist. In contrast, the suburbs, being integrated into an economic region with lots of jobs, have many fewer live-workers at the city level. Half of the suburban cities have less than about 9.9% of their residents also working in their cities, with the highest percentage being 36%, about half that of the independent cities. (See Table 3.)

A Pearson Correlation analysis showed that both live-work variables have very weak relationships with downtown population size in both independent and suburban communities, with no *r* exceeding .166 or being statistically significant. These findings support the conclusion that the proclivity for live-working in both types of cities probably has little impact on the downtown's population size. People who live close to where they work are not clustered in and near their downtowns in these 259 cities.

Many of these downtowns could benefit from a strategy that can increase their downtown populations. An important factor in the different downtown population growth rates of the suburban and independent cities is their current economic growth potentials.

This does suggest that the proclivity to live-working can have *some* positive association with downtown population growth in these communities *when they are growing*. That may point to the additional availability of new downtown housing units that facilitate live-working.

However, there was a positive *r* of .249 significant at the .05 level between the number of live-workers in the independent cities and their downtowns' rates of growth/decline. This does suggest that the proclivity to live-working can have *some* positive association with downtown population growth in these communities *when they are growing*. That may point to the additional availability of new downtown housing units that facilitate live-working.

AN IN-DEPTH LOOK AT WORKING POPULATIONS, JOBS AND LIVE-WORKERS IN 10 SMALL CITY DOWNTOWNS

A closer look at downtown live-work situations is presented here. However, because of resource constraints, it is confined to 10 cities in this population range. Five are independents and five are suburban. Several of these downtowns are not in the Ryan-Burayidi dataset. The authors selected 10 downtowns they have visited and researched with populations in the 25,000 to 75,000 range (with the exception of Morristown, NJ) to look at their live-work rates, if these rates grew or declined between 2007-2017, the size of their working populations (residents in the labor force), and their number of jobs and how they also may have changed.

The data were downloaded from the Census Bureau's On-the-Map online database using 0.5 mile and 1.0 mile radii centered on the key intersection in each district. The assembled data are displayed in Tables 4 and 5. The analysis of such a small sample has obvious statistical limitations. In the natural sciences, e.g., astronomy, however, analogs are often treated as outliers that bring an existing theory or paradigm into question or suggest a need for their amendment. Our findings are presented as being directional, not conclusive, and sometimes as signaling that attention should be paid to them because they do not fit with the accepted professional wisdom.

For the downtowns in the cities in the 25,000 to 75,000 population range, the 0.5 mile ring will cover most or all of their district. It also represents an area that the average pedestrian can cover in about a 10-minute walk from the downtown's center. It is also often used to define the boundaries of transit-oriented development districts. The 1 mile ring defines an area that is about 4.13 times larger than that of the .5 mile ring, and the average pedestrian would have to walk for about 20 minutes to go from the downtown's center to the ring's boundary. Such a walk is still doable for many, but its difficulty is sufficient to probably make others use some

form of transportation or simply not make the trip. The .5 mile to 1 mile donut probably represents the nearby neighborhoods that are so crucial to the success of our downtowns.

Residents in the Labor Force. As can be seen in Table 4, the number of people who live in the 1-mile ring and are in the labor force (labor force pop), for the most part, is far from negligible. (Note, they do not necessarily work in or near the downtown). The most are in two suburbs, Cranford, 8,817, and Morristown, 8,728, both in NJ. However, the average for the five independent downtowns' 1 mile rings, 6,566, is about 10% higher than that of the five suburban cities, 5,977.

A far larger disparity appears when we look at the data for .5 mile rings: the average number of ring residents who are in the labor force is 1,776 for the five suburban city downtowns, but 307% larger at 5,455 for the independent city downtowns. This probably reflects key differences in their basic characteristics: the independents probably are larger and have traditional, more

Table 4. In-Depth Look at Labor Force Populations, Jobs and Live-Work in 10 Selected Cities in 2017

