



Downtown Economics

Ideas for Increasing Vitality in Community Business Districts

Issue 170
October 2010

“Soul of the Community” and the Economic Vitality of Downtowns

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A recent Gallup Poll discovered a significant link between the emotional attachment residents feel toward their community and the economic growth of that community. The more emotionally attached residents are to their community, the more likely they will stay there – and spend their money there. The synergistic relationship between successful downtowns and their host community is powerful. Downtowns play instrumental roles in creating communities that people will choose to live in, while people living in and near downtowns help sustain an economically vibrant business environment.

This article will discuss the role of downtowns in creating these important place-based attachments. The Gallup results will be compared with two additional surveys to test whether these findings are equally relevant for small and large communities and their downtowns. Special attention will be given to attracting and retaining young people, as the loss of young people is a common problem facing many communities.

“Soul of the Community”

Consistently across the country, the Gallup’s “Soul of the Community” poll identified three dimensions of community life that most strongly attach people to their community:

- 1) **Openness** – How open is the community to new and different groups? Is it a good place to live for a variety of people?
- 2) **Social Offerings** – Is it easy to meet new people? Is there a fun social scene?
- 3) **Aesthetics** – How are the parks and trails? Does it have an attractive physical setting?

No doubt, downtowns play a key role with all three of these dimensions. The design of downtown places - with their high densities and mixed uses, their cultural offerings and nightlife, their built environment and greenspaces –

can offer public places where everyone feels welcome, where social interactions easily occur and where people truly enjoy their surroundings.

Research consistently supports the importance of downtowns in attracting residents to their communities. This may be especially true for young, creative people. Richard Florida states that creative people “gravitate to stimulating creative environments ... where they feel they can express themselves and validate their identities”. Rebecca Ryan writes “you must have a city ... that captures (young peoples’) sensibilities, matches their values, and attracts and engages them” through density, diversity, and stroll districts. The Gallup Poll and other research focus on large metropolitan areas. Will these same findings apply to downtowns in small towns?

Michigan Cool Cities Survey

The Michigan Cool Cities survey of 14,000 college students and recent graduates identified significant differences in location preferences between those looking to live in the downtown of a large city and those wanting to live in a small town or rural area. Out of 31 possible reasons for selecting a place to live, the top ten factors selected by those wanting to live in a large downtown focus on socializing, diversity and opportunity:



- 1. Gathering Places
- 2. Many Jobs
- 4. Diversity
- 5. Different Lifestyles
- 7. Arts/Culture
- 8. Safe Streets
- 9. People My Age
- 10. Affordable

Those wanting to live in a small town or rural area are looking for a completely different and more traditional lifestyle, focusing on safety, affordability and family:

- 1. Scenic Beauty
- 2. Safe Streets
- 3. Affordable
- 4. Place for Family
- 5. Public Schools
- 6. Sense of Community
- 7. Low Traffic
- 8. Environmental Concern
- 9. Friends and Family
- 10. Walkable Streets

In fact, there is no commonality in the top seven location decision-making factors for these two groups.

Downtowns in large cities play instrumental roles in attracting young people to their communities and should continue to offer the “stimulating, creative environments” described by Richard Florida. This can be done by creating attractive, safe and walkable streets and sidewalks, providing a variety of public and private, formal and informal gathering places, accepting and encouraging social diversity and offering ample opportunities to enjoy the arts, music, culture and shopping.

The Michigan Cool Cities Survey indicates that young people looking to live in small towns are more interested in traditional community characteristics such as safety and being a good place to raise a family. Thus, the downtown environment is not in itself the focus for these young people in deciding where to live. Therefore, to help attract young people to their communities – and to support the long-term economic and social vitality of their business districts - downtown leaders may want to engage themselves in broader community development efforts aimed at creating, maintaining and promoting more traditional community components.

Gogebic Range Survey

While the Michigan Cool Cities Survey indicates that downtowns in smaller communities have a less influential role in attracting young people, the Gogebic Range survey strongly indicates the importance of downtowns in retaining the young people already living there. The Cool

Cities Survey was replicated on the Gogebic Range of Iron County, WI and Gogebic County, MI. Iron County is home to two downtowns, including Hurley (pop. 1,818) and Mercer (pop. 1,732). Gogebic County is home to three downtowns, including Ironwood (pop. 6,293), Bessemer (pop. 2,148) and Wakefield (pop. 2,085).

Nearly 700 high school students, college students and young professionals residing on the Gogebic Range rated the importance of the same 31 factors used in the Cool Cities Survey. Respondents were also asked how likely they were to stay on the Gogebic Range “for quite some time.” Of special interest to downtowns in small communities is that seven of location decision – making factors fell within the three dimensions identified in the Gallup Poll:

<u>Location Factor</u>	<u>Gallup Poll Dimension</u>
Different Lifestyles	Openness Dimension
People My Age	Social Offerings Dimension
Nightlife	Social Offerings Dimension
Music Scene	Social Offerings Dimension
Scenic Beauty	Aesthetics Dimension
Walkable Streets	Aesthetics Dimension
Historical Neighborhoods	Aesthetics Dimension

Conclusion

Downtowns are key players in attracting and retaining young people in both small and large communities. Like in large cities, downtowns in small communities must also position themselves as the “soul of the community” by understanding and responding to the important emotional dimensions of openness, social offerings and aesthetics. Well-designed and well-managed downtowns can make young people feel connected to their communities and passionate about where they live. This passion translates directly into a community’s ability to attract and retain young people, ultimately sustaining the community, and a vibrant and economically sound downtown.

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