Cities	A) Labor Force Pop		B) Live-Workers		B/A	
	.5 Mi	1-Mile	.5 mi	1-mile	.5 mi	1-mile
Suburbs						
Morristown, NJ	3,286	8,728	216	1,146	6.6%	13.1%
Cranford, NJ	1,994	8,817	78	543	3.9%	6.2%
Garden City, NY	978	5,462	40	455	4.1%	8.3%
Dublin, OH	418	3,106	5	169	1.2%	5.4%
<u>Downers Grove, IL</u>	<u>2,206</u>	<u>3,772</u>	<u>61</u>	<u>292</u>	<u>2.8%</u>	<u>7.7%</u>
Averages	1,776	5,977	80	521	4.5%	8.7%
Ring Ratios	3.4		6.5			
Independents						
Auburn, NY	1,981	6,935	198	1,220	10.0%	17.6%
Laramie, WY	2,578	3,523	181	1,392	7.0%	39.5%
Rutland, VT	1,940	4,980	328	1,459	16.9%	29.3%
La Crosse, WI	9,837	15,973	241	1,032	2.4%	6.5%
<u>Appleton, WI</u>	<u>10,938</u>	<u>14,432</u>	<u>209</u>	<u>959</u>	<u>1.9%</u>	<u>6.6%</u>
Averages	5,455	9,169	231	1,212	7.7%	19.9%
Ring Ratios	1.7		5.2			
Cities	A) Jobs In Ring		B) Live-Workers		B/A	
	.5 Mi	1-Mile	.5 mi	1-mile	.5 mi	1-mile
Suburbs						
Morristown, NJ	10,504	23,431	216	1,146	2.1%	4.9%
Cranford, NJ	2,856	6,624	78	543	2.7%	8.2%
Garden City, NY	8,218	31,309	40	455	0.5%	1.5%
Dublin, OH	2,778	16,529	5	169	0.2%	1.0%
<u>Downers Grove, IL</u>	<u>2,018</u>	<u>6,558</u>	<u>61</u>	<u>292</u>	<u>3.0%</u>	<u>4.5%</u>
Averages	5,275	16,890	80	521	1.5%	3.1%
Ring Ratios	3.2		6.5			
Independents						
Auburn, NY	3,974	6,321	198	1,220	5.0%	19.3%
Laramie, WY	1,132	7,143	181	1,392	16.0%	19.5%
Rutland, VT	3,810	7,659	328	1,459	8.6%	19.0%
La Crosse, WI	1,148	4,178	241	1,032	21.0%	24.7%
<u>Appleton, WI</u>	<u>1,981</u>	<u>7,528</u>	<u>209</u>	<u>959</u>	<u>10.6%</u>	<u>12.7%</u>
Averages	2,409	6,566	231	1,212	12.2%	19.1%
Ring Ratios	2.73		5.2			
Note: Ring Ratio equals 1 mile ring value divided by .5 mile ring value. 4.1 equals the area of a ring with a 1-mile radius divided by the area of a ring with a 0.5 mile radius. 4.13 indicates an even geographic distribution between rings. Values below 4.1 show distribution weight is towards downtown core Values above 4.1 indicate distribution weight is towards outer area.						

These findings are consistent with the conclusion that the vast majority of the people who live in and near suburban downtowns do not do so because their jobs are also there, though some may be employed elsewhere in their cities. *Other factors are leading these residents to select residences in and near their suburban downtowns. Such factors might include the convenience, transportation assets (e.g., commuter rail), and the attractive central social district functions these downtowns offer.*

densely developed downtowns, with more housing units and more jobs, while the suburban downtowns are less densely developed and less multi-functional. However, within the suburban group, Cranford, Morristown, and Downers Grove all have many more of these residents than the other two downtowns. Notably all three had completed a number of downtown housing projects in the 2007 to 2017 timeframe. Also, Morristown is both a suburb in the NY-NJ-CT Metropolitan Region, and a county seat and regional commercial center. Notably, it and Garden City have more people working in the city than residents. Starting out as bedroom communities has not stopped them from also becoming office employment centers.

Table 4 also provides ring ratio values that are created by dividing a variable's value for the 1 mile ring by its value for the .5 mile ring. This sheds light on where the weight of the geographic distribution is between the two rings. Here we are looking at the ring ratio for residents who are in the labor force. A value of 4.1 would indicate an evenly balanced distribution. Values below 4.1 mean the distribution is weighted to the .5 mile ring, and the lower the ratio's value, the more heavily the distribution is weighted. Conversely, values above 4.1 indicate the degree the distribution is weighted to the 1 mile ring. While the ring ratio for the suburban cities, 3.4, and the independents, 1.2, indicates the weight of the distribution is toward the downtown, it is much stronger for the independent downtowns.

Live-Workers. When it comes to live-workers, the differences between the independent and suburban cities are even more striking. In the .5 mile ring the suburbs range between an unimpressive 5 and 216 live-workers, with an average of 80. On average, live-workers account for just 4.5% of the residents in that ring who are in the labor force. If we look at the suburbs' 1 mile rings, the numbers rise, but they still are relatively small. Their live-workers range between 169 and 1,146, with an average of 521. The live-workers in that ring, on average, represent just 8.7% of its residents who are in the labor force. These findings are consistent with the conclusion that the vast majority of the people who live in and near suburban downtowns do not do so because their jobs are also there, though some may be employed elsewhere in their cities. *Other factors are leading these residents to select residences in and near their suburban downtowns. Such factors might include the convenience, transportation assets (e.g., commuter rail), and the attractive central social district functions these downtowns offer.*

Live-workers have a stronger presence in the independent cities, especially in the 1 mile ring around their downtown's central location. They range from 181 to 328 in the .5 mile ring, with an average of 231 and from 959 to 1,459 in the 1 mile ring, with an average of 1,212. On average the live-workers are 7.7% of the residents in the .5 mile ring who are in the labor force, but 19.9% of those residents in the 1 mile ring. Moreover, Laramie and Rutland have much more impressive levels of live-workers, 39.5% and 29.3% respectively. These are levels comparable to large numbers of our largest downtowns. *One explanatory hypothesis is that live-working is likely to flourish in the core cities of a metro area, be it large or small, but not in suburban cities.*

The ring ratio of suburban cities for the live-workers is 6.5, and for the independents it's 5.2, indicating their distributions are weighted significantly toward the 1 mile ring, in the .5 mile to 1 mile donuts where residents are likely to find walking to the town's center not really easy and liable to need/use some transport to get there. This also supports the conclusion that while live-workers may be great for downtown activation and success, downtowns often may not be where people who want to live-work will decide to reside. *Being near, but not in the downtown may allow them to enjoy both the assets of the downtown and a suburban home and lifestyle. This may be a reflection of the local cultures where single family residences and traveling by car still are highly valued.* While this may be more apparent in suburban cities, these cultural preferences can also be found in the independent cities that are so often cities in the midst of a rural area.

Influence of Jobs. Levy and Gilchrist argue that job growth and density are major reasons why live-work levels get very high in our most successful downtowns.

Looking at suburban cities in the bottom half of Table 4, one might note that three of them have relatively large numbers of jobs in their 1 mile rings: Garden City 31,309, Morristown 23,431, and Dublin 16,529. They are in the large NY-NJ and Columbus metro areas. Indeed, the five suburban 1 mile rings average 16,890 jobs. In contrast, the average job count in the 1 mile rings of the independent cities is just 6,566, with the highest being Rutland's 7,659.

However, when we look at the percentage of jobs being held by live-workers in both the .5 and 1 mile rings, the averages for the suburban cities are just 1.5% and 3.1% respectively. Despite their high job numbers, the percentages of Garden City, Morristown, and Dublin in

the 1 mile ring are just 1.5%, 4.9% and 1.0% respectively. The connection between jobs and the emergence of a large number of live-workers seems to be barely existent in these suburban communities, even in those that are prosperous and have lots of jobs.

Live-workers have a more significant presence in the independent cities, especially in their 1 mile rings. The average percentage of jobs held by live-workers in the .5 mile rings is 12.2% and 19.1% in the one mile rings.

However, many of these cities have been struggling. As noted, 46% of the 91 midwestern independent cities in the Ryan-Burayidi database had declining downtown populations. Auburn, Laramie, and Rutland had job losses in their .5 mile ring of -25.6%, -17.8% and -17.8%, respectively between 2007 and 2017 and declines in the number of live-workers of -25.6%, -24.9% and -24.2% respectively (see Table 5). Still, in all five independent cities there is total agreement in all 10 rings between the directions of job growth/decline and live-work growth/decline. That certainly signals a meaningful association between the two.

The opposite is the case with the suburban cities. In seven of their 10 rings there is disagreement in the directions of job growth/ decline and live-working.

Also worthy of note is that between 2007 and 2017 the number of live-workers declined in six of the independent city ring areas and in eight of the suburban ring

Table 5. Job Growth and Live-Worker Growth by Ring Area 2007-2017

Rings in and Near Downtowns	Ring Job Growth	Ring L-W Growth	City Wide Job Growth
Independents			
Auburn 0.5	-20.7%	-25.6%	-21.6%
Auburn 1.0	-33.4%	-40.0%	
Laramie 0.5	-17.8%	-24.9%	2.7%
Laramie 1.0	-15.5%	-25.8%	
Rutland 0.5	-17.8%	-24.2%	-14.0%
Rutland 1.0	-15.5%	-21.2%	
La Crosse 0.5	14.8%	60.7%	4.1%
La Crosse 1.0	11.5%	68.9%	
Appleton 0.5	19.8%	45.1%	-3.1%
Appleton 1.0	2.8%	14.2%	
Averages	-7.2%	2.7%	-6.4%
Suburbs			
Morristown 0.5	7.6%	-22.9%	11.4%
Morristown 1.0	8.7%	-10.7%	
Cranford 0.5	-17.9%	-13.3%	-10.7%
Cranford 1.0	1.5%	-5.4%	
Garden City 0.5	0.4%	-18.4%	76.8%
Garden City 1.0	-11.2%	-12.0%	
Dublin 0.5	-4.3%	N too small	5.6%
Dublin 1.0	-20.7%	35.2%	
Downers Grove 0.5	1.6%	-22.8%	19.4%
Downers Grove 1.0	-5.0%	-15.4%	
Averages	-3.9%	-9.5%	20.5%

Source: Census Bureau's On the Map online database.

Table 6. Live-Work in Dublin, OH in 2007 and 2017

AREA	EMPLOYED IN AREA	LIVE IN AREA	LIVEWORK IN AREA	% LiveWork of Employed	% LiveWork of Residents
0.5 Mile Radius					
2017	2,778	418	5	0.18%	1.20%
2007	2,129	437	3	0.14%	0.69%
Delta	649	(19)	2	0.04%	0.51%
1-Mile Radius					
2017	16,529	3,106	169	1.02%	5.44%
2007	11,592	3,916	125	1.08%	3.19%
Delta	4,937	(810)	44	-0.06%	2.25%
Citywide					
2017	42,249	21,463	3,184	7.54%	14.83%
2007	40,024	19,298	2,776	6.94%	14.38%
Delta	2,225	2,165	408	0.60%	0.45%

areas. While live-work may have been growing in our larger cities, these 10 cities suggest that it may have been struggling in our small cities.

The ring ratios for the suburban cities, 3.2, and the independents, 2.7, both indicate the geographic weighting of jobs is toward the downtown. This is again the opposite direction of the live-worker ring ratios. Jobs may be going to the downtown core, but live-workers are going to the close-in neighborhoods surrounding the downtown or at its periphery.

A Case Study of a Creatives' Suburb. Looking at the nature of the live-work environment in one of the suburban cities in our dataset, Dublin, OH, provides an interesting case study. Dublin is the nation's 13th strongest creative class city, according to Richard Florida.⁸ For a suburb (of Columbus), it also has a large number of people who hold jobs in the city, about 42,249 in 2017. (See Table 6.) Given the propensity for creatives to prefer hip urban areas, one might expect a high number of live-workers in this downtown. However, the number of live-workers within a half-mile of the downtown's center point in 2017 is a miniscule five. In 2017 live-workers represented just 0.18% of the downtown's workforce and 1.2% of its residents who are in the labor force. They also represented just 0.48% of the downtown's 1,024 residents (includes those not in the labor force). Those five live-workers accounted for 0.2% of the 3,184 live-workers in the whole city. They seem to be avoiding downtown.

The number of people who are in the labor force and live in the 0.5 mile radius had dropped slightly, by 19, from 2007. Most notably, the absolute numbers of live-workers and their percentages of the relevant area's workforce and residents increased with their distance from the downtown. Moreover, the number of live-workers in the city increased by 408, while the increase within the 1 mile ring was just 44, or about 9% of the city's total increase. This is consistent with the hypothesis that the local residents and workers have little interest in living in urbanized environments, or at least the type offered in downtown Dublin. The downtown might not be seen as hip. It is very small. This should not be surprising in a town that is such a strong exemplar of a successful suburban city.

Google describes Dublin as follows:

"Dublin Ohio is a long-standing community and is probably best known for being the home of Jack Nicklaus' Country Club at Muirfield Village."

*"Dublin is in Franklin County and is one of the best places to live in Ohio. Living in Dublin offers residents a sparse suburban feel and most residents own their homes (italics added). In Dublin there are a lot of bars, restaurants, coffee shops, and parks. ... The public schools in Dublin are highly rated."*⁹

In 2014, a survey by Trulia found that 53% of the 2,008 respondents lived in a suburb and that about 93% of them preferred living in suburban locations.¹⁰ That suggests a high probability that a strong majority of the residents in towns like Dublin might not be looking to live in a dense downtown location in a multi-unit structure. The situation in Dublin signals that many creatives may be among them. Dublin recently undertook a massive new project, the Bridge District, to strengthen the downtown. It will be interesting in a few years to see how that changes how many people live in its downtown and how many are live-workers.¹¹

IMPLICATIONS OF LIVE-WORKERS IN YOUR DOWNTOWN

- 1) Many of These Downtowns Are Struggling. This is strongly evidenced by the analysis of the 259 cities in the Midwest with populations between 25,000 to 75,000. Many of their downtown populations are declining, not growing. The problem is 48% greater in the independent cities than in the suburban cities that are often attached to fairly large and more prosperous metro areas. That Laramie and Rutland are also having downtown problems suggests that such weakness is not confined to the Midwest but probably national in scope. The success of our superstar cities and downtowns should not cloud our awareness of the challenges many of our other downtowns are still facing.
- 2) That Said, Their Downtown Populations Are Not Insignificant. The average downtown populations of the 91 independent cities, 3,294, and the 168 suburban cities, 3,089, are similar. Downtown populations of that size can have over \$150 million in total annual consumer spending. If they just make one trip daily outside their homes that totals over 6,000 potential in-out pedestrian trips. Those are not negligible numbers.
- 3) Live-Working in These Cities Is Struggling, Too. While live-work may have been growing in our larger cities, in the 10 cities given a close look in this study, the numbers of live-workers declined between 2007 and 2017 in seven of the 10. In the suburban downtowns, live-work was not significant to begin with. That suggests live-work may have limited

potential in many suburban downtowns and that it is struggling in a large number of our medium-sized independent cities nationally.

- 4) The Job Growth/Decline – Live-Work Growth/Decline Connection Does Not Work in Suburban Downtowns. Even when they have tens of thousands of jobs, the suburban .5 and 1 mile rings have very low percentages of live-workers. Conversely, the independent cities, that are often the core cities of small metro areas and have denser and more multi-functional downtowns than the suburban cities, can have significant levels of live-workers. In them, the connection between jobs and live-workers seems to be meaningful. However, the data on these five independents indicate that this can be a double-edged sword. When jobs grow, so can the live-workers, but, when jobs decline, so will the number of live-workers, and many of these downtowns are in stressed regional economies. *One explanatory hypothesis is that live-working is likely to flourish in the core cities of a metro area, be it large or small, but not in suburban cities.*
 - 5) Is Job Growth Really the Primary Engine of Downtown Population Growth? The average downtown populations of the 91 independent cities and the 168 suburban cities are similar, but they differ in what attracts these residents. While proximity to jobs might draw a significant number of residents to locate in independent city downtowns, that is not the case with the suburban downtowns. Indeed, even most of the residents in the independent downtowns probably are not drawn there by the proximity to their jobs. If that holds nationally, then the argument for jobs being a primary engine of downtown population growth needs to be amended. Moreover, the reverse commuters in our superstar cities, such as those riding Google buses from their San Francisco homes to their Mountainview jobs, suggest national applicability.
- The question then becomes, what other factors can be attracting downtown residents? Since our data did not cover this question, we can only hypothesize on the following factors based on the accepted conventional wisdom in the downtown revitalization field:
- a. The downtown's multifunctionality, that there are so many diverse needs and wants that can be met in a downtown;
 - b. The attraction of the downtown's central social district assets: its housing, restaurants, bars, public spaces, cultural and entertainment venues, senior and childcare centers, places of worship, pamper niche venues, etc.;
 - c. The convenience of being able to walk to all of these venues and engage in all of the activities in a compact and visually attractive and humanly scaled area, and
 - d. In the suburbs, housing proximity to a commuter rail or an express bus station.

If any of these factors are relevant, then these

downtowns should pursue revitalization strategies that reflect those points.

- 6) The Signals of Important Cultural Preferences. It's important to keep in mind that the vast majority of the cities analyzed in this study are either suburban or regional commercial centers in rural areas. Very high proportions of the people who live in these areas prefer living in such communities. Their cultural preferences are for single family homes, high car use, and a selective tolerance of dense clusters of people. Living in multi-unit buildings situated in or near a walkable commercial district may only be valued by a limited number of niche market segments, such as empty nesters, commuter rail users, and young adults who need to share residency costs.

Looking at the 10 cities spotlighted in this study: while the weight of the geographic distributions of the labor force population and jobs tilt toward the .5 mile ring, it tilts strongly to the donut area between the two ring boundaries for the live-workers. This suggests that there may be some important differences between the live-workers residing in the donut and those people who live in the core downtown area. One might conjecture that since it is likely that the housing available in the donut will not be as dense as it is in the downtown core, and also more likely to be single-family dwellings, that this signals an important lifestyle preference. This, in turn, may correlate with higher income households who can afford to buy houses going to the donut.

Moreover, as we noted about Dublin, OH, even though the town has many creatives working there, where its residents have chosen to live suggests a high probability that a strong majority of them are not looking to live in a dense downtown location in a multi-unit structure.

- 7) Would an Infusion of Creatives Alter These Cultural Preferences and Increase Live-Working? Creatives are often seen as the strategic solution to many downtown challenges. Would an infusion of them counter a culture's existing preference for a dispersed lifestyle? Research by David A. McGranahan and Timothy R. Wojan found that in metropolitan counties about 30.9% of the workforce were in creative class occupations, while in rural counties it was just 19.4%.¹² One might reasonably deduce that the cities analyzed in this study have creatives that probably account for between 20% to 30% of their workforces.

Creatives are famous for living where they will find the lifestyles they prefer, so the fact that they live in these suburban and rural cities can be taken as a fairly strong sign that they like living in these kinds of communities. That, in turn, suggests that they may have adopted many of the cultural values of their larger community. Moreover, whatever impact they might have already is reflected in the current situation in these cities and their downtowns. Also, given their education, income and employment, creatives also can be expected to have had an above average level of influence in the community.

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One possible influence for change might be creatives who move into these communities. Will they bring in a more cosmopolitan worldview? There has been some research on the people who are moving back to small towns and rural areas that shows many are in creative occupations and that they move back to be closer to their families, to enjoy a slower pace of life, and to live in a place where social ties and engagement are more important.¹³ They may be bringing their creative and entrepreneurial talents into their suburban and rural cities, but they are not there to create a mini Midtown Manhattan or a mini downtown San Francisco.

On the other hand, if the incoming creatives are largely young, not nested adults, then there might well be a demand for apartment units. However, brain gain when it emerges in these cities, to date, has brought in more families than singles.

TAKEAWAYS FOR ECONOMIC DEVELOPMENT PRACTITIONERS

1. Economic development practitioners should **understand the differences between suburban and independent small cities** and base their plans and expectations accordingly. For example, geographically separated independent cities are often more multi-functional, but may lack the economic benefits of physical connection to a large and economically strong metropolitan area that the suburban downtowns can have.
2. Overall, small city downtown populations, **both suburban and independent, have not grown as fast as those in our larger cities.** Indeed, many are struggling. Suburban downtowns have grown faster than the more isolated independent downtowns. Economic development practitioners should refer to a sample of like-communities when establishing goals for their downtowns if their expectations of attracting employers and employees are to be realistic. In addition, focusing on the retention and revenue growth of the town's current firms and residents may prove to be worthwhile.

3. Economic development practitioners should recognize that **live-work downtowns appeal to some, but not all lifestyles, and shape their plans accordingly**. The suburbs show that meaningful downtown population growth may still be possible, but more dependent on household composition and characteristics than on proximity to workplace. For instance, seniors, empty nesters, commuter rail riders, and young adults may be market segments suburban downtown housing developments might viably target. While live-working is more prevalent in the independent communities, its growth is impeded by both their often stressed regional economies and a cultural skepticism about the desirability of downtown living.
4. Economic developers should recognize that **an infusion of creative workers is unlikely to significantly heighten live-work levels in these downtowns**. Prior research has established that about 20% of the workforces in rural counties are creatives and so are about 40% of the residents in the suburban counties of large urban areas. There is little reason to believe that vast numbers of these creatives yearn to reside in hip urban type places. To the contrary, there are reasons to believe they have voted with their beds – they like living in single family homes, in more sparsely populated, green, and car oriented environments. However, many may still appreciate small “urbanized” downtowns for leisure, recreational and entertainment reasons. For example, the flight in recent years of New York City creatives to towns like Hudson, Kingston, Beacon, and Woodstock demonstrate that point.
5. Economic developers should realize that **the pivotal geographic areas for both the independent and suburban downtowns may be those in their Greater Downtowns, i.e., those within an easy five minute drive of the downtown core, but not**

within the district’s official boundaries. The residents, workforces, and businesses in these areas are likely to be among the districts’ most frequent visitors and biggest spending customers, and can have huge impacts on their images. ☎

ENDNOTES

1. These cities were selected based on data from: U.S. Census Bureau, Governments Division, Government Organization, Table 7: Subcounty General-Purpose Governments by Population-Size Group and State. Census of Governments (2007).
2. Two of the most successful “redos” are Uptown Charlotte and the Lower Manhattan CBD.
3. Eugenie Birch, “Who lives downtown,” Washington, DC: The Brookings Institution, Metropolitan Policy Program, November 2005, pp 20.
4. Paul R. Levy and Lauren M. Gilchrist, “Downtown Rebirth: Documenting the Live-Work Dynamic in 21st Century U.S. Cities.” Prepared for the International Downtown Association by the Philadelphia Center City District, pp.57.
5. Aaron Renn, “SCALING UP: How Superstar Cities Can Grow to New Heights,” Manhattan Institute, Report January 2020, pp. 16, p.1.
6. See Levy and Gilchrist in endnote 4 above.
7. See: Nathan Arnosti and Amy Liu. “Report: Why rural America needs cities.” Brookings Institution. November 30, 2018 . <https://www.brookings.edu/research/why-rural-america-needs-cities/#cancel> ; and Mark Muro and Robert Atkinson, “Countering America’s Regional Economic Disparities Is Going to Take More Than Hope, AEI, 2020. <https://www.aei.org/wp-content/uploads/2020/02/Countering-America%E2%80%99s-Regional-Economic-Disparities-Is-Going-to-Take-More-Than-Hope.pdf>
8. See: Richard Florida, “America’s Leading Creative Class Cities in 2015.” City Lab. April 20, 2015 <https://www.citylab.com/life/2015/04/americas-leading-creative-class-cities-in-2015/390852/>
9. See: <http://tinyurl.com/tmxmjvj>
10. Trulia survey of 2008 Americans, November 2014, see: <https://www.trulia.com/research/cities-vs-suburbs-jan-2015/>
11. Thanks to Aaron Renn for bringing this to our attention.
12. David A. McGranahan and Timothy R. Wojan, “Recasting the Creative Class to Examine Growth Processes in Rural and Urban Counties.” USDA. <https://naldc.nal.usda.gov/download/41989/PDF>
13. See the discussion in N David Milder, “Quality of Life (QoL) Retail Recruitment Update,” The Downtown Curmudgeon Blog, July 2019 <https://www.ndavidmilder.com/2019/07/quality-of-life-qofl-retail-recruitment-update>



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